

TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH

LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

Regular Session, 2025

H. B. 24-50

A BILL FOR AN ACT

To authorize a loan between the Commonwealth Government and the Marianas Public Land Trust in the amount of \$29,000,000 and authorize the Marianas Public Land Trust to withhold and retain net annual distributable income starting Fiscal Year 2026 for repayment and security of the loan.

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

1 **Section 1. Findings and Purpose.** The Legislature finds that a loan from
2 the Marianas Public Land Trust (“MPLT”) is required to meet the Minimum
3 Annual Payment to the Settlement Fund in light of the strain on the
4 Commonwealth’s fiscal resources imposed by the exhaustion of federal assistance
5 and ongoing slow recovery of tourism in the wake of the COVID-19 pandemic.
6 The Final Amended Agreement and Stipulation of Settlement in Johnson v.
7 Inos et al., 1:09-cv-00023 (D. N. Mar. I. Aug. 6, 2013), ECF No. 468-1 at 11,
8 requires the CNMI “to make minimum annual payments to the Settlement Fund
9 sufficient to enable the Settlement Fund to pay 75% of Class Members’ Full
10 Benefits each year for the Settlement Fund’s expected life as determined by an
11 independent actuary appointed by the Trustee and approved by the District Court.”

1 In accordance with Article X, Section 3 of the NMI Constitution, the
2 Legislature is authorizing a loan from the Marianas Public Land Trust to pay the
3 Minimum Annual Payment for Fiscal Year 2026 in the amount of \$29 million
4 (\$29,000,000.00) and with a simple interest rate of 7.5% calculated annually.

5 The Legislature pledges as security and earmarks for debt service until the
6 loan is redeemed the interest accrued on MPLT’s trust proceeds and owed to the
7 Commonwealth pursuant to Article XI, Section 6(d) of the NMI Constitution. That
8 is, the Legislature authorizes MPLT to withhold transfer of accrued interest on the
9 trust proceeds until such time as the principal and interest loan balance is redeemed.

10 **Section 2. Enactment.** The following provision is hereby enacted:

11 “§ 101. Notwithstanding any provision of law to the contrary, the
12 Commonwealth Government, through the Governor and the Secretary of Finance,
13 is authorized to enter into an agreement with the Marianas Public Land Trust for a
14 loan in an amount not to exceed \$29,000,000 at an interest rate not to exceed 7.5 %
15 per annum simple interest on such terms as are mutually agreed upon by the
16 Marianas Public Land Trust and the Commonwealth Government.

17 § 102. Distributions into the Commonwealth General Fund of interest
18 accrued on the trust proceeds of the Marianas Public Land Trust for Fiscal Year
19 2026, and for each fiscal year thereafter until such time as the loan described in the
20 foregoing section of this chapter is fully satisfied and retired, shall be appropriated
21 to service debt on the said loan.


1 § 103. The Secretary of Finance shall issue a quarterly summary “MPLT
2 Loan Report” which shall be a financial statement detailing the loan balance, the
3 interest accrued, list of expenses, drawdown breakdown, and any reductions due to
4 Marianas Public Land Trust withholding the interest distribution. This MPLT Loan
5 Report shall be submitted to the Governor, Lt. Governor, the presiding officers of
6 both houses of the Legislature, and the trustees of the Marianas Public Land Trust.
7 The Secretary of Finance shall further provide a drawdown payment list to each of
8 the above-enumerated entities prior to expending the funds.”

9 **Section 3. 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 4. 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 5. Effective Date.** This Act shall take effect upon its approval by
2 the Governor, or it becoming law without such approval.

Prefiled: 8/12/2025

Date: _____ Introduced by: 
Rep. John Paul P. Sablan

Reviewed for legal sufficiency by:


House Legal Counsel

Date: 8-12-25