



Arnold I. Palacios
Governor

David M. Apatang
Lieutenant Governor

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
OFFICE OF THE GOVERNOR

18 JUL 2024

GOV2024-514

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

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

Dear Mr. Speaker and Madame President:

This is to inform you that I have signed into law **House Bill No. 23-87, HS1**, entitled, "To amend 3 CMC §2824 to authorize the Commonwealth Healthcare Corporation to organize and assist in establishing a charitable foundation.", which was passed by the House of Representatives and the Senate of the Twenty-Third Northern Marianas Commonwealth Legislature.

This bill becomes **Public Law No. 23-21**. Copies bearing my signature are forwarded for your reference.

Sincerely,


ARNOLD I. PALACIOS
Governor

cc: Lieutenant Governor; Attorney General; Commonwealth Law Revision;
Public Auditor; Special Assistant for Administration; CEO, CHCC;
CHCC Board of Trustees; Programs and Legislative Review Office



TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
HOUSE OF REPRESENTATIVES

P.O. BOX 500586
SAIPAN, MP 96950
cnmileg.net

June 14, 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 **H. B. No. 23-87, HS1**, entitled: "To amend 3 CMC §2824 to authorize the Commonwealth Healthcare Corporation to organize and assist in establishing a charitable foundation.", which was passed by the House of Representatives and the Senate of the Twenty-Third Northern Marianas Commonwealth Legislature.

Sincerely yours,


Linda B. Muña
House Clerk

Attachment



**TWENTY-THIRD NORTHERN MARIANA COMMONWEALTH LEGISLATURE
IN THE HOUSE OF REPRESENTATIVES**

SECOND REGULAR SESSION

NOVEMBER 13, 2023

REPRESENTATIVE MALCOLM J. OMAR OF SAIPAN, PRECINCT 4 (*for himself*) in an open and public meeting with an opportunity for the public to comment, introduced the following Bill:

H. B. No. 23-87, HS1

AN ACT

**TO AMEND 3 CMC §2824 TO AUTHORIZE THE
COMMONWEALTH HEALTHCARE CORPORATION TO
ORGANIZE AND ASSIST IN ESTABLISHING A CHARITABLE
FOUNDATION.**

IN THE HOUSE OF REPRESENTATIVES

The Bill was referred to the House Committee on Ways and Means, which submitted Standing Committee Report 23-69; adopted 2/1/2024.

**THE BILL WAS PASSED BY THE HOUSE OF REPRESENTATIVES ON FIRST AND FINAL READING,
FEBRUARY 1, 2024;**

with amendments in the form of H. B. No. 23-87, HS1, and transmitted to **THE SENATE.**

IN THE SENATE

The Bill was referred to the Senate Committee on Health, Education and Welfare, which submitted Standing Committee Report 23-94; adopted 6/7/2024.

THE BILL WAS PASSED BY THE SENATE ON FIRST AND FINAL READING, JUNE 7, 2024;
without amendments and returned to **THE HOUSE OF REPRESENTATIVES.**

**H. B. NO. 23-87, HS1 IS DULY PASSED BY THE TWENTY-THIRD NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE.**



Linda B. Muña, House Clerk



TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
IN THE HOUSE OF REPRESENTATIVES

SECOND DAY, THIRD REGULAR SESSION

FEBRUARY 1, 2024

H. B. No. 23-87, HS1

AN ACT

**TO AMEND 3 CMC §2824 TO AUTHORIZE THE
COMMONWEALTH HEALTHCARE CORPORATION TO
ORGANIZE AND ASSIST IN ESTABLISHING A CHARITABLE
FOUNDATION.**

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

SECTION 1. FINDINGS AND PURPOSES.

1 **SECTION 1. FINDINGS AND PURPOSES.**
2 In 2009, the Legislature established the Commonwealth Healthcare Corporation (CHCC)
3 to provide a more efficient public healthcare system. As part of that legislation, the corporate
4 powers included the authority to create a separate and independent foundation that could accept
5 donations for the benefit of the work of CHCC. P.L. 16-51, Section 3, page 6, lines 7-10.
6 However, in 2017, the Legislature amended the laws related to CHCC and deleted the language
7 authorizing the creation of a foundation. P.L. 19-18, Section 2.

8 As part of a strategic plan, CHCC intends to increase access to capital for investment in
9 local health care capacity by establishing an affiliated foundation. By associating with a
10 foundation, CHCC can elevate its mission and extend its reach and impact. This dedicated
11 foundation would serve as a powerful vehicle for channeling investment into pivotal areas such

HOUSE BILL 23-87, HS1

1 as new program development, technological upgrades, facility improvements, and the expansion
2 of essential services.

3 The Legislature finds that authorizing CHCC to participate in the creation of a foundation
4 is in the public's best interest. The Legislature further finds that the foundation should maintain
5 an independent status. Therefore, this bill restores the authority of CHCC to participate in the
6 creation of an independent, affiliated charitable foundation that may benefit health care.

7 **SECTION 2. AMENDMENT.**

8 3 CMC §2824 of the Commonwealth Code is hereby amended by adding a new
9 subsection (s) to read as follows and to renumber remaining subsections accordingly:

10 “§ 2824. Corporate Powers.

11 (s) Participate and assist in the creation of an independent charitable foundation
12 that operates for the primary benefit of improving health care within the
13 Commonwealth Healthcare Corporation. The charitable foundation shall be governed
14 separately from CHCC. Except for one CHCC trustee, the board of directors for the
15 foundation shall not include any active employees or trustees of CHCC. The CEO of
16 CHCC or a designee may serve as a nonvoting member of the foundation board of
17 directors; and”

18 **SECTION 3. SEVERABILITY.**

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

23 **SECTION 4. SAVINGS CLAUSE.**

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

HOUSE BILL 23-87, HS1

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SECTION 5. EFFECTIVE DATE.

This Act shall take effect upon its approval by the Governor, or it becoming law without such approval.

Attested to by:




Linda B. Muña, House Clerk

Certified by:



SPEAKER EDMUND S. VILLAGOMEZ
House of Representatives
23rd Northern Marianas Commonwealth Legislature

Approved this 18th day of July, 2024



ARNOLD I. PALACIOS
Governor
Commonwealth of the Northern Mariana Islands