

TITLE 4: ECONOMIC RESOURCES
DIVISION 2: TOURISM

§ 2309. Commonwealth Casino Commission Regulatory Fee Fund.

(a) Casino Regulatory Fee. There is established a Casino Regulatory Fee, which is an annual fee due on or before October 1 of each year beginning October 1, 2015. The Casino Regulatory Fee is the only fee payable by the exclusive casino licensee to the Commission and will cover costs, including but not limited to, those associated with the licensing, testing certification, auditing and approval of all casino slots and other gaming machines, casino table games and all other casino gaming activities conducted by the exclusive casino licensee at the licensed casino and regulated by the Commission as well as the costs of all applications, including their review, renewal and all related investigations, for licensing or permit or consent for casino employee licensees, casino key employee licenses. The Casino Regulatory Fee is due regardless of actual costs incurred by the Commission.

(b) Calculation of Casino Regulatory Fee: The Casino Regulatory Fee will be a flat fee at a fixed rate of \$3 million annually with a five percent increase every five years for the following twenty years. After the twentieth year, the maximum Casino Regulatory Fee will be reached and maintained for the remaining duration until the end of the exclusive casino license term, including all extensions of the casino license.

(c) [Reserved.]*

(d) [Reserved.]*

(e) Authorization: The Commission is authorized to collect the Casino Regulatory Fee as described in 4 CMC § 2309(a) and the receipt of full payment will be sufficient for 4 CMC § 2309(b) purposes.

(f) The Commonwealth Casino Commission shall establish and maintain a Commonwealth Casino Commission Regulatory Fee Fund (CCCRF Fund) to be kept separate and apart from the general funds of the Commonwealth government. The non-refundable application fees, investigative fees, Casino Regulatory Fees, and renewal fees for casino employee licenses, casino key employee licenses, casino service provider licenses, casino vendor licenses, casino junket operator licenses, machine and table licenses, casino-related application fees, renewal fees, or casino-gaming related regulatory fees of any kind established by and charged by the Commission shall be deposited into the CCCRF Fund. Regulatory fines or penalties imposed by the Commission shall be deposited into the CCRF Fund. Any money or property received by the Commission from any other government or governmental agency or entity of any kind whatsoever, except for monies appropriated to the Commission by Commonwealth law shall be deposited into the CCCRF Fund. The CCCRF Fund shall be subject to annual appropriation beginning fiscal year 2017. The Secretary of Finance shall transfer any balance in or owed to its CCCRF Fund existing on the effective date of this act to the CCCRF Fund established by the Commonwealth Casino Commission. The CCCRF shall be expended by the Commonwealth Casino Commission for the operation, personnel, and all other

TITLE 4: ECONOMIC RESOURCES
DIVISION 2: TOURISM

expenses of the Commission including but not limited to the investigation and licensing of key employees, employees, service providers, vendors, junket applicants, machines, gaming tables, and any other fees and costs associated with reviewing the applications for various licenses. The expenditure authority for the Commission shall be the Chairperson of the Commonwealth Casino Commission or his designee. The CCCRF Funds are earmarked for the Commission's use in regulating the casino licensee and the casino industry and are subject to further appropriation in the annual appropriations and are available without fiscal year limitation. The Commission shall maintain records and account for the expenditures made from both the Commonwealth Casino Applicant Fund (for future license application fees) and the CCCRF Fund and submit reports to the Governor and the presiding officers of the Legislature.

(g) Notwithstanding 4 CMC §§ 2309(f) and 2314(l), the Casino Regulatory Fee of \$3,000,000.00 for fiscal year 2016 is hereby appropriated to the Commonwealth Casino Commission for its personnel and operations expenditures. The expenditure authority of the funds appropriated herein shall be the Chairperson of the Commission or his designee. Subsequent Casino Regulatory Fee payments shall be subject to appropriation as provided in 4 CMC § 2314(l). The Commission is authorized to hire or fill 35 full-time employee positions for FY 2016. Thereafter, as an autonomous agency, the Commission shall determine its staffing levels for full-time, part-time, seasonal and temporary employees.

(h) Regulations: Secretary of Finance or designee may promulgate regulations consistent with the purposes of this section.

(i) The Commonwealth Casino Commission shall establish and maintain a Commonwealth Casino Commission Appropriations Fund (CCCA Fund) to be kept separate and apart from the general funds of the Commonwealth government. The monies appropriated to it pursuant to law shall be deposited into the CCCA Fund. Unless otherwise directed by the appropriating body, the expenditure authority for the Commission shall be the Chairperson of the Commonwealth Casino Commission or his designee.

* See Commission Comment.

Source: PL 19-24 § 5 (Dec. 4, 2015), modified; amended subsection (f) by PL 21-38 § 5 (Jan. 7, 2021), modified; amended subsection (g) by PL 21-38 § 6 (Jan. 7, 2021); added subsection (i) by PL 21-38 § 7 (Jan. 7, 2021), modified.

Commission Comment: The Commission struck the figure "(5%)" from subsection (b) pursuant to 1 CMC § 3806(e). The Commission capitalized the terms "casino regulatory fee" and "chairperson" throughout this section pursuant to 1 CMC § 3806(f). The Commission decapitalized "Section" in subsection (h) pursuant to 1 CMC § 3806(f). The Commission substituted proper code section references in subsections (e) and (g) pursuant to 1 CMC § 3806(c) and (d).

TITLE 4: ECONOMIC RESOURCES
DIVISION 2: TOURISM

* Subsections (c) and (d) as received by the Commission in PL 19-24 § 5 (Dec. 4, 2015) read as follows:

~~(c) Nonrefundable Credit: A licensee may apply all of the Casino Regulatory Fee collected by the Commission as a non refundable credit against the taxes imposed by 4 CMC § 1301. No such credit will be allowed until the casino regulatory fee has been paid in full and the threshold is met in subsection (d).~~

~~(d) The threshold of taxes paid. When the taxes paid for 4 CMC § 1301 exceeds \$20 million annually, the exclusive casino licensee may apply the non-refundable credit in the manner so described in subsection (c) above.~~

See also, Commission Comment to 4 CMC § 2301.

In codifying PL 21-38, the Commission capitalized the word “commonwealth,” capitalized the word “fund,” and deleted the word “not” in subsection (f) pursuant to 1 CMC § 3806(g). The Commission substituted proper code section references in subsection (g) pursuant to 1 CMC § 3806(d) and capitalized the word “chairperson” in subsection (g) pursuant to CMC § 3806 (f). See also Commission comment on 4 CMC § 2305.