



Gov. Msg. No. 20-156

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

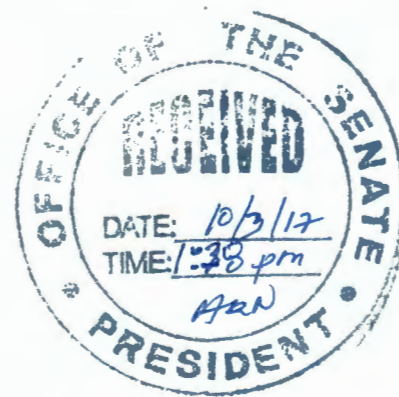
Ralph DLG. Torres
Governor

Victor B. Hocog
Lieutenant Governor

10 3 OCT 2017

Honorable Jude U. Hofschneider
Chairman, Tinian and Aguiguan
Legislation Delegation
Twentieth Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

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



Dear Mr. Chairman and Mr. Speaker:

This is to inform you that I have signed into law H.L.B. 20-30, D1, entitled, "To amend the Revised Tinian Casino Gaming Control Act of 1989 to provide for internet gaming; to amend casino license fee and tax rate; and for other purposes." The bill was passed by the Tinian and Aguiguan Legislative Delegation of the Twentieth Northern Marianas Commonwealth Legislature.

This bill becomes **Tinian Local Law No. 20-05**. Copies bearing my signature are forwarded for your reference.

Sincerely,

Ralph DLG. Torres
RALPH DLG. TORRES

cc: Lt. Governor; Press Secretary; Tinian Mayor; Secretary of Finance; Chairman, Tinian & Aguiguan Municipal Council; Tinian Casino Gaming Control Commission; Commonwealth Law Revision; Special Assistant for Administration; Special Assistant for Programs & Legislative Review

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**TINIAN & AGUIGUAN LEGISLATIVE DELEGATION
SECOND SENATORIAL DISTRICT
TWENTIETH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
SECOND SPECIAL SESSION, 2017**

HOUSE LOCAL BILL NO. 20-30, D1

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

To amend the Revised Tinian Casino Gaming Control Act of 1989 to provide for internet gaming; to amend casino license fee and tax rate; and for other purposes.

Offered by Representative Edwin P. Aldan

on July 6, 2017

HOUSE ACTION

Transmitted to Tinian & Aguiguan Legislative Delegation for action on August 1, 2017

DELEGATION ACTION

Referred to : None

Comments Solicited : 8/1/17 - Mayor of Tinian & Aguiguan; Chairman, Tinian & Aguiguan Municipal Council
[Ref. Delegation Matter 20-21 & 20-22]

Comments Received : 8/2/17 - Mayor of Tinian & Aguiguan
[Ref. Mayor's Comm. 20-4]

8/7/17 - Chairman, Tinian & Aguiguan Municipal Council
[Ref. TAMC No. 20-4]

Standing Committee Report : None

Passed First & Final Reading : September 22, 2017

Alicia DLG. Leon Guerrero, Delegation Clerk



TINIAN & AGUIGUAN LEGISLATIVE DELEGATION
Twentieth Northern Marianas Commonwealth Legislature
Second Senatorial District

FIRST SPECIAL SESSION, 2017

House Local Bill No. 20-30, D1

A LOCAL BILL FOR AN ACT
FOR THE SECOND SENATORIAL DISTRICT

To amend the Revised Tinian Casino Gaming Control Act of 1989 to provide for internet gaming; to amend casino license fee and tax rate; and for other purposes.

BE IT ENACTED BY THE SECOND SENATORIAL DISTRICT DELEGATION
PURSUANT TO CHAPTER 4, DIVISION 1, TITLE 1
OF THE COMMONWEALTH CODE:

1 **SECTION 1. FINDINGS AND PURPOSE.**

2 The Tinian and Aguiguan Legislative Delegation, being the duly elected body
3 authorized through N.M.I. Const. Art. II, § 6 and the Local Law Act of 1983, specifically 1
4 CMC § 1401 *et seq.*, to enact laws that relate exclusively to local matters such as, gambling
5 prohibition and regulation, within the Second Senatorial District find that in the interest of
6 promoting the Tinian gaming industry, it is lawful and necessary to amend the Revised Tinian
7 Casino Gaming Control Act of 1989 in order to be competitive in the Pacific Region.

1 **SECTION 2. AMENDMENT.**

2 PART I, Section 4(1) of the Revised Tinian Casino Gaming Control Act
3 of 1989 is amended to add the following definitions and to revise the definition of
4 “temporary casino complex” to read as follows:

5 “4. Interpretation (1) In this Act, unless the contrary intentions appears -

6 ‘communications technology’ means any method used and the
7 components employed by an establishment to facilitate the transmission of
8 information, including, without limitation, transmission and reception by
9 systems based on wire, cable, radio, microwave, light, optics or computer
10 data networks, including, without limitation, the Internet and intranets;

11 ‘internet gaming’ means the conduct of gambling games through
12 the use of communications technology that allows a person, utilizing
13 money, checks, electronic checks, electronic transfers of money, credit
14 cards, debit cards or any other instrumentality, to transmit to a computer
15 information to assist in the placing of a bet or wager and corresponding
16 information related to the display of the game, game outcomes or other
17 similar information;

18 ‘internet gaming operator’ means a casino licensee permitted under
19 the act and the regulations to operate an internet gaming system;

20 ‘temporary casino complex’ means those areas identified in a
21 conditional casino license agreement as a casino, as defined under this act
22 or as authorized as a temporary live training facility by the Tinian Casino

1 Gaming Control Commission (TCGCC). A licensee shall only operate a
2 temporary live training facility for a period of up to three (3) years."

3 **SECTION 3. AMENDMENT.**

4 PART III, Sections 15 and 18 of the Revised Tinian Casino Gaming
5 Control Act of 1989 are amended to read as follows:

6 **"15. Grant of Casino License.** Notwithstanding any other Act or law-

7 "(a) the Commission may grant not more than five casino license
8 for a period not to exceed forty (40) years which shall not be transferable,
9 except as proscribed in the Act, provided that no casino licenses shall be
10 authorized within the vicinity of any church or school;

11 "(b) the conduct of playing games in the casino pursuant to a
12 casino license, in accordance with this Act and any other applicable Act
13 and the agreement relating to the particular license, is lawful;

14 "(c) the use of any gaming equipment or chips in the conduct and
15 playing of games where such games are conducted and played in a casino
16 pursuant to a casino license is lawful;

17 "(d) the conduct of internet gaming pursuant to a casino license, in
18 accordance with this Act and any other applicable Act, the regulations
19 established by the Commission to regulate internet gaming and internet
20 gaming operators, and the operating agreement relating to the particular
21 license permitting the conduct of internet gaming, is lawful. Operating
22 internet gaming is conditioned on having a hotel with three hundred (300)

1 units and an operational Hotel-casino complex casino and the
2 implementation of a geolocation software limiting internet gaming
3 activities to within intra-island borders of the Second Senatorial District
4 and between jurisdictions where the conduct of internet gaming is legal.”

5 **“18. Hotel-Casino Complex Owner As Licensee.**

6 “(1) The person to whom a casino license is granted shall be the owner of
7 the hotel casino complex in question.

8 “(a) The person to whom an internet casino license is granted shall
9 be the same owner of the hotel casino complex in Section 18(1).

10 “ (2) Save in the case of an assignment as referred to in section 29 and
11 subject to that section, a ground for cancellation or suspension of the casino
12 license arises, and shall be taken to be a ground for cancellation or suspension
13 arising pursuant to section 28(1). If the casino licensee ceases to be the owner as
14 aforesaid.”

15 **SECTION 4. AMENDMENT.**

16 PART VI, Sections 50(2) and (3) of the of the Revised Tinian Casino
17 Gaming Control Act of 1989 are amended to read as follows:

18 **“50. Casino license fees, internet gaming license fees, casino key
19 employee and casino employee license fees, casino service industry license fee,
20 investigative fees, fines and casino taxes as local revenues.**

21 “(1) [Unchanged].

22 “(2) Investigative, Internet Gaming and Casino license fee.

1 “(a) [Unchanged.]

2 “(b) An annual conditional or plenary license fee of Five
3 Hundred Thousand Dollars (\$500,000.00) shall be paid to the
4 Commission upon approval of the application provided that when a
5 casino license is issued less than the period of the twelve (12)
6 months of the financial year ending 30 September, the fee shall be
7 calculated on a quarterly basis and paid on the period remaining.

8 “1) A licensee may opt to pay an annual conditional
9 or plenary license fee of Two Million Dollars
10 (\$2,000,000.00) and waive payment of casino revenue
11 taxes at the stated tax rate.

12 “2) A licensee may opt to pay an additional annual
13 fee of Three Hundred Thousand Dollars
14 (\$300,000.00) for the operation of internet gaming.
15 The annual internet license fee may be waived for a
16 casino licensee who opts to pay an annual plenary
17 or conditional casino license fee of Two Million
18 Dollars (\$2,000,000.00) but may not waive payment
19 of internet gambling revenue tax.

20 “(c) A casino licensee shall renew a license upon its
21 expiration by the payment of the annual license fee.

22 (3) Casino tax.

1 “(a) – (c) [Unchanged.

2 “(d) An internet gambling revenue tax of five percent of
3 gross internet gambling revenue as provided by 1 CMC §
4 1402(c)(4) shall be paid each month by the licensee granted an
5 internet gaming operator license.”

6 **SECTION 5. SEVERABILITY.**

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

12 **SECTION 6. SAVINGS CLAUSE.**

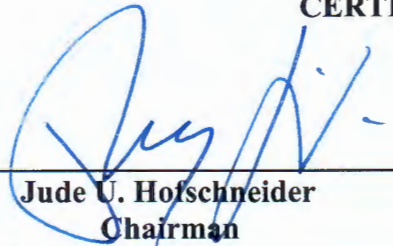
13 This Act and any repealer contained herein shall not be construed as
14 affecting any existing right acquired under contract or acquired under statutes
15 repealed or under any rule, regulation or order adopted under the statutes.
16 Repealers contained in this Act shall not affect any proceeding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

House Local Bill 20-30, D1

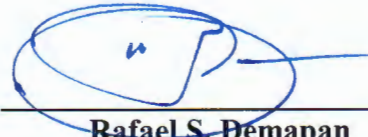
1 **SECTION 7. EFFECTIVE DATE.**

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

CERTIFIED BY:



Jude U. Hofschneider
Chairman
Tinian & Aguiguan Legislative Delegation



Rafael S. Demapan
Speaker
House of Representatives

Approved this *3rd* day of *October*, 2017.



Ralph DLG. Torres
Governor
Commonwealth of the Northern Mariana Islands