

**TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH**

**LEGISLATURE**

**IN THE HOUSE OF REPRESENTATIVES**

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**Regular Session, 2025**

**H. B. 24- 103**

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**A BILL FOR AN ACT**

To deposit the fiber optic telecommunications cable rights-of-way annual use fee into a Submerged Lands Revolving Fund Account for the management and maintenance of submerged lands.

**BE IT ENACTED BY THE 24<sup>TH</sup> NORTHERN MARIANAS  
COMMONWEALTH LEGISLATURE:**

1           **Section 1. Findings and Purpose.** Pursuant to Article XI, Section 2 of the  
2 Constitution of the Northern Mariana Islands, “[t]he management and disposition  
3 of submerged lands off the coast of the Commonwealth shall be as provided by  
4 law.” Cognizant of the aforementioned constitutional provision, the Submerged  
5 Lands Act indicates that the Department of Natural Resources, which has since  
6 been re-designated as the Department of Lands and Natural Resources (DLNR), is  
7 responsible for such management and disposition of submerged lands. CNMI Pub.  
8 L. No. 6-13 (1988).

9           Pursuant to 2 CMC § 1222(b)(1), in regard to fiber optic  
10 telecommunications cable rights-of-way, any person who wishes to engage in a  
11 water-dependent use of submerged lands in the Commonwealth for construction,  
12 installation, operation, and maintenance of a fiber optic telecommunications cable

1 must agree to pay, by notice to DLNR, an annual use fee of \$60,000 per annum to  
2 the Commonwealth Treasury.

3           Because DLNR is responsible for the management of submerged lands, the  
4 Legislature finds that DLNR should be the recipient of such annual use fees.  
5 Therefore, this Act requires that all fiber optic telecommunications cable annual  
6 use fees be paid directly to DLNR and deposited into a new Submerged Lands  
7 Revolving Fund Account. Funds within this account shall be used exclusively to  
8 fund the operations and personnel in DLNR that are necessary for managing,  
9 monitoring, and maintaining submerged lands and their associated natural  
10 resources within the Commonwealth; maintaining public facilities located on or  
11 affecting submerged lands; and carrying out the Department's duties and  
12 responsibilities related to submerged lands as provided by law.

13           **Section 2. Amendment.** 2 CMC § 1222(b)(1) is hereby amended to read as  
14 follows:

15           **“§ 1222. License, Lease or Permit Required.**

16                   (b) Fiber Optic Telecommunications Cable Rights-of-Way. Any  
17                   person may engage in a water-dependent use of submerged lands  
18                   of the Commonwealth for the construction, installation,  
19                   operation, and maintenance of a fiber optic telecommunications  
20                   cable and necessary related facilities for a fiber optic  
21                   telecommunications network system, without need for a lease

1 issued pursuant to 2 CMC § 1221(g) or other license or permit  
2 under this chapter, and shall by operation of law hold a right-of-  
3 way for such purpose in and through the submerged lands of the  
4 Commonwealth, by complying with all of the following  
5 conditions:

6 (1) Agreeing to pay, ~~by notice to the Secretary of the Department~~  
7 ~~of Lands and Natural Resources, and paying to the Treasury~~  
8 ~~of the Commonwealth of the Northern Mariana Islands~~ the  
9 Department of Lands and Natural Resources an annual use  
10 fee of \$60,000 per annum in U.S. dollars (or more at the  
11 option of such person), in advance in quarterly or fewer  
12 installments. This fee shall not be increased for 25 years, so  
13 long as timely paid, and this undertaking not to increase the  
14 fee shall constitute a contractual obligation of the  
15 Commonwealth government upon tender of the first such  
16 payment. The payment prescribed by this subsection  
17 constitutes the adequate compensation for the use of  
18 submerged lands for water and non-water dependent uses  
19 required by 2 CMC § 1221(f). The first such payment shall be  
20 tendered not more than 30 days after the Department of Lands  
21 and Natural Resources issues a notice of payment obligation

1                    ~~to the person. issuance of the notice prescribed by this~~  
2                    ~~subsection.”~~

3                    **Section 3. Enactment.** A new Section 1226 is hereby added to Title 2,  
4 Division 1, Chapter 2, Article 2 of the Commonwealth Code to read as follows:

5                    **“§ 1226. Submerged Lands Revolving Fund Account.**

6                    (a) There is hereby established a Submerged Lands Revolving Fund  
7                    Account, which shall be a revolving fund within the Department  
8                    of Lands and Natural Resources where all funds collected  
9                    pursuant to 2 CMC § 1222(b)(1) shall be deposited. Monies  
10                    deposited into this revolving fund shall be used exclusively to  
11                    fund the operations and personnel in the Department of Lands  
12                    and Natural Resources that are necessary for managing,  
13                    monitoring, and maintaining submerged lands and their  
14                    associated natural resources within the Commonwealth;  
15                    maintaining public facilities located on or affecting submerged  
16                    lands; and carrying out the Department’s duties and  
17                    responsibilities related to submerged lands as provided by law.

18                    (b) The expenditure authority of this revolving fund shall be the  
19                    Secretary of Lands and Natural Resources.

20                    (c) All funds collected and deposited into the Submerged Lands  
21                    Revolving Fund Account shall be without fiscal year limitations.

1           The revolving fund shall be considered a continuing  
2           appropriation, available for obligation or expenditure without  
3           further legislative action, until altered or revoked by the  
4           Legislature.

5           (d) The Department of Lands and Natural Resources shall maintain  
6           accurate records of all transactions involving the revolving fund  
7           and shall submit an annual report to the Legislature detailing the  
8           fund's financial status and operations.”


9           **Section 4. Severability.** If any provisions of this Act or the application of  
10          any such provision to any person or circumstance should be held invalid by a court  
11          of competent jurisdiction, the remainder of this Act or the application of its  
12          provisions to persons or circumstances other than those to which it is held invalid  
13          shall not be affected thereby.

14          **Section 5. Savings Clause.** This Act and any repealer contained herein  
15          shall not be construed as affecting any existing right acquired under contract or  
16          acquired under statutes repealed or under any rule, regulation, or order adopted  
17          under the statutes. Repealers contained in this Act shall not affect any proceeding  
18          instituted under or pursuant to prior law. The enactment of the Act shall not have  
19          the effect of terminating, or in any way modifying, any liability, civil or criminal,  
20          which shall already be in existence on the date this Act becomes effective.

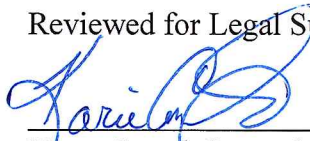
1           **Section 6. Effective Date.** This Act shall take effect upon its approval by  
2 the Governor, or its becoming law without such approval.

Prefiled: 3/13/2026

Date: 3/13/2026

Introduced by:   
REP. EDMUND S. VILLAGOMEZ

Reviewed for Legal Sufficiency by:

 3-13-26  
House Legal Counsel