



GOV. COMM. 20-118
(HOUSE)

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

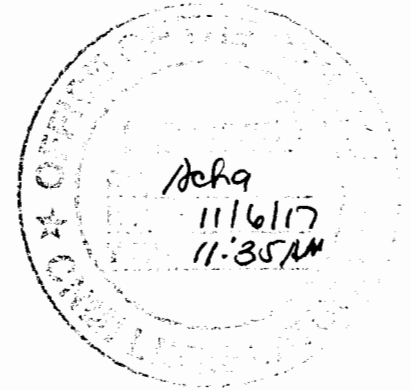
Ralph DLG. Torres
Governor

Victor B. Hocog
Lieutenant Governor

25 OCT 2017

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

The Honorable Rafael S. Demapan
Speaker, House of Representatives
Twentieth Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

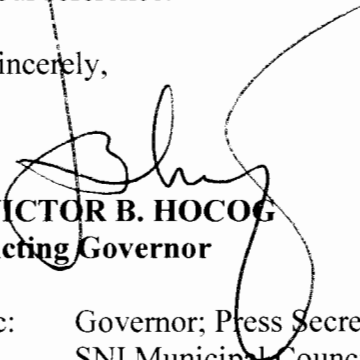


Dear Mr. Chairman and Mr. Speaker:

This is to inform you that I have signed into law House Local Bill No. 20-15, entitled, "To repeal Chapter 4 of Title 6 of the Saipan Municipal Code and to establish the Saipan Bingo Act of 2017; and for other purposes.", which was passed by the Saipan and Northern Islands Legislative Delegation of the Twentieth Northern Marianas Commonwealth Legislature.

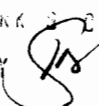
This bill becomes **Saipan Local Law No. 20-16**. Copies bearing my signature are forwarded for your reference.

Sincerely,


VICTOR B. HOCO
Acting Governor

cc: Governor; Press Secretary; Mayor of Saipan; Mayor of Northern Islands, Chairman, SNI Municipal Council; Public Auditor; Special Assistant for Administration; Special Assistant for Programs and Legislative Review

RECEIVED
DATE BY 10-25-17 @ 3:55pm

RECEIVED BY 
DATE 11/8/17 TIME 4:23pm



**SAIPAN AND NORTHERN ISLANDS LEGISLATIVE DELEGATION
TWENTIETH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
SECOND REGULAR SESSION, 2017**

HOUSE LOCAL BILL NO. 20-15

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

To repeal Chapter 4 of Title 6 of the Saipan Municipal Code and to establish the Saipan Bingo Act of 2017; and for other purposes.

Offered by

Representatives Angel A. Demapan, Francisco C. Aguon, Blas Jonathan "BJ" T. Attao, Ivan A. Blanco, Joseph P. Deleon Guerrero, Rafael S. Demapan, Joseph Leepan T. Guerrero, Alice S. Igitol, and John Paul P. Sablan

on

May 5, 2017

HOUSE ACTION

Transmitted to Saipan and Northern Islands Legislative Delegation for action on June 30, 2017

DELEGATION ACTION

Referred To	:	SNILD Committee on Ways & Means
Comments Solicited	:	Mayor of Saipan; Mayor of Northern Islands; Chairman, SNI Municipal Council
Comments Received	:	Mayor of Saipan & Mayor of Northern Islands
Standing Committee Report	:	None
Passed First & Final Reading	:	August 31, 2017


 Alicia DLG. Leon Guerrero, Delegation Clerk



SAIPAN AND NORTHERN ISLANDS LEGISLATIVE DELEGATION
Third Senatorial District
Twentieth Northern Marianas Commonwealth Legislature

THIRD SPECIAL SESSION, 2017

HOUSE LOCAL BILL NO. 20-15

A LOCAL BILL FOR AN ACT
FOR THE THIRD SENATORIAL DISTRICT

To repeal Chapter 4 of Title 6 of the Saipan Municipal Code and to establish the Saipan Bingo Act of 2017; and for other purposes.

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 Chapter may be known and cited as the "Saipan Bingo Act of 2017".

3 **SECTION 2. REPEALER.**

4 Chapter 4 of Title 6 of the Saipan Municipal Code is hereby repealed in its entirety.

5 **SECTION 3. AUTHORIZATION OF BINGO GAMES.**

6 (a) This Act authorizes the following kinds of bingo games: (i) traditional bingo;
7 and, (ii) electronic bingo. A sole bingo license issued under this Act shall be a license
8 to operate either the traditional bingo game or electronic bingo game, or both.

9 (1) **Traditional Bingo Games.** Traditional bingo games mean an equal
10 chance game that is played using cards or other devices in which the operator or
11 announcer calls or displays a series of numbers, pictures, or symbols in random order in
12 pre-determined patterns that players match and the first to get the specified set of number,
13 pictures, or symbols on the cards or devices, shouts "***bingo***" and wins the game.

1 (2) **Electronic Bingo Games.** Electronic bingo games mean an electronic
2 card-minding device, which interfaces with an equipment that is used to conduct a
3 controlled bingo game with progressive jackpot in conformity to the prescribed
4 prize payout percentage through a server-based system that has a Random Game
5 Generator.

6 (b) The sole bingo licensee may elect to operate both kinds of bingo games
7 authorized under this subsection but it shall not be a requirement. The sole bingo licensee
8 may operate both or only one at any given time during the five (5) year license period.

9 **SECTION 4. RULES AND REGULATIONS.**

10 The Mayor of Saipan shall promulgate reasonable and necessary rules and regulations to
11 carry out the intent and purposes of this Act. The proposed rules and regulations must be
12 promulgated no later than sixty (60) days from the date this Act becomes law. Promulgation of
13 the rules and regulations shall be in conformance with 1 CMC § 9101 *et seq.*

14 **SECTION 5. BINGO LICENSE.**

15 (a) There shall be no more than one (1) bingo license issued during the period of
16 the license. The Mayor of Saipan may authorize the sole bingo licensee to operate bingo
17 games at different locations in Saipan. The operation of bingo games at different
18 locations must be under the direct management and supervision of the sole bingo
19 licensee. No other person, business, organization, group, or entity, shall be authorized to
20 operate bingo games.

21 (b) The sole bingo licensee may operate bingo games during the Fourth of July
22 Liberation Day Celebration within the grounds of the festivities; provided, the sole
23 licensee shall first obtain the written permission of the Mayor of Saipan, in prior
24 consultation with the organizers of the Fourth of July Liberation Day Celebration before
25 operating bingo games within the grounds of the festivities. The sole bingo licensee shall
26 not be required to pay an additional bingo license fee, except that it may be required to
27 pay a concession fee to be established by the Mayor of Saipan and the organizers of the
28 Fourth of July Liberation Day Celebration. The concession fee that the sole bingo

1 licensee shall be required to pay shall be twenty percent (20%) higher than the
2 established concession fee for non-food concessionaires but in no event shall it be less
3 than the established concession fee for non-food concessionaires.

4 (c) The sole bingo licensee may host bingo games for the purpose of assisting
5 non-profit organizations raise funds for locally, i.e., within the CNMI, recognized
6 charitable causes. Non-profit organizations that support charitable causes must be
7 licensed to conduct non-profit work and business in the CNMI, must be a 501 (c)(3) non-
8 profit organization, use of funds must be restricted within the CNMI, the purpose of the
9 non-profit must be charitable, etc. All proceeds from the fundraising activity must be
10 reported to the Mayor of Saipan which report must contain in detail the name of the non-
11 profit organization, the total amount of funds raised, the total amount paid to the sole
12 bingo licensee, the name of the charitable cause benefiting from the fundraising activity.
13 The funds raised shall be used only for the intended charitable cause. Fundraising from
14 bingo games, as authorized under this subsection, shall not exceed five (5) consecutive
15 days in a calendar year. No non-profit organization shall be authorized to fundraise under
16 this subsection more than once in any calendar year.

17 **SECTION 6. TERM OF BINGO LICENSE.**

18 (a) The term of the sole bingo license shall be for a period of five (5) years. The
19 term shall commence on the date the sole bingo license is issued by the Mayor of Saipan
20 and shall continue for a period of sixty (60) months.

21 (b) The sole bingo license may be cancelled, terminated, or suspended by the
22 Mayor of Saipan for non-payment of the annual sole bingo license fee, which fee shall
23 be the amount offered in a bid by the winning bidder, or for noncompliance with laws
24 and regulations. The Mayor of Saipan may cancel, terminate, or suspend the sole license
25 after delivering written notice of nonpayment or noncompliance with other laws or
26 regulations, e.g., failure to renew business license or permits, to the sole licensee. The
27 process for cancellation, termination, or suspension of the sole bingo license shall be in
28 accordance with the bingo rules and regulations. The sole licensee shall be disqualified

1 from bidding for the sole bingo license for a period of five (5) years after the Mayor of
2 Saipan has terminated or cancelled the sole license of the sole bingo licensee. Suspension
3 of the bingo license shall remain in effect until and after the sole licensee has delivered
4 verifiable proof to the Mayor of Saipan that sole licensee has cured violations of laws
5 and regulations or paid and settled in full any outstanding debts, e.g., bingo license fee,
6 taxes, business license fees, etc.

7 (c) The sole licensee of the sole bingo license may cancel or terminate the sole
8 bingo license for any reason. Upon the sole licensee canceling or terminating the sole
9 bingo license for any reason, it shall not participate in subsequent bidding of the sole
10 bingo license until at least five (5) years have elapsed from the date of cancellation or
11 termination. The licensee shall not be entitled to a refund of the annual license fee, in
12 whole or in part, regardless of whether the sole bingo licensee at its own election or the
13 Mayor of Saipan cancelled or terminated the sole bingo license.

14 (d) Cancellation or termination of the sole bingo license by the Mayor of Saipan
15 or by the sole bingo licensee shall immediately terminate all authorizations for the
16 operation of bingo games at different locations in Saipan. Suspension of the sole bingo
17 license shall immediately suspend all authorizations to operate bingo games at different
18 locations in Saipan.

19 **SECTION 7. ISSUANCE OF LICENSE.**

20 The Mayor of Saipan shall issue the sole bingo license for the operation of bingo games
21 only after awarding the sole license as provided in Section 10 of this Act.

22 **SECTION 8. NOTICE OF BID.**

23 An invitation to bid for the sole bingo license shall be advertised in any of the local
24 newspapers in general circulation in Saipan. The bid must be advertised at least once a week for
25 three (3) consecutive weeks.

26 **SECTION 9. SUBMISSION OF BID.**

27 (a) A bid for the sole bingo license may be submitted to the Office of the Mayor
28 of Saipan any day within a period of five (5) working days from the date fixed in the

1 invitation to bid for the submission of a bid. A bid submitted to the Office of the Mayor
2 of Saipan before the five (5) day period will be returned to the bidder.

3 (b) All bids submitted in response to the invitation to bid for the sole bingo license
4 must be sealed.

5 (c) Each bid must be accompanied by a non-refundable bid fee of Two Hundred
6 Dollars (\$200.00). Payment may be by cash or check. Check payment must be made
7 payable to the Office of the Mayor of Saipan.

8 (d) All bids received by the Office of the Mayor of Saipan shall be publicly opened
9 within five working days at a time and place stated in the invitation to bid.

10 (e) The minimum bid for the sole bingo license shall be Ten Thousand Dollars
11 (\$10,000.00) per year. The bid amount shall be paid no later than twenty-four (24) hours
12 after written notice of bid award to the highest qualified bidder. Payment shall be
13 delivered to the Office of the Mayor of Saipan. Payment of the bid amount by check
14 shall be payable to the Office of the Mayor of Saipan.

15 (f) The sole bingo licensee shall pay the annual sole bingo license fee on or before
16 the established date in the Mayor of Saipan's letter notifying the sole bingo licensee of
17 the award of the sole bingo license to the licensee.

18 **SECTION 10. BID AWARD.**

19 (a) The Mayor of Saipan shall award the sole bingo license to the highest qualified
20 bidder. In the event that for any reason the Mayor does not approve the highest bidder,
21 or the highest bid, the Mayor must reject all bids received in response to the invitation to
22 bid and notify all bidders in writing of the rejection. The Mayor must publish a new
23 notice of invitation to bid as soon as practicable in the same manner as set forth under
24 this Act, except that the highest bidder who was disapproved by the Mayor shall not be
25 allowed to submit a bid in response to the new notice of invitation to bid.

26 (b) A bidder or bidders is ineligible to bid in a new notice of invitation to bid when
27 the bidder or bidders include a bidder or bidders who have been disapproved by the
28 Mayor or when the bidder or bidders have a business or non-business relationship with a

1 bidder or bidders who have been disapproved. As used in this subsection, a bidder or
2 bidders include a joint venture, a company, a corporation, a sole proprietorship, a limited
3 liability company, organization.

4 **SECTION 11. NO REFUND OF LICENSE FEE.**

5 Upon payment of the sole bingo annual license fee, no refund shall be made to the
6 licensee regardless of the reason that licensee claims to be basis for refund. The cessation of
7 bingo games for reasons related to a calamity, strike, lockout, loss of business, low turnout of
8 players, no electricity, damage to facility, insolvency, and/or for other reasons shall not be used
9 as a basis to refund the annual sole license fee.

10 **SECTION 12. NO TRANSFER, SALE, ASSIGNMENT, OR SUBCONTRACT SOLE**
11 **LICENSE.**

12 The sole licensee shall not transfer, sale, assign, or subcontract the sole license or the
13 operation of the bingo to another person, company, organization, affiliate, subsidiary, group,
14 regardless if that person, company, organization, affiliate, subsidiary, or group is owned in whole
15 or part by the sole licensee or if the sole licensee has any interest of any kind in the business.
16 Violation of this Section by the sole licensee shall be cause for the Mayor of Saipan to
17 immediately terminate the sole license by giving an advance notice of termination to the sole
18 licensee not exceeding five (5) working days before the effective date of the termination. Sole
19 licensee shall not be entitled to reimbursement of any unearned sole license fee paid in advance.

20 **SECTION 13. CITIZENSHIP AND LICENSE REQUIREMENTS.**

21 (a) The sole bingo license shall not be issued to any person, corporation, company,
22 joint venture, entity, or organization who is not a citizen of the United States of America
23 or a United States permanent resident alien and a resident of Saipan for at least five (5)
24 years prior to participating in an invitation to bid. For purposes of this Act, resident shall
25 mean a person, business, company, joint venture, entity, or organization shall have been
26 residing or doing business in Saipan for five (5) or more consecutive years prior to the
27 date of submitting a bid for the sole bingo license. Such person, business, company, joint
28 venture, entity, or organization shall have established residency in Saipan by keeping a

1 current mailing address, active accounts at the Commonwealth Utilities Corporation,
2 active accounts at banking institutions in Saipan, and continuously paid income or gross
3 receipt taxes for more than five (5) consecutive years before submitting a bid for the sole
4 bingo license. Upon request, the Mayor of Saipan shall receive verifiable proof from
5 each bidder to satisfy the requirements of residency as provided in this subsection.
6 Refusal or failure of a bidder to provide proof as requested by the Mayor of Saipan shall
7 immediately disqualify and make that bidder ineligible for further consideration of its
8 bid.

9 (b) The sole bingo license shall not be issued to a person, corporation, company,
10 joint venture, entity, or organization who does not have a valid business license to
11 conduct bingo games in Saipan. This requirement must be satisfied prior to any person,
12 corporation, joint venture, entity, or organization responding to an invitation to bid for
13 the sole bingo license in Saipan.

14 (c) The sole bingo licensee must be licensed by the appropriate government agency
15 to conduct sales of goods, beverage, merchandize, etc. The sole bingo licensee must at
16 all times during the five (5) year license period keep all required licenses and permits
17 current.

18 (d) The sole bingo licensee must comply with any and all applicable CNMI and
19 federal laws and regulations, including but not limited to zoning, building safety code,
20 building occupancy, fire, health and sanitation, etc.

21 **SECTION 14. OPERATION OF BINGO GAMES.**

22 The sole bingo licensee may operate bingo games on any day the licensee elects to
23 operate, and the sole bingo licensee may operate bingo games twenty-four (24) hours, provided
24 the sole bingo licensee is in compliance with other applicable laws and regulations governing
25 the operation of business.

1 **SECTION 15. ESTABLISHMENT OF SUBACCOUNT.**

2 (a) The Department of Finance shall establish a local special account for the deposit
3 of the sole bingo license fee which the winning bidder for the sole bingo license must
4 pay annually during the five (5) year license period. The Mayor of Saipan shall be the
5 expenditure authority of the funds deposited in the account.

6 (b) Notwithstanding any law or provision to the contrary, the Mayor of Saipan
7 shall use the funds in the special account established by subsection (a) of this Section for
8 operations related expenses. The funds deposited and remaining unspent in the special
9 account shall be available for expenditure by the Mayor of Saipan without fiscal year
10 limitation.. The Mayor of Saipan shall submit to the Saipan and Northern Islands
11 Legislative Delegation chairperson a detailed fund status report not later than September
12 30 of each fiscal year.

13 **SECTION 16. SEVERABILITY.**

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

18 **SECTION 17. SAVINGS CLAUSE.**

19 This Act and any repealer contained herein shall not be construed as affecting any
20 existing right acquired under contract or acquired under statutes repealed or under any rule,
21 regulation or order adopted under the statutes. Repealers contained in this Act shall not affect
22 any proceeding instituted under or pursuant to prior law. The enactment of the Act shall not
23 have the effect of terminating, or in any way modifying, any liability, civil or criminal, which
24 shall already be in existence on the date this Act becomes effective.

1 **SECTION 18. EFFECTIVE DATE.**

2 This Act shall take effect upon its approval by the Governor, or its becoming law without
3 such approval.

CERTIFIED BY:



JOHN PAUL P. SABLAN
Chairman
Saipan & Northern Islands
Legislative Delegation



RAFAEL S. DEMAPAN
Speaker
House of Representatives

Approved on this *25th* day of *October*, 2017.



VICTOR B. HOCO
ACTING Governor

Commonwealth of the Northern Mariana Islands