



GOV. COMM. 24-95  
(HOUSE)

**David M. Apatang**  
Governor

**Dennis James C. Mendiola**  
Lieutenant Governor

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS  
**OFFICE OF THE GOVERNOR**

December 30, 2025

GOV2025-632

The Honorable John Paul P. Sablan  
Chairman  
Saipan and Northern Islands Legislative Delegation  
Twenty-Fourth Northern Marianas Commonwealth Legislature  
Saipan, MP 96950

The Honorable Edmund S. Villagomez  
Speaker  
House of Representatives  
Twenty-Fourth Northern Marianas Commonwealth Legislature  
Saipan, MP 96950

Dear Mr. Chairman and Mr. Speaker:

This is to inform you that I have signed into law **House Local Bill No. 24-34, D1**, entitled “To establish the “Saipan Economic Incentive District” within the Third Senatorial District, and to authorize the Commonwealth Economic Incentive Authority and other relevant agencies to administer and regulate investment activities within the designated district.,” which was passed by the Saipan and Northern Islands Legislative Delegation of the Twenty-Fourth Northern Marianas Commonwealth Legislature.

This Bill becomes **Saipan Local Law No. 24-18**. Copies bearing my signature are forwarded for your reference.

Sincerely,

**DAVID M. APATANG**  
Governor

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DATE: 1/5/2026 TIME: 7:10 AM

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cc: Lieutenant Governor; Attorney General; Commonwealth Law Revision Commission;  
Public Auditor; Special Assistant for Administration; Secretary of Finance; Zoning;  
DPL; CPA; BECQ; Programs and Legislative Review



**SAIPAN AND NORTHERN ISLANDS LEGISLATIVE DELEGATION  
THIRD SENATORIAL DISTRICT  
TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE**

**SECOND REGULAR SESSION, 2025**

**HOUSE LOCAL BILL No. 24-34, D1**

**A LOCAL BILL FOR AN ACT  
FOR THE THIRD SENATORIAL DISTRICT**

To establish the “Saipan Economic Incentive District” within the Third Senatorial District, and to authorize the Commonwealth Economic Incentive Authority and other relevant agencies to administer and regulate investment activities within the designated district.

**OFFERED BY**

Representatives Angelo A. Camacho, Vincent R. Aldan, Blas Jonathan “BJ” T. Attao, Joel C. Camacho, Marissa R. Flores, and John Paul P. Sablan

**Introduced on October 24, 2025**

**HOUSE ACTION**

Transmitted to the Saipan and Northern Islands Legislative Delegation for action on

**November 7, 2025**

**DELEGATION ACTION**

<b>Referred to:</b>	None
<b>Comments Solicited:</b>	11/10/25 Mayor of Saipan [Del. Matters 24-60] Mayor of Northern Islands [Del. Matters 24-61] 18 <sup>th</sup> SNIMC [Del. Matters 24-62]
<b>Comments Received:</b>	None
<b>Standing Committee Report:</b>	None
<b>Passed First &amp; Final Reading:</b>	November 21, 2025, w/Draft 1

  
**Frances Joan P. Kaipat**  
Delegation Clerk



**SAIPAN AND NORTHERN ISLANDS LEGISLATIVE DELEGATION  
THIRD SENATORIAL DISTRICT  
TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE**

**SECOND REGULAR SESSION, 2025**

**H. L. B. NO. 24-34, D1**

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**A LOCAL BILL FOR AN ACT  
FOR THE THIRD SENATORIAL DISTRICT**

To establish the “Saipan Economic Incentive District” within the Third Senatorial District, and to authorize the Commonwealth Economic Incentive Authority and other relevant agencies to administer and regulate investment activities within the designated district.

**BE IT ENACTED BY THE THIRD SENATORIAL DISTRICT DELEGATION PURSUANT TO  
CHAPTER 4, DIVISION 1, TITLE 1 OF THE COMMONWEALTH CODE:**

**1 SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Saipan Economic Incentive District Act of 2025.”

**3 SECTION 2. FINDINGS AND PURPOSE.**

4 Zoning within the Third Senatorial District must be grounded in deliberate legislative  
5 policy that takes into account the needs of both the private sector and the Third Senatorial District.

6 The Saipan and Northern Islands Delegation (SNILD) finds that large tracts of public and  
7 developable land in Saipan remain underutilized despite proximity to ports, utilities, and  
8 transportation corridors capable of supporting commerce. To unlock these assets responsibly, the  
9 SNILD determines that clear geographic boundaries for an economic incentive district must be

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1 established by law to guide future investment and protect public interest.

2         Organized economic growth depends on coherent coordination among Commonwealth  
3 institutions. The Commonwealth Economic Incentive Authority (EIA), established under Title 4,  
4 Division 5, Chapter 14 of the Commonwealth Code, possesses the statutory capacity to license  
5 and monitor qualified projects, while the Department of Public Lands (DPL), Commonwealth  
6 Ports Authority (CPA), and Bureau of Environmental and Coastal Quality (BECQ) retain  
7 operational jurisdictions that affect development. The SNILD finds that these agencies can  
8 perform their existing functions more effectively when operating within legislatively defined  
9 districts, ensuring lawful, transparent, and accountable administration.

10         Neighboring privately owned properties that border the public lands designated as part of  
11 the Saipan Economic Incentive District may also participate in districtwide growth. The Economic  
12 Incentive Authority may develop regulations to evaluate petitions from adjacent private  
13 landowners seeking inclusion, provided that any such inclusion maintains consistency with land-  
14 use integrity, market fairness, and environmental stewardship, and does not alter the district's  
15 boundaries except as expressly permitted by law.

16         Empowerment through this Act solidifies the Legislature's policy objective: to define the  
17 Saipan Economic Incentive District by statute and to assign administrative implementation to the  
18 Commonwealth's existing economic, land, and environmental agencies. By fixing the district  
19 boundaries through legislation, the Commonwealth strengthens predictability for investors,  
20 safeguards constitutional land protections, and establishes a framework that balances development  
21 with responsible governance for the benefit of the people of the Third Senatorial District.

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1 **SECTION 3. ENACTMENT.**

2 Title 10. Local Laws, Division 3. Third Senatorial District and the Northern Islands of the  
3 Commonwealth Code is hereby amended by adding a new Chapter 15, entitled "Saipan Economic  
4 Incentive District Act of 2025," to read as follows:

5 **"Chapter 15. Saipan Economic Incentive District Act of 2025."**

6 **Section 101. Short Title.** This Chapter may be cited as the "Saipan Economic  
7 Incentive District Act of 2025."

8 **Section 102. Definitions.** For purposes of this Chapter:

9 (a) "Authority Board" or "EIA Board" means the governing body of the Economic  
10 Incentive Authority as established under Title 4, Economic Resources, Division 5,  
11 Business Regulation, Section 51120 et seq. of the Commonwealth Code.

12 (b) "Delegation" means the Saipan Legislative Delegation (SNILD) established  
13 under Chapter 4, Division 1, Title 1 of the Commonwealth Code, which possesses  
14 legislative authority to define and establish economic incentive district boundaries within  
15 the Third Senatorial District.

16 (c) "Department" means the Department of Public Lands (DPL) of the  
17 Commonwealth.

18 (d) "Economic Incentive Authority" or "EIA" means the public corporation created  
19 under Title 4, Economic Resources, Division 5, Business Regulation, Section 51120 of the  
20 Commonwealth Code, which shall implement and administer this Chapter within the  
21 geographic boundaries established by the Delegation.

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1 (e) "Free Trade District" or "FTD" refers to a term commonly used in international  
2 trade to describe geographically designated areas for investment incentives, and shall be  
3 construed as equivalent in concept to a Local Economic Incentive District under  
4 Commonwealth law.

5 (f) "Key Performance Indicator" or "KPI" means an objective metric used to  
6 measure performance-based incentives or economic outcomes under this Chapter.

7 (g) "Local Economic Incentive District" or "LEID" means a specific area of public  
8 and adjoining lands within the Third Senatorial District designated by law through the  
9 Delegation for the purpose of attracting and supporting responsible investment consistent  
10 with Commonwealth land, labor, and environmental laws.

20 (k) "Qualified Trading Income" means gross income derived from bona fide  
21 international or regional trading of goods or services conducted from within an LEID.

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excluding passive investment income and related-party transfer pricing adjustments, as further defined by regulation.

### **Section 103. Implementing Authority.**

#### **Section 104. Designation of District Boundaries.**

Point	Northing (N)	Easting (E)	Approximate Location
1	N55705.5173	E50618.9625	Micro Beach
2	N55108.0144	E51502.7796	NMHC Corner
3	N53966.1916	E51042.0748	Hanmi Hardware
4	N53976.6522	E50652.9036	Fishing Base

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1 (b) The four coordinates described in subsection (a) define the perimeter of the  
2 Saipan Economic Incentive District. The boundary shall be drawn by connecting the  
3 coordinate points in numerical order and returning to Point 1 to close the polygon.

4 (c) The official map of the Saipan Economic Incentive District shall be maintained  
5 by the Department of Public Lands (DPL) in coordination with the Economic Incentive  
6 Authority (EIA) and the Saipan Legislative Delegation. The map shall be deemed a  
7 legislative exhibit and incorporated by reference into this Chapter for all purposes of  
8 administration, planning, and enforcement.

9 (d) The boundaries established under this Section may not be altered, expanded, or  
10 reduced except by further enactment of law by the Saipan Legislative Delegation.

11 (e) The Department of Public Lands, in consultation with the Economic Incentive  
12 Authority and the Bureau of Environmental and Coastal Quality, shall ensure that the  
13 boundary coordinates correspond accurately with existing cadastral and geospatial survey  
14 data prior to implementation of any development or leasing activity within the district.

### **Section 105. Inclusion of Adjacent Private Property.**

21 (b) The process established under subsection (a) shall:

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1 (1) ensure that inclusion of private property is consistent with Commonwealth land-  
2 use, environmental, and zoning policies;

3 (2) provide public notice and an opportunity for comment prior to final  
4 recommendation;

5 (3) require a showing that the inclusion will contribute to the economic objectives  
6 of the LEID without causing adverse impact on neighboring landowners or public interests;  
7 and

8 (4) include Key Performance Indicators (KPIs) and reporting requirements for  
9 monitoring the economic outcomes of the incorporated property.

10 (c) The EIA shall adopt rules and regulations governing the application, evaluation,  
11 and approval process for such inclusion, subject to the Administrative Procedure Act (1  
12 CMC § 9101 et seq.).

13 (d) For purposes of this Section, “adjacent” means any private property that shares  
14 a boundary with, or lies within a contiguous radius of, land designated as part of a Local  
15 Economic Incentive District under this Chapter.

16 (e) No inclusion of private property shall alter or expand the legislatively defined  
17 boundaries of the district except as expressly authorized by a subsequent act of the Third  
18 Senatorial District Delegation.

## **Section 106. Incentives and Safeguards.**

20 (a) Revenue Protection. Tax incentives under this Chapter shall be offset by  
21 measurable economic benefits that demonstrably improve the local economy.

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1 (b) **Trader Incentive Program.** For eligible projects, the Economic Incentive  
2 Authority (EIA) may grant or recommend tax incentives to the extent authorized under  
3 Title 4, Economic Resources, Division 5, Chapter 5 of the Commonwealth Code (Tax  
4 Incentive Program) and other applicable law. Such incentives may include reduced rates,  
5 rebates, credits, or exemptions as permitted by statute and regulation, contingent upon  
6 achievement of Key Performance Indicators (KPIs).

7 (c) Capability Incentives. Reduced tax rates may be granted for up to five (5) years  
8 for regional headquarters, repair, or supply-chain functions meeting capital investment and  
9 local employment thresholds established by regulation. Provided, however, that anything  
10 above ground level, all applicable taxes shall apply and shall not be limited to per square  
11 footage.

12 (d) Compliance. All entities licensed under this Chapter shall maintain economic  
13 substance and comply with applicable anti-money-laundering and counter-terrorism-  
14 financing standards (AML/CFT) and Organization for Economic Co-operation and  
15 Development (OECD) guidelines.

16 (e) Procurement. All procurement shall comply with 4 CMC § 51104.

17 (f) Confidentiality. The EIA shall comply with 4 CMC § 51109. Unauthorized  
18 disclosure of confidential information obtained in the administration of this Chapter shall  
19 be subject to penalty as provided by law.

20 (g) Land Protections. No alienation of land shall occur in a manner contrary to  
21 Article XI of the Constitution of the Commonwealth of the Northern Mariana Islands.

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1 Leasehold-only arrangements shall be preferred for all projects within the Saipan  
2 Economic Incentive District.

3 (h) Environmental Protection. All projects within the district are subject to  
4 environmental impact assessment under the oversight of the Bureau of Environmental and  
5 Coastal Quality (BECQ).

6 (i) Labor Protections. All projects shall comply with Commonwealth and federal  
7 labor standards, and shall give priority in hiring to citizens and permanent residents of the  
8 Commonwealth.

9 (j) Public Trust Doctrine. All leases or concessions under this Chapter shall be  
10 consistent with Section 51133 of the Commonwealth Code.

11 (k) Insurance and Indemnification. Each licensee shall maintain liability insurance  
12 and indemnify the EIA and the Department of Public Lands (DPL) against all project-  
13 related risks, damages, or claims arising from its operations within the district.

14 (l) Limitation on Eligibility for Incentives. Incentives under this Chapter shall apply  
15 only to newly formed businesses or existing businesses that undertake new qualifying  
16 investment projects within a Local Economic Incentive District after the effective date of  
17 this Chapter.

18 **Section 107. Eligibility.**

19 (a) Only business entities that are legally and factually established after the  
20 effective date of this Act are eligible to apply for inclusion in a Local Economic Incentive  
21 District (LEID). Existing businesses that merely relocate, rebrand, or transfer existing

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1 operations into an LEID solely to avail of incentives shall be ineligible.

2 (b) The Economic Incentive Authority (EIA) shall adopt regulations to verify new-  
3 investment status and ensure compliance with this Section.

4 (c) Nothing in this Section shall revoke or impair rights lawfully granted under  
5 prior law; however, no entity shall be grandfathered into the incentives provided by this  
6 Chapter without meeting the new-investment criteria established herein.

7 **Section 108. Licensing and Revocation.**

8 (a) The Economic Incentive Authority (EIA), in coordination with the Department  
9 of Public Lands (DPL) and the Third Senatorial District Delegation, shall license  
10 businesses within Local Economic Incentive Districts consistent with Section 51134 of the  
11 Commonwealth Code.

12 (b) The EIA may suspend or revoke licenses pursuant to 1 CMC §§ 9101 et seq.  
13 for violations of this Chapter, non-compliance with regulations, or failure to satisfy  
14 established performance or reporting requirements.

15 (c) A revoked license may be reinstated only after full remediation of the  
16 underlying violation and upon approval by the EIA Board.

17 **Section 109. Governance and Jurisdiction.**

18 (a) The Economic Incentive Authority (EIA) Board structure and duties shall  
19 conform to Sections 51122 through 51124 of the Commonwealth Code.

20 (b) The Secretary of Finance shall retain customs and tariff authority pursuant to  
21 Sections 51106 through 51107 of the Commonwealth Code.

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(c) The Office of the Public Auditor (OPA) shall conduct an annual audit of the Economic Incentive Authority in accordance with Section 51127 of the Commonwealth Code.

(d) All EIA and Department of Public Lands (DPL) staff administering this Chapter shall comply with the CNMI Ethics Code under 1 CMC § 8501 et seq.

## Section 110. Reporting and Transparency.

(a) **Annual Report.** The Economic Incentive Authority shall submit an annual report to the Third Senatorial District Delegation detailing all licenses issued, investments made, jobs created, tax impacts, and compliance status within Local Economic Incentive Districts (LEIDs).

**(b) Public Registry.** The Economic Incentive Authority shall maintain a publicly accessible digital registry of all LEIDs and related licenses to promote transparency and accountability.

### **Section 111. Dispute Resolution.**

Investment contracts executed under this Chapter may designate arbitration before the Singapore International Arbitration Centre (SIAC) or the American Arbitration Association–International Centre for Dispute Resolution (AAA–ICDR). Arbitral awards rendered under such proceedings shall be enforceable in the Commonwealth Superior Court pursuant to Section 51108 of the Commonwealth Code and the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention).

## **Section 112. Rulemaking Authority.**

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1                   The Economic Incentive Authority shall promulgate rules and regulations  
2                   necessary to implement this Chapter, including but not limited to criteria for Local  
3                   Economic Incentive District designation, licensing and monitoring of projects,  
4                   performance measurement standards, and procedures for petitions under Section 105. All  
5                   regulations shall be adopted in accordance with the Administrative Procedure Act (1 CMC  
6                   § 9101 et seq.).

7                   **Section 113. Review and Sunset.**

8                   The Third Senatorial District Delegation shall review this Chapter every five (5)  
9                   years to assess its economic performance, fiscal impact, and regulatory compliance. Based  
10                  on empirical results, the Delegation may recommend continuation, amendment, or repeal  
11                  by subsequent enactment.”

12                  **SECTION 4. SEVERABILITY.**

13                  If any provision of this Act or the application of any such provision to any person or  
14                  circumstance should be held invalid by a court of competent jurisdiction, the remainder of this Act  
15                  or the application of its provisions to persons or circumstances other than those to which it is held  
16                  invalid shall not be affected thereby.

17                  **SECTION 5. SAVINGS CLAUSE.**

18                  This Act and any repealer contained herein shall not be construed as affecting any existing  
19                  right acquired under contract or acquired under statutes repealed or under any rule, regulation or  
20                  order adopted under the statutes. Repealers contained in this Act shall not affect any proceeding  
21                  instituted under or pursuant to prior law. The enactment of the Act shall not have the effect of

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1 terminating, or in any way modifying, any liability, civil or criminal, which shall already be in  
2 existence on the date this Act becomes effective.

3 **SECTION 6. EFFECTIVE DATE.**

4 This Act shall take effect upon its approval by the Governor or its becoming law without  
5 such approval.

**CERTIFIED BY:**

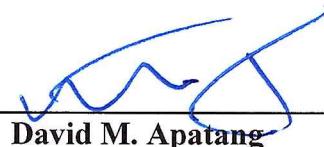


John Paul P. Sablan  
Chairman  
Saipan & Northern Islands Legislative Delegation



Edmund S. Villagomez  
Speaker  
24<sup>th</sup> House of Representatives

Approved this 30<sup>th</sup> day of December, 2025.



David M. Apatang  
Governor  
Commonwealth of the Northern Mariana Islands