

**TITLE 2: NATURAL RESOURCES**  
**DIVISION 4: LAND RESOURCES**

**§ 4493. Short Title.**

This act may be cited as the “Refinance Act for the MPLT/NMHC Loan Arrangement.”

**Source:** PL 12-27, § 1.

**Commission Comment:** PL 12-27 took effect on October 19, 2000 and contained findings, severability, and savings clauses as follows:

Section 1. Findings. The Legislature finds that:

1. Public Law 10-29, as amended by Public Law No. 10-49, is a law that authorizes home loan financing through NMHC, utilizing financial resources of MPLT, and allows low-income persons to avail of financing otherwise unavailable. It also facilitates homestead development. The detailed findings stated in Public Law 10-29 explain the reasons and purpose of the unique financing arrangement and the significant benefits to the people of the CNMI resulting therefrom. The said findings of Public Law 10-29 are hereby incorporated herein and made a part of this bill as though set forth herein.

2. The legislature finds that homesteader[s] in the CNMI are having difficulty in obtaining financing to build their homes and their homestead permits are under threat of cancellation by DPL for noncompliance, which is, among other things, to build a home on the homestead.

3. NMHC’s loan portfolio cannot be sold to participating banks due to the debtor’s inability to qualify for financing. This lack of funding for NMHC restrains NMHC from granting new loans.

4. MPLT is willing to grant an additional loan to NMHC pursuant to their authority to do so under Article XI, Section 6(b) of the Constitution, in the sum of three million and eight hundred thousand (\$3,800,000.00) dollars. However, MPLT wishes to be repaid on the total sum, when such amount is added to the outstanding loan, which will then total the sum of [t]en [m]illion (\$10,000,000.00) [d]ollars, from appropriations from the Legislature, from the one million two hundred thousand (\$1,200,000.00) dollars to one million four hundred thousand (\$1,400,000.00) paid into the general fund by MPLT each year pursuant to Article XI, Section 6(d) of the Constitution. This would enable NMHC to have the additional funds needed to finance those homesteaders and other persons who cannot qualify for financing with banks, and to make loans to them at special low interest rates, such as 5-1 ARM, whereby the rate could be increased after a five year period.

5. In order to accomplish the resulting advantage to the many people of the CNMI, who could benefit from the continued financing at low interest rates by NMHC, the MPLT arrangement stated above and the ten year moratorium for NMHC to repay the [t]en [m]illion (\$10,000,000.00) [d]ollars to the CNMI, would both be necessary and proper, is in the best interest of the people of the CNMI, and is the intent and purpose of this bill.

**TITLE 2: NATURAL RESOURCES**  
**DIVISION 4: LAND RESOURCES**

6. Board of Trustees of MPLT are properly exercising their fiduciary duties by making this loan to NMHC, for the term and the interest rate set forth herein.

. . .

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

Section 10. Savings Clause. This act and any repealer contained herein shall not be construed as affecting any existing right acquired under contract or acquired under statutes repealed or under any rule, regulation or order adopted under the statutes. Repealers contained in this Act shall not have the effect of terminating, or in any way modifying, any liability, civil or criminal, which shall already be in existence on the date this Act becomes effective.

PL 10-29 was codified as 2 CMC §§ 4481-4490. See comment to 2 CMC § 4481.

With respect to the references to “NMHC” (Northern Mariana Housing Corporation) as opposed to “Mariana Islands Housing Authority,” see Executive Order 94-3 (effective August 23, 1994), § 407, reorganizing the executive branch, changing agency names and official titles, and effecting other changes, set forth in the Commission comment to 1 CMC § 2001.