

**A SENATE LEGISLATIVE INITIATIVE**

To amend Article XII, Section 3 of the Constitution of the Northern Mariana Islands to clarify that individuals may own permanent and long-term interests acquired above the first floor of a condominium building including common elements, easements, and access from the first floor.

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

1           **Section 1. Legislative Findings and Purpose.** The Legislature finds that a class of  
2 persons with rights specifically granted to them by the NMI Constitution is being denied  
3 the effective enjoyment of those rights. Article XII, Section 3, of the Constitution gives  
4 persons not of Northern Marianas descent the right to acquire an interest above the first  
5 floor of a condominium building on privately owned land in the Commonwealth, and  
6 declares such an interest to be an exemption from the meaning of “permanent and long-  
7 term” interests in Commonwealth real property. The Legislature enacted Public Laws 15-  
8 20 and 15-49 to specifically declare that the economic development of the Commonwealth  
9 would be enhanced if such persons, who include many residents of the CNMI as well as  
10 United States citizens and others, would invest in condominium units above the first floor  
11 on privately owned land, and to enact provisions specifically declaring their right to do so.  
12 The Legislature finds that there are private landowners in the Commonwealth who would  
13 like to join together with their tenants or other developers to make such condominium units  
14 available to the class of persons entitled to purchase them.

15           The Legislature further finds that the owners of private land in the Commonwealth  
16 are unfairly denied the right to make new leases of their privately owned lands to take  
17 advantage of changes in the economy which may be mutually advantageous to the owner  
18 and the tenant due to a perceived legal impediment that prevents them from doing so, and

1 the Legislature desires to clarify this issue to assure those landowners that they do and shall  
2 have that right. The Legislature finds that this reluctance to enter into such new leases is  
3 inhibiting capital renewal, is a burden on further economic development in the  
4 Commonwealth, and an unfair disadvantage to owners of privately owned leased lands.

5 The Legislature finds that denying persons not of Northern Marianas descent the  
6 effective enjoyment of their right to acquire an interest above the first floor of a  
7 condominium building is fundamentally unfair to them, and injurious to the economic  
8 welfare and development of the Commonwealth. The Legislature finds that the creation of  
9 Article XII condominiums as provided for in Public Law 15-49 equitably and fairly  
10 balances the interests of both classes of persons whose rights are protected by Article XII.  
11 However, there are still constitutional and legal issues regarding Article XII condominium  
12 ownership of common elements, easements, and access from the first floor by the  
13 condominium owner. Although the condominium owner possesses the unit above the first  
14 floor, the first floor is where the electrical and water conduits all pass, where the stairs,  
15 elevators, and the lobby are located, and where the parking lot will be located. Therefore,  
16 pursuant to the existing language in Section 3 of Article XII, it appears that persons not of  
17 Northern Marianas descent can “own” a condominium above the first floor permanently,  
18 but they technically do own the common elements, easements, or access from the first floor  
19 after 55 years.

20 In order to address the Article XII condominium quandary, the Legislature enacted  
21 Public Law 15-49, codified at 2 CMC § 6701 *et seq.*, which sets forth the requirements of  
22 Article XII condominiums as follows:

23 **§ 6703. Creation of Article XII Condominiums.**

24 (a) For a condominium to be subject to the provision of this Chapter, the declaration  
25 required by Section 6201 shall contain:

26 (1) A statement that the condominium is an “Article XII condominium;”

27 (2) A legally sufficient description of the real estate and interests comprising  
28 the descent restricted estate; and

29 (3) A statement restricting ownership of the descent restricted estate to  
30 persons of Northern Marianas descent as required by Article XII of the  
31 Constitution.

1 (b) Allocations of undivided interests in common elements, common expenses, or  
2 numbers of votes may be made to the descent restricted estate to take into account, in a fair  
3 and equitable manner, the unique contribution of the descent restricted estate; without  
4 limitation, the owners of the descent restricted estate may be exempted from making any  
5 capital or non-capital expense contributions for a period not exceeding the first fifty-five  
6 years of the condominium.

7 (c) Creation of an Article XII condominium shall imply the creation of necessary  
8 easements of support, access, encroachment and uses consistent with the character of the  
9 condominium over the descent restricted estate for the benefit of the common elements and  
10 units of the condominium project.  
11

12 *See 2 CMC § 6703.* Article XII condominium “common elements” are defined as  
13 “all portions of an Article XII condominium other than the units and the descent restricted  
14 estate.” *See 2 CMC § 6702(b).* An “Article XII condominium” shall mean three elements  
15 of real estate that together comprise a condominium, consisting of: (1) Portions within a  
16 condominium building or complex designated for separate ownership units, and (2)  
17 Portions of the condominium building or complex designated for common ownership (the  
18 common elements), and (3) A real property portion of the condominium building or  
19 complex designated exclusively for descent restricted interest ownership upon which the  
20 units and common elements are situated (the descent restricted estate), created specifically  
21 to enable persons not of Northern Marianas descent to own permanent or long-term  
22 interests in units above the first floor of the building as permitted by Article XII, Section 3  
23 of the Commonwealth Constitution and encouraged by Public Law 15-20. *See 2 CMC §*  
24 *6702(c).*

25 The Legislature finds that although Public Law 15-49 addresses Article XII  
26 condominium common elements, easements, and access from the first floor, the NMI  
27 Constitution does not explicitly include “common elements, easements, and access from  
28 the first floor” in the Section 3 condominium exemption, which continues to be a perceived  
29 legal impediment that prevents persons not of Northern Marianas Descent from  
30 establishing and/or purchasing Article XII condominiums. Accordingly, the purpose of this  
31 legislation is to amend Article XII, Section 3 of the NMI Constitution to clarify that the

1 Article XII, Section 3 condominium exception includes common elements, easements, and  
2 access from the first floor.

3 **Section 2. Legislative Initiative.** The Twenty-Fourth Northern Marianas  
4 Commonwealth Legislature, by the affirmative vote of three-fourths of the members of  
5 each house present and voting, hereby proposes the following amendment to Article XII,  
6 Section 3 of the Constitution of the Northern Mariana Islands to be placed before the people  
7 for ratification at the next general election:

8 **“A PROPOSED CONSTITUTIONAL AMENDMENT**

9 Article XII, Section 3 of the Constitution of the Northern Mariana Islands is hereby  
10 amended to read as follows:

11 **“Section 3: Permanent and Long-Term Interests in Real Property.**

12 The term permanent and long-term interests in real property used in Section  
13 1 includes freehold interests and leasehold interests of more than fifty-five years  
14 including renewal rights, except an interest acquired above the first floor of a  
15 condominium building including common elements, easements, and access from  
16 the first floor. Any interests acquired above the first floor of a condominium  
17 building is restricted to private lands. Any land transaction in violation of this  
18 provision shall be void. This amendment does not apply to existing leasehold  
19 agreements.”

20 **Section 3. Adoption and Transmittal.** The President of the Senate and the  
21 Speaker of the House shall certify, and the Senate Legislative Secretary and the House  
22 Clerk shall attest to the adoption of this Legislative Initiative. The Senate Clerk shall then  
23 transmit a certified copy of the Initiative to the Governor and the Board of Elections.  
24 Pursuant to Article XVIII, Section 5 of the Commonwealth Constitution, the Board shall  
25 place this Legislative Initiative, with the Findings and Purpose section herein, before the  
26 people of the Commonwealth for ratification vote at the earlier of the next regular general  
27 election or the next special election established by law.

Prefiled:

Date: 01/16/26

Introduced By: /s/  
Sen. Paul A. Manglona

Reviewed for legal sufficiency:

/s/ Antonette R. Villagomez  
Senate Legal Counsel