

---

---

A SENATE JOINT RESOLUTION

To call for a Joint Session of the Legislature to receive the Governor's State of the Commonwealth Address.

1           **WHEREAS**, the Constitution of the Northern Mariana Islands, Article III, Section  
2 9(b), directs the Governor of the Commonwealth of the Northern Mariana Islands to report  
3 annually to the Legislature regarding the affairs of the Commonwealth and any new  
4 measures that are necessary or desirable for the Commonwealth; and

5           **WHEREAS**, the last joint session of the Legislature held for the purpose of  
6 receiving the State of the Commonwealth Address was on August 24, 2018; and

7           **WHEREAS**, the Commonwealth subsequently was hit with the strongest typhoon  
8 ever to make landfall on Saipan and Tinian on October 25, 2018. Super Typhoon Yutu  
9 caused catastrophic destruction on the islands of Saipan and Tinian, which impacted all  
10 sectors of the economy especially the tourism industry; and

11           **WHEREAS**, during the early stages of recovery from Super Typhoon Yutu, the  
12 Commonwealth and the world were under a declaration of a state of public health  
13 emergency with the onslaught of the Covid-19 Pandemic from March 2020 to May 11,  
14 2023; and

15           **WHEREAS**, the Covid-19 Pandemic completely shut down tourism and the travel  
16 industry in the Commonwealth. Even when our borders were open, many countries  
17 prohibited their citizens from traveling abroad including China, South Korea, and Japan,  
18 where most of our visitors come from; and

19           **WHEREAS**, the U.S. Congress appropriated funds including the American Rescue  
20 Plan Act (ARPA) funds to assist the states and territories with government operations and  
21 to boost economic activities during the Covid-19 Pandemic; and

22           **WHEREAS**, despite the influx of ARPA funds in the Commonwealth, its main  
23 economic driver – the tourism and travel industry – still hasn't recovered from the  
24 pandemic. Visitor numbers and hotel occupancy rates are still under 40% today compared

1 to pre-pandemic numbers. The depletion of the ARPA funds and the low visitor arrivals  
2 resulted in a revenue shortfall of the Commonwealth fiscal year 2025 annual budget and  
3 drastic budget cuts were implemented for the executive, legislative and judicial branches;  
4 and

5 **WHEREAS**, part of the tourism and travel decline in the Commonwealth are the  
6 federal government's regulation of the number of flights from China entering the United  
7 States and pressure to pivot away from China, which comprised about 40% of the  
8 Commonwealth's tourist arrival in 2018; and

9 **WHEREAS**, the 23rd Northern Marianas Commonwealth Legislature expressed  
10 its support of the U.S.-China Air Transport Agreement, Annex VI exemption, which  
11 authorizes unlimited scheduled air services between China and Guam and the Northern  
12 Mariana Islands. With the implementation of Annex VI in 2007, Chinese air carriers  
13 gradually increased scheduled air service to the CNMI. Since the suspension of the Annex  
14 VI exemption during Covid, the tourist market from China significantly diminished to  
15 about 7% of the CNMI's visitors in 2024; and

16 **WHEREAS**, with the implementation of the Economic Vitality & Security Travel  
17 Authorization Program (EVS/TAP) as a subprogram of the Guam-CNMI Visa Waiver  
18 Program, the concerns raise by Federal agencies to weed out "bad actors" imposing as  
19 tourists was addressed. The EVS/TAP aims to balance visitor ease with enhanced security  
20 provisions and transparency; and

21 **WHEREAS**, low visitor arrivals in the Commonwealth adversely affects every  
22 sector of the economy. Low visitor numbers mean low hotel room occupancy rates which  
23 results in loss of revenue for the hotels and taxes to the Commonwealth. Low visitor  
24 arrivals also mean less foot traffic at restaurants, cafes, shops, retail stores, dive shops,  
25 tourist attractions, and any place open for business which results in less revenue for the  
26 businesses and taxes for the Commonwealth; and

27 **WHEREAS**, the revenue shortfall of hotels and business and loss of taxes for the  
28 Commonwealth also results in the closure of businesses, loss of employment, drop in  
29 income, cutback in operations, and diminished spending power of the people; and

1           **WHEREAS**, there are recent reports indicating that a longstanding luxury store,  
2 which has been operating in Saipan for nearly 50 years, may be closing its doors and  
3 ceasing operations; and

4           **WHEREAS**, the Marianas Visitors Authority, the Commonwealth Ports Authority,  
5 the Saipan Chamber of Commerce, the Hotel Association of the Northern Mariana Islands,  
6 the Rota Chamber of Commerce, the Tinian Chamber of Commerce and many other  
7 stakeholders and key players have been brainstorming ideas, plans, and requests necessary  
8 to expand our constricted tourism and travel industry, which is critical to growing our ailing  
9 economy and sustaining the remaining businesses in the CNMI; and

10           **WHEREAS**, the State of the Commonwealth Address is now, more than ever,  
11 necessary to provide guidance on the Governor's plans to navigate through the current  
12 economic crisis that the Commonwealth, businesses and the people have been enduring the  
13 past several years; and

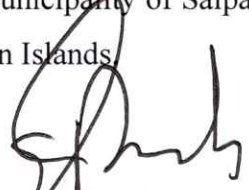
14           **WHEREAS**, the people of the Commonwealth deserve to know what direction the  
15 Governor is taking to address our diminished general fund revenues; and, what are the  
16 plans to restore our tourism and travel industry to pre-pandemic numbers so that businesses  
17 can thrive and the government can provide the basic public services to our people. Our  
18 residents are suffering and leaving the Commonwealth for better opportunities; and

19           **WHEREAS**, in order to comply with Article III, Section 9(b) of the Northern  
20 Mariana Islands Constitution and provide the People and the Legislature with direction and  
21 guidance on the Governor's plans to restore the economy, the Legislature desires that a  
22 joint session of the Legislature be held to receive the Governor's annual State of the  
23 Commonwealth Address; and

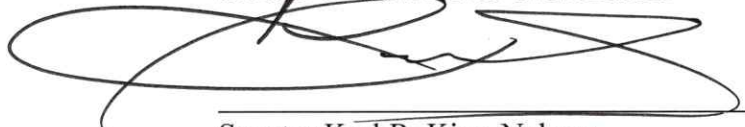
24           **NOW, THEREFORE, BE IT RESOLVED**, by the Senate of the Twenty-Fourth  
25 Northern Marianas Commonwealth Legislature, the House concurring, that a joint session  
26 of both houses of the Legislature is hereby called at a date and time specified by Governor  
27 Arnold I. Palacios to be held at the CNMI Multi-Purpose Center, for the purpose of  
28 receiving the annual State of the Commonwealth Address by the Governor pursuant to  
29 Article III, Section 9(b) of the Constitution of the Northern Mariana Islands; and

1           **BE IT FURTHER RESOLVED**, that the President of the Senate and the Speaker  
2 of the House of Representatives shall certify, and the Senate Legislative Secretary and the  
3 House Clerk shall attest to the adoption of this joint resolution, and thereafter the Senate  
4 Clerk shall transmit a certified copy to the Honorable Arnold I. Palacios, Governor,  
5 Commonwealth of the Northern Mariana Islands; the Honorable Kimberlyn King-Hinds,  
6 CNMI Delegate to the House of Representatives Washington, 119th United States  
7 Congress; the Honorable Aubry M. Hocog, Mayor of the Municipality of Rota; the  
8 Honorable Edwin P. Aldan, Mayor of the Municipality of Tinian and Aguiguan; the  
9 Honorable Ramon B. Camacho, Mayor of the Municipality of Saipan; and the Honorable  
10 Valentino N. Taisacan, Jr., Mayor of the Northern Islands.

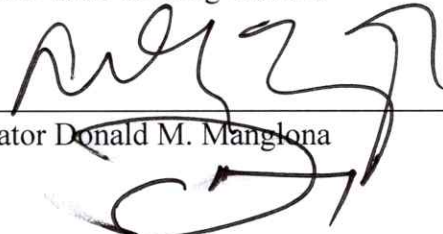
Date: 2/19/25



\_\_\_\_\_  
Senator Dennis James C. Mendiola



\_\_\_\_\_  
Senator Karl R. King-Nabors

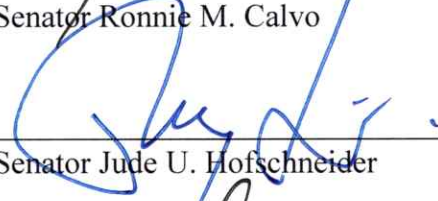


\_\_\_\_\_  
Senator Donald M. Manglona

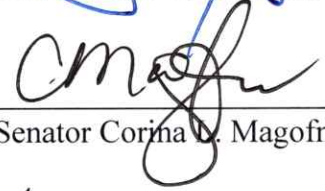
\_\_\_\_\_  
Senator Francisco Q. Cruz



\_\_\_\_\_  
Senator Ronnie M. Calvo



\_\_\_\_\_  
Senator Jude U. Hofschneider



\_\_\_\_\_  
Senator Corina U. Magofna