

TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

FIRST REGULAR SESSION, 2025

S.B. NO. 24-25

A BILL FOR AN ACT

To amend 4 CMC § 10306(a)(4) to allow the board of directors to authorize the executive director to review and grant loan or loan guarantee applications exceeding \$25,000.00 per applicant; and for other purposes.

**BE IT ENACTED BY THE TWENTY-FOURTH NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE:**

1 **Section 1. Findings and Purpose.** The Legislature finds that the current
2 Commonwealth Economic Development Authority (CEDA) statute in 4 CMC § 10306
3 restricts the authority of CEDA’s board of directors to delegate loan guarantee and loan
4 applications to the executive director for review and approval, placing a monetary limit of
5 \$25,000 to his approval authority. This restriction has been in place since 1985, with the
6 passage of Public Law 4-63, thirty-nine (39) years ago. The Legislature finds that this
7 monetary restriction needs to be updated to account for inflation and to relieve the board
8 of some of its duties and responsibilities to reduce the number of board meetings and the
9 time devoted toward board meetings, by delegating some loan review and approval
10 functions to the executive director. This will be accomplished by allowing the board to
11 delegate loan-related applications to the executive director for review and approval, up to
12 a maximum threshold amount of \$50,000 per individual loan or loan-guarantee application.

13 **Section 2. Amendment.** 4 CMC § 10306(a)(4) is hereby amended to read as
14 follows:

15 “(4) The executive director shall refer to the board for decision on all loan
16 applications from any eligible borrower under this division, and all other matters involving
17 allocation of authority funds except for such authority over loan applications and
18 operations funds as the board may delegate to him. The board may delegate to the executive

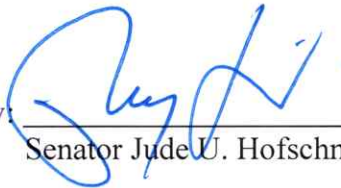
1 director the review and granting of loan or loan guarantee applications pursuant to 4 CMC
2 § 10203(a)(18), (19) and (20) of up to ~~\$25,000~~ \$50,000 per applicant.”

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

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

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

Date: 03/04/25

Introduced By: 

Senator Jude U. Hofschneider

Reviewed for Legal Sufficiency by:



Senate Legal Counsel