

**TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH  
LEGISLATURE**

**IN THE HOUSE OF REPRESENTATIVES**

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\_\_\_\_\_ **Regular Session, 2025**

**H. B. 24-9**

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**A BILL FOR AN ACT**

To amend 4 CMC § 1803 by reallocating a portion of the Hotel Occupancy Tax received by the Marianas Visitors Authority to the Division of Parks and Recreation to support beautification efforts.

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

1           **Section 1. Findings and Purpose.** The Hotel Occupancy Tax (HOT) was  
2 established by Section 502(a) of Public Law 3-11 in 1982 and originally imposed a  
3 10% tax on transient occupants of accommodations, such as hotels, lodging houses,  
4 and similar facilities:

5                         An occupancy tax is imposed upon transient occupants of  
6                         a room or rooms in a hotel, lodging house, or similar  
7                         facility of ten percent (10%) of the amount charged or  
8                         paid for the accommodations. This tax applies and is  
9                         collectible when the payment is made.

10                 Section 803(b) of Public Law 3-11 allocated 70% of the HOT revenue to  
11 the Marianas Visitors Bureau (MVB), which was later replaced by the Marianas

1 Visitors Authority (MVA) pursuant to Public Law 11-15. The HOT later underwent  
2 several amendments, including an increase in the tax rate from 10% to 15% under  
3 Public Law 18-1. Similarly, MVA’s share of revenue collected under the HOT rose  
4 from 70 to 80% through Public Law 19-36.

5           The Legislature also finds that Public Law 18-1 creates an MVA Trust Fund  
6 administered by the Secretary of Finance into which revenues entitled to the MVA  
7 pursuant to 4 CMC § 1803 are deposited. Public Law 18-1, which is partially  
8 codified under 4 CMC § 2159, allocates a portion of funds from the MVA Trust  
9 Fund to the Municipalities of Tinian and Rota. Public Law 20-17 later amended 4  
10 CMC § 2159 to provide that not less than two percent for each municipality, but  
11 not less than \$300,00 each, whichever is greater, of the funds per fiscal year from  
12 the MVA Trust Fund, shall be remitted to the Municipalities of Saipan, Tinian, and  
13 Rota. These funds are required to be used to implement charter flight tourism  
14 incentives, promotional programs, tourism enhancement activities, beautification  
15 projects, island-wide cleanup, as well as to purchase supplies and equipment  
16 necessary for such projects.

17           The Legislature also finds that Public Law 23-10 requires that the MVA  
18 “collaborate and work with the Division of Parks and Recreation (DPR) under the  
19 Department of Lands and Natural Resources (DLNR) and the Department of Public  
20 Lands (DPL) in developing facility designs and the overall improvement of the sites  
21 under the jurisdiction of the DPR and the Mayors of the respective senatorial

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1 districts pursuant to the designation conditions issued by the Department of Public  
2 Lands on public lands located within 150 feet of high water.”

3 The Legislature finds that Public Law 11-106 established and charged the  
4 DPR with the responsibility of “managing, maintaining, landscaping, and  
5 beautifying Commonwealth parks and recreational facilities . . . .” The term  
6 “Commonwealth park” was later amended through Section 3(b) of Public Law 14-  
7 27 to include tourist sites formerly managed and maintained by the Marianas  
8 Visitors Authority.

9 Therefore, the Legislature finds that a portion of the funds received through  
10 the HOT was intended to promote tourism and further finds that there is a need to  
11 provide a share of the HOT to the DPR. By reallocating a portion of the HOT to  
12 help sustain the DPR’s efforts in managing, maintaining, landscaping, and  
13 beautifying Commonwealth parks, recreational facilities, and tourist sites, the  
14 Legislature finds that it will ensure the continued enhancement and preservation of  
15 these public spaces, which are essential to the overall visitor experience and our  
16 tourism industry.

17 Thus, the purpose of this Act is to amend 4 CMC § 1803 by reallocating a  
18 portion of the HOT received by MVA to the DPR to support beautification efforts.

19 **Section 2. Amendment.** 4 CMC § 1803 of the Commonwealth Code is  
20 hereby amended to read as follows:

21 **“§ 1803. Distribution of Revenues Collected Under 4 CMC §§ 1405(b)**

1           **and 1502 Marianas Visitor Authority and the Retirement Fund.**

2           (a) The Marianas Visitors Authority shall receive twenty percent of  
3           the taxes collected under 4 CMC § 1405(b) and ~~eighty~~ seventy-nine  
4           (79%) percent of the taxes collected under 4 CMC § 1502.

5           (b) Twenty percent of the taxes collected under 4 CMC § 1502 and  
6           thirty percent of the taxes collected under 4 CMC § 1405(b) shall be  
7           allotted and paid to the Northern Mariana Islands Retirement Fund.  
8           Notwithstanding 1 CMC § 7401, the Secretary of Finance may  
9           expend tax revenues allotted and paid to the Northern Mariana  
10          Islands Retirement Fund without appropriation to fund the  
11          operations and obligations of the fund, and/or the 25% pension  
12          payments to retirees, without regard to whether or not they are  
13          members of the Settlement Fund.

14          (c) The Division of Parks and Recreation shall receive one percent  
15          (1%) or \$75,000 of the taxes collected under 4 CMC § 1502,  
16          whichever is greater. The funds shall be provided to the Division of  
17          Parks and Recreation and used exclusively for beautification efforts.  
18          The funds shall not be used for travel or be reprogrammed for any  
19          other purpose.”

20               **Section 3. Severability.** If any provisions of this Act or the application of  
21          any such provision to any person or circumstance should be held invalid by a court

1 of competent jurisdiction, the remainder of this Act or the application of its  
2 provisions to persons or circumstances other than those to which it is held invalid  
3 shall not be affected thereby.

4           **Section 4. Savings Clause.** This Act and any repealer contained herein  
5 shall not be construed as affecting any existing right acquired under contract or  
6 acquired under statutes repealed or under any rule, regulation, or order adopted  
7 under the statutes. Repealers contained in this Act shall not affect any proceeding  
8 instituted under or pursuant to prior law. The enactment of the Act shall not have  
9 the effect of terminating, or in any way modifying, any liability, civil or criminal,  
10 which shall already be in existence on the date this Act becomes effective.

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


Prefiled: 3/6/2025

Date:

Introduced by:

  
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Rep. Joel C. Camacho

Reviewed for Legal Sufficiency by:

 3/6/25  
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House Legal Counsel

  
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