



GOV. COMM. 20-103  
(HOUSE)

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

**Ralph DLG. Torres**  
Governor

**Victor B. Hocog**  
Lieutenant Governor

29 SEP 2017

The Honorable Arnold I. Palacios  
Senate President, The Senate  
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

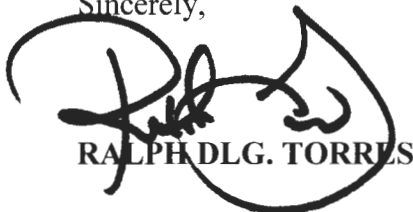


Dear Mr. President and Mr. Speaker:

This is to inform you that I have signed into law Senate Bill No. 20-7, SD1 entitled, "To amend 2 CMC § 4435 (f) and to repeal 2 CMC § 4435(h); and for other purposes," which was passed by the Senate and the House of Representatives of the Twentieth Northern Marianas Commonwealth Legislature.

This bill becomes **Public Law No. 20-18**. Copies bearing my signature are forwarded for your reference.

Sincerely,

  
RALPH DLG. TORRES

cc: Lt. Governor; Press Secretary; Northern Marianas Housing Corporation; Public Auditor; Special Assistant for Administration; Special Assistant for Programs and Legislative Review

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**THE SENATE**  
**TWENTIETH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE**

**SENATE BILL NO. 20-07, SD1**

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**AN ACT**

To amend 2 CMC § 4435(f) and to repeal 2 CMC § 4435(h);  
and for other purposes.

***SENATE ACTION***

**Offered by Senator(s):** Arnold I. Palacios

**Date:** January 20, 2017

**Referred to:** Committee on Resources, Economic Development and Programs

**Standing Committee Report No.:** 20-07 adopted on May 10, 2017

**First and Final Reading:** May 10, 2017

***HOUSE ACTION***


**Referred to:** None

**Standing Committee Report No.:** None

**First and Final Reading:** September 05, 2017

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**DOLORES S. BERMUDES**  
**SENATE CLERK**



THE SENATE  
TWENTIETH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

FIRST REGULAR SESSION, 2017

S. B. NO. 20-07, SD1

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AN ACT

To amend 2 CMC § 4435(f) and to repeal 2 CMC § 4435(h);  
and for other purposes.

**BE IT ENACTED BY THE TWENTIETH NORTHERN MARIANAS  
COMMONWEALTH LEGISLATURE:**

1       **Section 1. Findings and Purpose.** The Legislature finds that Public Law 6-34  
2 authorized the Northern Marianas Housing Corporation (NMHC), subject to certain terms  
3 and conditions, to lease for commercial development certain lands situated in the North  
4 Garapan Subdivision Annex No. 2. Public Law 6-34 further required the following: (1)  
5 that all 45 existing housing units currently controlled by NMHC at the subject property be  
6 replaced by decent, safe, sanitary housing at another, suitable location; (2) that all requisite  
7 infrastructure facilities be installed and operational for said replacement housing; and (3)  
8 that all current tenants of Annex No. 2 Section 8 housing, who so desire, be relocated to  
9 the replacement housing before commencement of demolition of the existing housing or  
10 construction of the proposed development.

11       The Legislature finds that although NMHC opted out of the U.S. Department of  
12 Housing and Urban Development's (HUD) Section 8 Housing Assistance Payments  
13 Contracts rental housing program in 1997 and 1999 for the Annex subdivision, none of the  
14 tenants of the Annex No. 2 housing have been displaced. In fact, the tenants were  
15 accommodated either under the HUD Section 8 Housing Choice Voucher Program,  
16 through which they were provided housing assistance vouchers to rent privately-owned  
17 dwellings or the HOME Program for first-time homeowners.

1           Therefore, the purpose of this legislation is to expand the use of the lease  
2 agreement payments to include supplementing and leveraging NMHC and HUD's housing  
3 assistance and loan programs as well as other federal and local housing and community  
4 programs offered or administered by NMHC; and to eliminate the lease agreement  
5 requirement to replace the Annex housing units because there are sufficient housing  
6 assistance units or vouchers to accommodate those qualified for such programs.

7           **Section 2. Amendment.** 2 CMC § 4435(f) is hereby amended to read as follows:

8           ~~“(f) That payments to MIHA under the lease agreement shall be segregated~~  
9 ~~from all other income or receipts of MIHA, shall be subject to annual audit by the~~  
10 ~~Commonwealth Public Auditor, and shall be used solely for the following~~  
11 ~~purposes: That payments to NMHC under the lease agreement shall be set aside~~  
12 ~~and earmarked to supplement and leverage HUD's housing assistance and loan~~  
13 ~~programs, community planning and development programs; the United States~~  
14 ~~Department of Agriculture Rural Development (USDA-RD) housing loan and~~  
15 ~~community planning and development programs, and other similar programs~~  
16 ~~available under the U.S. federal government; the NMHC direct family home loan~~  
17 ~~program; and also shall be used for the following purposes:~~

18                   (1) To meet the obligations of ~~MIHA~~ NMHC, as outstanding at the  
19 time of execution of the lease;

20                   ~~(2) To assist in providing infrastructure for existing and future~~  
21 ~~Marianas Public Land Corporation village homestead developments, to the~~  
22 ~~extent that FHA, FmHA, and other low interest or guaranteed mortgage~~  
23 ~~programs thus become available to low and moderate income persons~~  
24 ~~building homes in the homesteads; and~~

25                   ~~(3) For investment in obligations of the United States government~~  
26 ~~the earnings from which shall be used by MIHA to provide decent, safe and~~  
27 ~~sanitary housing for persons for low and moderate income;~~

28                   (2) To provide working capital for NMHC direct family home loan  
29 program;

1                   (3) To assist in providing infrastructure for existing and future  
2                   village homestead developments for the islands of Saipan and the Northern  
3                   Islands, Rota, and Tinian to the extent that FHA, USDA RD, and other low  
4                   interest or guaranteed mortgage programs thus become available to very-  
5                   low, low and moderate income families building homes in the homesteads;  
6                   and

7                   (4) To defray the costs of administering and managing NMHC's  
8                   housing assistance, housing loan and loan guarantee programs, community  
9                   development programs, and other programs that NMHC may administer in  
10                   the future."

11                   **Section 3. Repealer.** 2 CMC § 4435(h) is hereby repealed in its entirety:

12                   ~~"(h) That all existing housing currently controlled by MIHA at the subject~~  
13                   ~~property be replaced by decent, safe, sanitary, housing at another suitable location,~~  
14                   ~~that all requisite infrastructure facilities be installed and operational for said~~  
15                   ~~replacement housing, and that all current tenants of the Garapan Section 8 housing,~~  
16                   ~~who so desire, be relocated to the replacement housing, before the commencement~~  
17                   ~~of demolition of the existing housing or construction of the proposed~~  
18                   ~~development."~~

19                   **Section 4. Severability.** If any provision of this Act or the application of any such  
20                   provision to any person or circumstance should be held invalid by a court of competent  
21                   jurisdiction, the remainder of this Act or the application of its provisions to persons or  
22                   circumstances other than those to which it is held invalid shall not be affected thereby.

23                   **Section 5. Savings Clause.** This Act and any repealer contained herein shall not  
24                   be construed as affecting any existing right acquired under contract or acquired under  
25                   statutes repealed or under any rule, regulation or order adopted under the statutes.  
26                   Repealers contained in this Act shall not affect any proceeding instituted under or pursuant  
27                   to prior law. The enactment of this Act shall not have the effect of terminating, or in any  
28                   way modifying, any liability civil or criminal, which shall already be in existence at the  
29                   date this Act becomes effective.

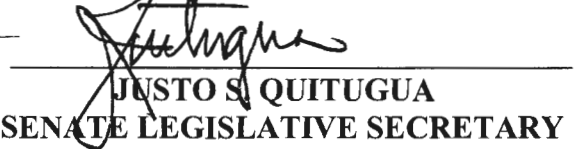
1           Section 6. Effective Date. This Act shall take effect upon its approval by the  
2 Governor or upon its becoming law without such approval.

CERTIFIED BY:



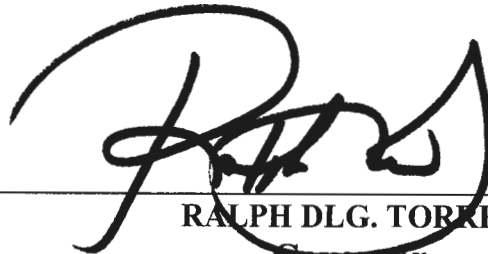
ARNOLD I. PALACIOS  
PRESIDENT OF THE SENATE

ATTESTED BY:



JUSTO S. QUITUGUA  
SENATE LEGISLATIVE SECRETARY

Approved 29<sup>th</sup> day of September, 2017



RALPH DLG. TORRES  
Governor

Commonwealth of the Northern Mariana Islands