

TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH

LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

June 11, 2025

Third Spe Regular Session, 2025

H. B. 24- 70

A BILL FOR AN ACT

To appropriate funds from Accounts 1501B and 1501S to support the operational and personnel needs of the CNMI Cannabis Commission and to direct the Secretary of Finance to establish and maintain a separate sub-account within the Cannabis Tax Account for the purpose of segregating and reserving PSS's designated share.

**BE IT ENACTED BY THE 24TH NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE:**

1 **Section 1. Findings and Purpose.** Section 1512 of Title 4 of the
2 Commonwealth Code establishes a special Cannabis Tax Account (CTA) separate
3 and apart from the general fund. Taxes collected pursuant to 4 CMC § 1402(a)(21),
4 4 CMC § 1310, and any other gross revenue taxes imposed under Title 4, Division
5 1, Chapter 3, that are generated from licensees of the Cannabis Commission are
6 deposited into the CTA for appropriation by the Legislature. Of the total
7 appropriation provided under this section, twenty-five percent (25%) is statutorily
8 required to be allocated to the Public School System. Account 1501S is the account
9 established pursuant to 4 CMC § 1512, and as of March 31, 2025, Account 1501S

1 has a certified balance of \$112,358.38.

2 As previously mentioned, the law requires that twenty-five percent (25%)
3 of the appropriation provided for pursuant to 4 CMC § 1512 be allocated to the
4 Public School System (PSS). As such, the Legislature finds it prudent to segregate
5 the twenty-five percent (25%) designated for PSS under 4 CMC § 1512 into a
6 separate sub-account within the Cannabis Tax Account. This subaccount will be
7 used to reserve PSS's designated share.

8 Section 53036(g) of Title 4 of the Commonwealth Code states that all
9 license fees and application fees established under 4 CMC § 53036(d) shall be
10 placed in an account separate from the general fund to pay the expenses necessary
11 for the operation of the CNMI Cannabis Commission, subject to legislative
12 appropriation. The Chairman of the Commission, or his or her designee, shall serve
13 as the expenditure authority of this account. Account 1501B is the account
14 established pursuant to 4 CMC § 53036(g), and as of March 31, 2025, Account
15 1501B has a certified balance of \$372,442.50.

16 Thus, the purpose of this Act is to appropriate funds from Accounts 1501B
17 and 1501S to support the operational and personnel needs of the CNMI Cannabis
18 Commission and to direct the Secretary of Finance to establish and maintain a
19 separate sub-account within the Cannabis Tax Account for the purpose of
20 segregating and reserving PSS's designated share.

1 **Section 2. Appropriations.**

2 (a) The sum of \$84,268.78 is hereby appropriated to the CNMI Cannabis
3 Commission from Account 1501S (Cannabis Tax Account), which was
4 established pursuant to 4 CMC § 1512, as follows:

5 (1) \$84,268.78 for personnel salaries and wages of the CNMI Cannabis
6 Commission.

7 (b) The sum of \$156,856.00 is hereby appropriated to the CNMI Cannabis
8 Commission from Account 1501B (Cannabis Commission Licensing
9 and Application Fees Account), which was established pursuant to 4
10 CMC § 53036(g), as follows:

11 (1) \$8,500.00 for utilities, including power and water;

12 (2) \$58,446.00 for office operations and supplies, including office
13 supplies, newspapers, software, membership fees, and subscriptions;

14 (3) \$74,910.00 for equipment and maintenance, including information
15 technology equipment, office equipment, office repairs, vehicle
16 repairs, fuel and lubrication, and yard maintenance; and

17 (4) \$15,000.00 for travel and rentals.

18 (c) The Chairman of the CNMI Cannabis Commission, or his or her
19 designee, shall serve as the expenditure authority for the funds
20 appropriated under this Section.

1 **Section 3. Reservation of Funds; PSS Sub-Account.**

2 (a) If, at the time this Act becomes law, 4 CMC § 1512(a) requires that
3 twenty-five percent (25%) of appropriations from the Cannabis Tax
4 Account be allocated to the Public School System (PSS), then the
5 following shall apply:

6 (1) Of the total certified balance of \$112,358.38 in Account 1501S,
7 which is the Cannabis Tax Account, twenty-five percent
8 (\$28,089.60) shall be segregated into a subaccount for the Public
9 School System (PSS) for future appropriation.

10 (2) The Secretary of Finance is hereby directed to establish and maintain
11 a separate sub-account within the Cannabis Tax Account for the
12 purpose of segregating and reserving PSS's designated share.

13 (3) The funds appropriated in this Act from the Cannabis Tax Account
14 shall apply only to the portion of the fund not reserved for PSS. The
15 funds in the PSS-designated sub-account shall remain
16 unappropriated and reserved until such time as the Legislature
17 determines otherwise.

18 (b) If, at the time this Act becomes law, the statutory requirement to allocate
19 25% of the appropriations made from the Cannabis Tax Account to the
20 Public School System has been repealed or amended to remove the
21 mandatory allocation, then this Section shall be deemed inoperative and

1 shall not be implemented.

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

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

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


Prefiled: 6/11/2025

Date: _____

Introduced by: _____

Rep. Denita K. Yangetmai

Reviewed for Legal Sufficiency by:



House Legal Counsel