

TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH

LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

Regular Session, 2026

H. B. 24- 99

A BILL FOR AN ACT

To exempt the Commonwealth Ports Authority from the obligation to remit the one percent (1%) Public Auditor Fee pertaining to seaport revenues.

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

1 **Section 1. Findings and Purpose.** The Legislature finds that the Office of
2 the Public Auditor (OPA) performs a critical function of government by auditing
3 the receipt, possession, and disbursement of public funds, and by deterring,
4 detecting, and investigating waste, fraud, and abuse of public resources. OPA's
5 operations and independence are guaranteed by the Commonwealth Constitution
6 and Code, and the "1% Public Auditor Fee" was established to support those efforts.
7 The Legislature finds that the Commonwealth Ports Authority (CPA) is an
8 autonomous agency crucial for managing the Commonwealth's airports and
9 seaports. CPA relies on federal grants and revenues that must be used exclusively
10 for airport and seaport operations, as required by federal law. The Legislature
11 acknowledges that Public Law 22-18 already exempts CPA's airport revenues from
12 the payment of the 1% Public Auditor Fee.

1 The Legislature finds that concerns have been raised about potential
2 unlawful revenue diversion and federal grant compliance. Accordingly, to
3 safeguard CPA's financial resources and ensure continued compliance with federal
4 mandates, the law is amended to specifically exempt CPA's seaport revenues from
5 the payment of the 1% Public Auditor Fee. This Act also authorizes the Office of
6 the Public Auditor to charge CPA reasonable rates or fees for audits, enforcement
7 actions, investigations, reviews, inspections, or other activities directly related to
8 CPA's seaport operations and activities. The Legislature's intention is to protect
9 CPA's seaport revenues from the 1% fee while enabling OPA to recover costs
10 directly related to its oversight of CPA's seaport activities.

11 **Section 2. Amendment.** Title 1, Division 7, Part 3, Chapter 3, Section 7831
12 (f) of the Commonwealth Code is hereby amended to read as follows:

13 “(f) The Commonwealth Ports Authority (CPA) shall be exempt from the
14 withholding and payment requirements of subsections (a) and (b) ~~as to CPA's~~
15 ~~airport revenues only.~~ This exemption applies to all revenues generated by CPA,
16 including both airport and seaport revenues, and CPA shall have no obligation to
17 make any payments to the Office of the Public Auditor (OPA) for those revenues
18 ~~does not apply to CPA's seaport revenues or any other non-airport related funding~~
19 ~~sources of CPA.~~ Provided, that the Office of the Public Auditor (OPA) may charge
20 the Commonwealth Ports Authority a reasonable rate for any services rendered to
21 CPA, including services related in whole or in part to CPA's airport and seaport

1 operations and funding, and CPA shall pay OPA for these services no later than the
2 end of the fiscal year following the year in which such service was requested or
3 performed.”

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

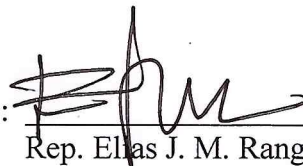
9 **Section 4. Savings Clause.** This Act and any repealer contained herein
10 shall not be construed as affecting any existing right acquired under contract or
11 acquired under statutes repealed or under any rule, regulation, or order adopted
12 under the statutes. Repealers contained in this Act shall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

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

Prefiled: 02/18/26

Date: 02/18/26

Introduced by:



Rep. Elias J. M. Rangamar

Reviewed for Legal Sufficiency by:

Joseph A. Day
House Legal Counsel

Date: 2-18-26