

TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

THIRD SPECIAL SESSION, 2025

S. L. I. NO. 24-01

A SENATE LEGISLATIVE INITIATIVE

To propose a constitutional amendment to Article XI, Section 6 of the NMI Constitution.

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

1 **Section 1. Findings and Purpose.**

2 The Legislature acknowledges that the public lands and submerged lands belong
3 collectively to the people of the Commonwealth who are of Northern Marianas descent.
4 The Legislature finds that the Commonwealth public lands lease proceeds received
5 must have a direct, tangible benefit to the NMDs. The Legislature finds that a dividend
6 distribution program to NMDs would provide direct and tangible benefits. The
7 Legislature, however, acknowledges that the dividend program should be limited to
8 avoid an extreme impact on the Marianas Public Land Trust (MPLT) corpus. The
9 Legislature finds that the dividend program should be limited to NMD registered
10 voters. The Legislature also finds that the voter registration status provides the limit and
11 the incentive for eligible residents to register to vote and stay engaged in the democratic
12 process, potentially increasing voter turnout and civic involvement.

13 The Twenty-fourth Legislature proposes an amendment to provide tangible
14 economic relief to the people of the Commonwealth, many of whom continue to face
15 financial hardship due to the lingering effects of natural disasters, global economic
16 pressures, and the post-pandemic recovery. A dividend distribution helps ease
17 household burdens and stimulate local economic activity. The MPLT was established to
18 manage public land revenues for the benefit of current and future Northern Marianas
19 Descent (NMD) generations of the Commonwealth. Using a portion of the corpus to

1 issue equal dividends ensures that every NMD-registered voter directly benefits from
2 the trust funds.

3 The amendment carefully limits the dividend to an initial allocation of \$30,000,000
4 (Thirty Million Dollars) to \$50,000,000 (Fifty Million Dollars), designed not to
5 compromise the long-term viability or principal strength of the trust. This fiscal
6 prudence ensures that the MPLT remains a robust source of funding for future needs. A
7 dividend program injects capital directly into the hands of NMDs, which is typically
8 spent locally on goods and services. This creates a multiplier effect, providing support
9 for small businesses and enhancing economic circulation throughout the islands.

10 The purpose of this Legislative Initiative is to amend Article XI, Section 6 of the
11 NMI Constitution to ensure that actual monetary benefits reach eligible Commonwealth
12 residents.

13 Therefore, we present to the people this initiative:

14 **Section 2. Legislative Initiative.** The Twenty-Fourth Northern Marianas
15 Commonwealth Legislature, by the affirmative vote of three-fourths of the
16 members of each house present and voting, hereby proposes the following
17 amendment to the Constitution to be placed before the people for ratification:

18 **“PROPOSED CONSTITUTIONAL AMENDMENT”**

19 To amend Article XI, Section 6 of the CNMI Constitution to add a new
20 subsection (e).

21 ‘Section 6: Marianas Public Land Trust.
22 There is hereby established the Marianas Public Land Trust.

23 (a) The trust shall have three trustees appointed by the governor with the advice and
24 consent of the senate. After this Constitution has been in effect for ten years, the
25 number of trustees appointed by the governor with the advice and consent of the
26 senate shall be increased to five. Three shall be from Saipan, one from Rota, and one
27 from Tinian. At least one trustee shall be a woman, and at least one trustee shall be
28 of Carolinian descent. The trustees shall serve for a term of six years, except that the

1 term of office shall be staggered, accomplished as follows: three trustees shall serve
2 for four years and two trustees shall serve for six years, as determined by drawing of
3 lots.

4 (b) The trustees shall make reasonable, careful, and prudent investments. For ten
5 years after the effective date of this Constitution, investments may not be made
6 except in obligations of the United States government and as provided by section
7 6(c).

8 (c) If the legislature authorizes a Marianas development bank and provides that all
9 United States economic assistance for economic development loans provided under
10 article VII, section 702(c), of the Covenant shall be deposited as capital in that bank,
11 the trust shall use up to fifty-five percent of its receipts in a year to increase the total
12 capital available to the bank to the sum of ten million dollars. After the bank has
13 more than ten million dollars in total capital, the bank shall pay the excess above ten
14 million dollars to the trust until the trust has been fully repaid for its contribution to
15 the bank.

16 (d) The trustees shall carry out the intention of article VIII, section 803(e), of the
17 Covenant by using the interest on the amount received for the lease of property at
18 Tanapag Harbor for the development and maintenance of a memorial park. The
19 trustees shall transfer to the general revenues of the Commonwealth the remaining
20 interest accrued on the trust proceeds, except that the trustees may retain the amount
21 necessary to meet reasonable expenses of administration.

22 (e) The Northern Marianas Descent dividend program is established as follows:

- 23 (1) The trustees shall liquidate and reserve between \$30,000,000 (thirty million
24 dollars) and \$50,000,000 (fifty million dollars) of the trust corpus to fund the
25 legislative appropriation for the first direct dividend distribution to the
26 registered voters who are of Northern Marianas Descent (NMD). The first
27 dividend distribution shall be as provided by law within one year of the
28 enactment of this subsection.

1 (2) The trustees shall liquidate and reserve up to \$50,000,000 (fifty million
2 dollars) of the trust corpus to fund the second and subsequent direct dividend
3 distributions to the NMD registered voters. Similarly, as provided by law, the
4 second distribution shall be paid ten years after the first distribution, and
5 subsequent dividend distributions shall be paid every ten years thereafter.

6 (3) The law, in the form of a legislative appropriation, shall authorize the
7 dividend distribution as follows:

8 (A) MPLT shall administer the distribution in coordination with the
9 Commonwealth Election Commission and any other agencies as
10 necessary to verify eligibility and disburse payments efficiently.

11 (B) Provide the dividend amount for each eligible recipient.

12 (C) Provide any necessary provisions to carry out the intent of the
13 dividend program.

14 (D) Require the trustees to submit a public report to the Legislature within
15 180 days after each dividend distribution period, detailing the amount
16 disbursed, the number of recipients, and the impact on the trust corpus
17 and investment strategies.

18 (e) The trustees shall make an annual written report to the people of the
19 Commonwealth accounting for the revenues received and expenses incurred by the
20 trust and describing the investments and other transactions authorized by the
21 trustees.

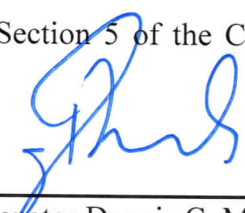
22 (f) The trustees shall be held to strict standards of fiduciary care. Each trustee shall
23 annually submit to the governor and the presiding officers of the legislature a report
24 disclosing their financial affairs, as provided by law.”

25 **Section 3. Adoption and Transmittal.** The President of the Senate and the
26 Speaker of the House shall certify, and the Senate Legislative Secretary and House Clerk
27 shall attest to the adoption of this Legislative Initiative. The Senate Clerk shall then
28 cause the Initiative to be transmitted to the Governor and the Board of Elections with

1 instructions that the Board place it before the people of the Commonwealth for a
2 ratification vote, in conformance with Article XVIII, Section 5 of the Commonwealth
3 Constitution.

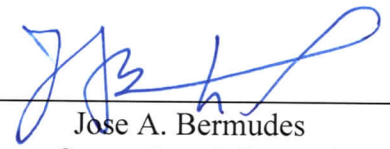
Date: 06/03/25

Introduced By: _____


Senator Dennis C. Mendiola

Reviewed For Introduction Purposes Only:

By: _____


Jose A. Bermudes
Senate Legal Counsel