

**TITLE 4: ECONOMIC RESOURCES**  
**DIVISION 1: REVENUE AND TAXATION**

**§ 1939. Use of Funds.**

(a) All developer taxes collected pursuant to this chapter shall be used for infrastructure improvements for the benefit of the senatorial district in which the development shall be located. For the purposes of this chapter “infrastructure improvement” shall refer to infrastructure improvements to the following public facilities:

- (1) Electrical systems;
- (2) Water systems;
- (3) Sewerage systems;
- (4) Road, drainage and flood control systems; and
- (5) Solid waste management systems.

Such improvements include the costs of land, construction, engineering, planning, administration and legal and financial consulting fees associated with the acquisition of the land or the acquisition or construction of the improvement, procurement of equipment, parts and maintenance of equipment.

(b) The developer taxes collected in each account and the interest earned shall be spent solely for purposes specified in this section.

(c) Administrative fees collected pursuant to this chapter shall be used to defray the administrative costs of the developer tax to be incurred by the Building Safety Division and the Department of Finance. The Director of Finance may hire additional staff necessary to implement this chapter pursuant to budgetary appropriations.

**Source:** PL 8-23, § 12; repealed and reenacted by PL 14-32, § 2(A).

**Commission Comment:** With respect to the references to the “Building Safety Division” and the “Department of Finance” and the “Director of Finance,” see Executive Order 94-3 (effective August 23, 1994), reorganizing the executive branch, changing agency names and official titles, and effecting other changes, set forth in the Commission comment to 1 CMC § 2001.

PL 14-32 took effect on October 7, 2004 and contained the following findings and purpose, in addition to severability and savings clause provisions and an amendment to 4 CMC § 1941:

Section 1. Findings and Purpose. The Legislature finds that the CNMI is challenged with managing the work of government with projected reductions in revenue. A critical factor of concern is the maintenance of essential public services. The Legislature finds that funding is unavailable to repair and maintain heavy equipment or other resources necessary in maintaining public safety. The Legislature further finds that funds are available in the Developer Infrastructure Tax Act accounts. The legislature finds that although the developer tax was established exclusively for infrastructure improvements, each senatorial district should be given the latitude to utilize these funds as necessary.