



Arnold I. Palacios
Governor

David M. Apatang
Lieutenant Governor

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
OFFICE OF THE GOVERNOR

10 JAN 2025

GOV2025-162

The Honorable Edith E. Deleon Guerrero
President of the Senate
Twenty-Third Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

The Honorable Edmund S. Villagomez
Speaker, House of Representatives
Twenty-Third Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

Dear Madame President and Mr. Speaker:

This is to inform you that I have signed into law **Senate Bill No. 23-17, HD1**, entitled, "To amend the provisions pertaining to village and agricultural homesteads in Rota, Tinian, and Saipan and to specifically prohibit the Department of Public Lands from revoking a village or agricultural homestead permit after it is approved and issued because the applicant met all the requirements, including that the applicant has no interest in land at the time the permit was approved; and for other purposes." which was passed by the Senate and the House of Representatives of the Twenty-Third Northern Marianas Commonwealth Legislature.

This bill becomes **Public Law No. 23-34**. Copies bearing my signature are forwarded for your reference.

Sincerely,


ARNOLD I. PALACIOS
Governor

cc: Lieutenant Governor; Attorney General; Commonwealth Law Revision;
Public Auditor; Secretary, Department of Public Land;
Acting Special Assistant for Administration; Programs and Legislative Review



THE SENATE

Twenty-Third Northern Marianas Commonwealth Legislature
P. O. Box 500129
Saipan, MP 96950

December 31, 2024

The Honorable Arnold I. Palacios
Governor
Commonwealth of the Northern Mariana Islands
Capitol Hill
Saipan, MP 96950

Dear Governor Palacios:

I have the honor of transmitting herewith for your action Senate Bill No. 23-17, HD1, entitled: "To amend the provisions pertaining to village and agricultural homesteads in Rota, Tinian and Saipan, and to specifically prohibit the Department of Public Lands from revoking a village or agricultural homestead permit after it is approved and issued because the applicant met all the requirements, including that the applicant has no interest in land at the time the permit was approved; and for other purposes" which was passed by the Senate and the House of Representatives of the Twenty-Third Northern Marianas Commonwealth Legislature.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chanele C. Borja".

Chanele C. Borja
Acting Senate Clerk

Attachments





**THE SENATE
TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH
LEGISLATURE**

SENATE BILL NO. 23-17, HD1

AN ACT

To amend the provisions pertaining to village and agricultural homesteads in Rota, Tinian and Saipan, and to specifically prohibit the Department of Public Lands from revoking a village or agricultural homestead permit after it is approved and issued because the applicant met all the requirements, including that the applicant has no interest in land at the time the permit was approved; and for other purposes.

SENATE ACTION

Offered by Senator(s): Francisco Q. Cruz

Date: January 19, 2023

Referred to: Committee on Resources, Economic Development, Programs & Gaming

Standing Committee Report No.: 23-09 Adopted on 04/20/23

Final Reading: April 20, 2023

HOUSE ACTION

Referred to: Committee on Natural Resources

Standing Committee Report No.: None

First and Final Reading: December 18, 2024

A blue ink signature of Senator Celina R. Babauta, written in a cursive style.

**Senator Celina R. Babauta
SENATE LEGISLATIVE SECRETARY**



THE SENATE
TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
FIRST REGULAR SESSION, 2023 **S.B. NO. 23-17, HD1**

AN ACT

To amend the provisions pertaining to village and agricultural homesteads in Rota, Tinian and Saipan, and to specifically prohibit the Department of Public Lands from revoking a village or agricultural homestead permit after it is approved and issued because the applicant met all the requirements, including that the applicant has no interest in land at the time the permit was approved; and for other purposes.

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

Section 1. Findings and Purpose.

The Legislature acknowledges that Article XI, Section 5(a) of the NMI Constitution provides specifically the Fundamental Policies of the [Department of Public Lands], which “shall make available some portion of the public lands for a homestead program. *A person is not eligible for more than one agricultural and one village homestead.*” Art. XI, Sec. 5, NMI Const. (emphasis added). The plain meaning of this provision authorizes an eligible person to apply for both an agricultural and a village homestead. The constitutional provision was ruled “inoperative” in *DPL v. CNMI*, 2010 MP 14 (Oct. 4, 2010). The Legislature however acknowledges that the “inoperative” provision is saved by an identical language under 2 CMC § 4115(a).

The Legislature further recognizes that the homestead regulations NMIAC § 145-20.4-105(b) provide as follows:

(b) In determining whether an applicant, has an interest in a village lot, the following shall be considered:

SENATE BILL NO. 23-17, HD1

1 (1) *Whether an applicant has an undivided interest in land*, through
2 inheritance or otherwise, that meets the definition of a village lot; or

3 (2) Whether an applicant has conveyed his or her interest in a village lot
4 to a corporation, trust or other entity owned, in whole or in part, by him or her.
5 NMIAC § 145-20.4-105(b)(emphasis added).

6 The Legislature finds that there are individuals who applied for village lot homesteads,
7 approved by the Department of Public Lands (DPL) and the village homestead permit were
8 subsequently issued because the applicants met all the criteria, one of which is not having an
9 interest in land in accordance with NMIAC § 145-20.4-105(b)(1). These individuals entered
10 the designated village lots, spent labor and monies to stay in compliance with the DPL's
11 homestead regulations. However, during the three-year permit period, certain approved
12 permits were revoked because the permittee subsequently acquired interest in land in the
13 Commonwealth. The Legislature finds that the revocation is contrary to NMIAC § 145-20.4-
14 105(b), unreasonable, and unjustified. Some examples of acquisition of interest in land after
15 the permit had been approved are as follows:

16 (1) The applicant later married an NMD spouse and the spouse has interest in land in
17 the CNMI.

18 (2) The applicant is given a Deed (e.g., Life Estate Deed, Deed Upon Death, Deed of
19 Gift subject to an unexpired Lease, or other conveyance with the remainder interest to the
20 applicant). These examples of interest in land are not possessory interest in land at the time
21 the permit was approved by DPL. However, DPL has been revoking permits as a result of
22 subsequent acquisition of interest in land. The Legislature finds that the revocation is contrary
23 to NMIAC § 145-20.4-105(b), unreasonable, and unjustified.

24 (3) The applicant purchased real property after receiving the permit because the
25 property was offered at a very reasonable and affordable price.

26 With respect to village homesteads, the Legislature finds that 2 CMC § 4333 provides
27 for the village homestead program. The language of this section applies to all three senatorial
28 districts. However, the Legislature finds that the Rota and Tinian village homestead
29 provisions are provided in different sections of the Commonwealth Code. The Legislature

SENATE BILL NO. 23-17, HD1

1 finds a need to consolidate the village homestead provisions so that such provisions are
2 applied uniformly and to avoid any confusion. To accomplish this, the village homestead
3 eligibility for Rota, Tinian, and Saipan is combined by amending 2 CMC § 4331 and
4 repealing unnecessary provisions.

5 The Legislature also finds that an agricultural homestead program is available on
6 Tinian and Rota as provided in Title 2, Division 4, Chapter 3, Article 6 (2 CMC §§ 4371 *et.*
7 *seq.*) and 7 (2 CMC §§ 4381 *et. seq.*); respectively. However, there is no DPL agricultural
8 program on Saipan like the programs on Tinian and Rota. The only agricultural homestead
9 program on Saipan, similar to Rota and Tinian, was during the Trust Territory Government
10 period.

11 The Legislature acknowledges the Kagman Agriculture Station farm plots, but the
12 plots are strictly for temporary commercial farming lease that is managed and controlled, not
13 by DPL, but by the Division of Plant Industry and Extension Services of the Department of
14 Lands and Natural Resources.

15 The Legislature finds that the same DPL agricultural program available on Rota and
16 Tinian must be extended to Saipan eligible persons who aspire to farm. Again, to ensure
17 uniform application and avoid any confusion, the agricultural homestead eligibility, except for
18 the Northern Islands, is combined under one provision in this Act.

19 Therefore, the purpose of this Act is to make appropriate amendments to the village
20 homestead and agricultural homestead statutes so that they are uniformly applied on Rota,
21 Tinian, and Saipan¹. Additionally, to specifically prohibit the DPL from revoking a village or
22 agricultural lot permit after the permit is approved and issued, and the homesteader has
23 complied with all the requirements, regardless whether the permittee acquires “interest in
24 land” in the Commonwealth after the permit is approved.

25 **Section 2. Amendment.** Title 2, Division 4, Chapter 3, Article 3, Section 4333, of the
26 Commonwealth Code is amended to read:

27 “§ 4333. ~~Rota, Tinian, and Saipan~~ First, Second, and Third Senatorial Districts
28 Village Homesteading Program: Establishment.

¹ 2 CMC § 43104 provides for the Northern Islands Village and Agricultural Homesteading Program

SENATE BILL NO. 23-17, HD1

1 A village homesteading program is hereby established in the Department of
2 Public Lands (DPL). The implementation of the program shall be as provided by rules
3 and regulations that are consistent with this Act. The program shall include but not be
4 limited to:

5 (a) Establishment of eligibility criteria for designated village homestead lots
6 ~~Rota, Tinian, and Saipan~~ in the First, Second, and Third Senatorial Districts which
7 provide that:

8 (1) An applicant must be of Northern Marianas descent as defined in N.M.I.
9 Const. art. XII, § 4;

10 (2) An applicant is not eligible for more than one village homestead lot;

11 (3) An applicant must be 18 years old or older who is:

12 (i) Married, widowed, or unmarried with dependent children; or

13 (ii) Single.

14 (4) An applicant or his or her spouse must not own or have any possessory
15 interest in any village lot or have been a recipient of a village homestead lot. ~~However,~~
16 ~~any applicant who has met all the above requirements and who had been a recipient of~~
17 ~~a village homestead lot may be eligible to receive a village homestead lot if he or she~~
18 ~~has been divested of a village homestead lot by a court decree pursuant to a divorce~~
19 ~~proceeding which awarded that village homestead lot to either the children or the~~
20 ~~applicant's former spouse.~~

21 (5) Any applicant who has met all the above requirements and who had been a
22 recipient of a village homestead lot may be eligible to receive a village homestead lot
23 if he or she has been divested of a village homestead lot by a court decree pursuant to
24 a divorce proceeding which awarded that village homestead lot to either the children
25 or the applicant's former spouse.

26 (6) Except as provided in subsection (5) of this section, an applicant is not
27 eligible for a village homestead lot if the applicant:

28 (i) Has been a recipient of a village homestead lot under the
29 Department of Public Lands program or any previous homestead program; or

SENATE BILL NO. 23-17, HD1

1 (ii) Has an ownership in a village lot, including an owner of land who
2 has divested himself or herself of his or her possessory right through lease.

3 (7) In determining whether an applicant, has an interest in a village lot thereby
4 making the applicant not eligible for a village homestead lot, the following
5 shall be considered:

6 (i) Whether an applicant has an undivided possessory interest in land,
7 through inheritance or otherwise, that meets the definition of a village lot, or

8 (ii) Whether an applicant has conveyed his or her interest in land to a
9 corporation, trust or other entity owned, in whole or in part, by him or her.

10 (8) For purposes of this section, “possessory interest in land” shall mean an
11 existing possessory interest in land at the time prior to and up to the date of the
12 approval of the homestead permit, excluding interest in land acquired after the date the
13 application is approved. Additionally, possessory interest in land does not include a
14 future interest in land such as a remainder interest (e.g. a life estate remainder interest,
15 Deed upon Death, Deed of Gift subject to an unexpired Lease, or other conveyance
16 with the remainder interest to the applicant).

17 (b) Establishment of village homestead subdivisions that are consistent with
18 modern urban planning standards and which take into consideration lot requirements,
19 roadways, housing, utilities, and water distribution; provided, however, that any
20 village subdivision approved prior to January 9, 1978, the effective date of the
21 Commonwealth Constitution, shall not be affected by this article.

22 (c) Establishment of reasonable filing fees and other related charges.

23 (d) Establishment of inspection and compliance procedures for each designated
24 village homestead program; provided, however, that the homesteader shall be granted
25 a certificate of compliance three years after the issuance of a homestead permit and
26 upon fulfillment of the requirements as established by the Department of Public Lands.
27 DPL may revoke a permit, if after the three-year period, the homesteader has not
28 fulfilled the requirements and no certificate of compliance has been issued; no permit
29 may be revoked, however, if public water, electrical power, and sewer services were

SENATE BILL NO. 23-17, HD1

1 not extended to the homestead lot within a reasonable time before the end of the three-
2 year period.

3 (e) Establishment of priorities for the issuance of a permit, based on a fair
4 drawing of lots by lottery, for a village homestead lot which takes into consideration
5 but is not limited to the applicant's immediate needs for housing, number of
6 dependents, and income;~~; except, however, that unmarried applicants or applicants~~
7 ~~without any dependents who have met all other application criteria shall be given first~~
8 ~~priority status after three years of the date of application.~~ The village lot lottery shall
9 be based on the dates the applications were approved, not based on the applicant's age.

10 (f) DPL shall designate public lands on Rota, Tinian, and Saipan in the First,
11 Second, and Third Senatorial Districts that are suitable for village homestead purposes,
12 which are not required for government use or reserved for other purposes as may be
13 included in the DPL Land Use Plan."

14 **Section 3. Repeal and Reenact.** Title 2, Division 4, Chapter 3, Article 6, of the
15 Commonwealth Code is repealed and reenacted by inserting a new Article 6 to read:

16 **"Article 6. ~~Rota, Tinian, and Saipan~~ First, Second, and Third Senatorial**
17 **Districts Agricultural Homesteads.**

18 § 4371. Short Title. This article may be cited as the ~~Rota, Tinian, and Saipan~~
19 ~~First, Second, and Third Senatorial Districts~~ Agricultural Homestead Act of 2023.

20 § 4372. Eligibility ~~to Rota, Tinian, and Saipan~~ for First, Second, and Third
21 Senatorial Districts Agricultural Homestead.

22 (a) Agricultural Homestead.

23 (1) An applicant is not eligible for an agricultural homestead lot if the
24 applicant:

25 (i) Has been a recipient of an agricultural homestead lot under the
26 Department of Public Lands agricultural homestead program or any previous
27 agricultural homestead program; or

SENATE BILL NO. 23-17, HD1

(ii) Has ownership in agricultural homestead lot, including an owner of agricultural land who has divested himself or herself of his or her possessory right through a lease.

(b) In determining whether an applicant, has a possessory interest in an agricultural homestead lot thereby making the applicant ineligible for an agricultural homestead lot, the following shall be considered:

(1) Whether an applicant has a possessory undivided interest in agricultural land, through inheritance or otherwise, that meets the definition of an agricultural homestead lot, at the time prior to and up to the date of the approval of the agricultural homestead permit; or

(2) Whether an applicant has conveyed his or her interest, in whole or in part, in agricultural homestead land to a corporation, trust or other entity.

(c) For purposes of this section, “possessory interest in agricultural land” shall mean an existing possessory interest in agricultural land at the time prior to and up to the date of the approval of the agricultural homestead permit, excluding interest in land acquired after the date the application is approved. Additionally, possessory interest in agricultural land does not include a future interest in agricultural land such as a remainder interest (e.g. a life estate remainder interest in agricultural land, Deed upon Death, Deed of Gift of agricultural land but subject to an unexpired Lease, or other conveyance of agricultural land with the remainder interest to the applicant).

§ 4373. Designation of Agricultural Homestead Areas.

DPL shall designate public lands ~~on Rota, Tinian, and Saipan~~ in the First, Second, and Third Senatorial Districts that are suitable for agricultural homestead purposes, which are not required for government use or reserved for other purposes as may be included in the DPL Land Use Plan.”

Section 4. Repealer. Title 2, Division 4, Chapter 3, Articles 7 and 8, of the Commonwealth Code are repealed in their entirety.

Section 5. Retroactive Application. The provisions in Sections 2 and 3 of this Act shall apply retroactively to January 1, 2017 for homestead applications that were approved

SENATE BILL NO. 23-17, HD1

1 because all the requirements were met, including having no possessory interest in land at the
2 time the application was approved.

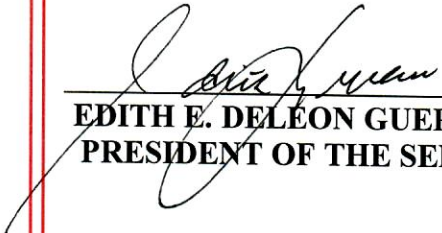
3 **Section 6. Severability.** If any provision of this Act or the application of any such
4 provision to any person or circumstance should be held invalid by a court of competent
5 jurisdiction, the remainder of this Act or the application of its provisions to persons or
6 circumstances other than those to which it is held invalid shall not be affected thereby.

7 **Section 7. Savings Clause.** This Act and any repealer contained herein shall not be
8 construed as affecting any existing right acquired under contract or acquired under statutes
9 repealed or under any rule, regulation, or order adopted under the statutes. Repealers
10 contained in this Act shall not affect any proceeding instituted under or pursuant to prior law.
11 The enactment of the Act shall not have the effect of terminating, or in any way modifying,
12 any liability, civil or criminal, which shall already be in existence on the date this Act
13 becomes effective.

14 **Section 8. Effective Date.** This Act shall take effect upon its approval by the
15 Governor or becoming law without such approval.

SENATE BILL NO. 23-17, HD1

CERTIFIED BY:



EDITH E. DELEON GUERRERO
PRESIDENT OF THE SENATE

ATTESTED BY:



CELINA R. BABAUTA
SENATE LEGISLATIVE SECRETARY

Approved this 10th day of January, 2025



ARNOLD I. PALACIOS
Governor
Commonwealth of the Northern Mariana Islands