



# Commonwealth of the Northern Mariana Islands **Recovery Plan**

## **State and Local Fiscal Recovery Funds** 2025 Report

**COMMONWEALTH OF THE NORTHERN MARIANAS ISLANDS**  
**2025 Recovery Plan**

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## GENERAL OVERVIEW

### **Executive Summary**

The Commonwealth of the Northern Mariana Islands (CNMI) is a remote US territory in the Western Pacific whose main economic base is tourism originating from East Asia. With the CNMI's sole dependence on the tourism industry, the social and economic impact COVID-19 negatively imposed on the islands was significantly evident. Throughout the course of the pandemic, East Asian countries adopted COVID-19 rules and regulations that made tourism travel difficult in small numbers, initiating a ripple effect on the CNMI. The substantial drop in tourist arrivals caused related businesses to suspend or close their establishments, leading to employee furloughs, which ultimately hindered salary and wages, and business gross revenue tax collections of the CNMI Government. During the COVID-19 public health emergency, the CNMI witnessed a large number of families surviving on federal aid. With funding assistance provided through its federal partners with the passage of the American Rescue Plan Act of 2021 (ARPA), the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) continues to benefit the CNMI in many ways. The CSLFRF provides stability for the CNMI Government to meet its local needs. These funds are also being used to make necessary investments in water, sewer, and broadband infrastructure. The primary available use of the CLSFR funds that the CNMI has largely utilized is for the provision of government services. As a US territory, the CNMI was allocated a total of \$481,876,521 with broad flexibility to decide how to use this funding to meet the needs of their communities. The CNMI continues to use the fiscal recovery funding for the following categories based on Section 602 of the Act:

(A) To respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19) and its negative economic impacts, including assistance to households, small businesses, and non-profits, and aid to impacted industries such as tourism, travel, and hospitality.

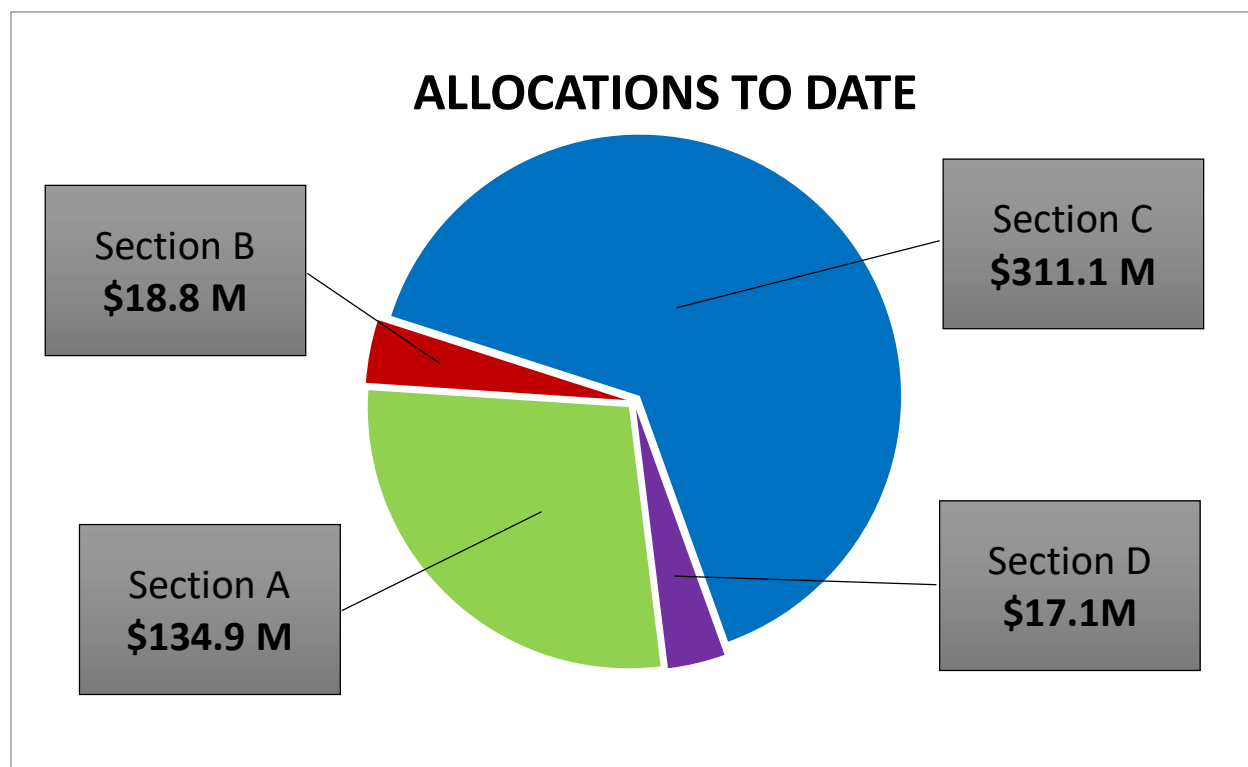
B) To respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers of the territory that are performing such essential work, and by providing grants to eligible employers that have eligible workers who perform essential work.

(C) For the provision of government services to the extent of the reduction in revenue of the territory due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year of the territory prior to the emergency.

(D) To make necessary investments in water, sewer, and broadband infrastructure.

Figure 1 below illustrates the CNMI's plans for spending the CSLFRF under each indicated category to date.

**Figure 1: Spending Plan Allocations to Date**



### **Uses of Funds**

The CNMI is committed to using these funds in an effort to provide for a strong, equitable, economic and inclusive recovery that would meet the needs of our islands and their communities. From the time the original version of the ARPA CSLFRF Spending Plan was presented by then Secretary of Finance on June 4<sup>th</sup>, 2021, there have been changes to these allocations. Figure 1 above depicts an overview of allocations made to date of this Recovery Plan. In order to maximize our programmatic impact, distribution and expenditure of these funds are based on principles to address areas significantly impacted by the pandemic and the needs of each islands' communities. Below are the following Intended Use of the Funds:

### **Fund Allocations**

To date, the CNMI allocated the following funds for each section as indicated:

- A. \$134.9 Million allocated to respond to the public health emergency with respect to COVID-19 and its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality. The intention of these funding allocations will be to fund vaccine incentive programs and other COVID-19 response needs, create programs to help small businesses, and provide direct assistance to nonprofits, travel, tourism, and hospitality industries.

Households	\$ 75,075,000
Small Businesses	\$ 13,860,000
Nonprofits	\$ 4,666,000
Tourism, Travel, and Hospitality	\$ 34,904,000
COVID-19 Response	\$ 6,350,000

- B. \$18.8 Million allocated to respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers of the CNMI that are performing such essential work, and by providing grants to employers that have eligible workers who perform essential work.

To recover government costs for the premium pay extended to first responders performing essential work in responding to the public health emergency in FY 2021.	\$ 17,452,000
To make grants available to private companies responding to the public health emergency partnering with the government performing essential work during the COVID-19 public health emergency.	\$ 1,365,000

- C. \$311.1 Million allocated for the provision of government services to the extent of the reduction in revenue of the CNMI due to the COVID–19 public health emergency relative to revenues collected in Fiscal Year 2019.

To make funding available for the for the provision of government services, its operations, and activities affected by the loss of revenue due to the public health emergency beginning March 03, 2021.	\$ 283,078,000
To make funding available for the operations and activities of the Judicial Branch of government affected by the loss of government revenue due to the public health emergency beginning March 03, 2021.	\$ 9,270,000
To make funding available for the operations and activities of the Legislative Branch of government affected by the loss of government revenues due to the public health emergency beginning March 03, 2021.	\$ 5,262,000
To make funding available for the payment of government utilities beginning March 03, 2021.	\$ 13,510,000

- D. \$17.1 Million allocated to make necessary investments in water and sewer infrastructure.

#### Economic Outlook and Fiscal Context

As outlined in the Governor’s 2024 Annual Report, the CNMI continues to face significant economic challenges while gradually shifting its focus toward long-term recovery and strategic growth. Although Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) have already been spent on pandemic-response needs and essential government operations, the remaining funds are now used primarily for government services under the revenue replacement category, ensuring continuity of public services amid ongoing fiscal uncertainty.

## A. Ongoing Fiscal Constraints

The CNMI's economy remains in a fragile state, with continued volatility in tourism arrivals and revenue collections:

- The recovery of the tourism industry, CNMI's largest economic driver, has been slow and unpredictable.
- Government revenue sources such as BGRT and hotel occupancy taxes remain well below 2019 levels.
- The government continues to experience budgetary gaps in operational needs, heightening importance of federal support to maintain core operations.

## B. Strategic Outlook and Recovery Priorities

Despite these challenges, the CNMI is actively investing in long-term recovery priorities:

- Infrastructure and workforce development are top priorities for future resilience.
- The opening of the Marianas Beach Hotel and Marianas Visitors Authority's targeted marketing efforts (Tokyo, Seoul, and Hong Kong) support the rebound of tourism.
- The CNMI is monitoring the outcome of the 902 Consultation Report by the Office of Insular Affairs (OIA), which could influence long-term federal policy.
- Military development and presence is expected to stimulate local industries and job creation.

## C. Forward Outlook

The CNMI's strategy centers on fiscal responsibility, economic diversification, and building institutional resilience. The territory continues to leverage remaining CSLFRF funds responsibly, while laying the groundwork for future economic stability and growth.

### Other Federal Recovery Funds under ARPA to Date

- The Commonwealth COVID-19 Emergency Rental Assistance (CCERA) received funding to provide assistance to qualifying individuals in the CNMI with rental, utilities, and other expenses related to housing incurred directly or indirectly due to COVID-19.
- The CNMI Public School System received funding that enabled them to quickly and safely reopen schools for full-time, in-person learning; meet students' academic, social, emotional, and mental health needs; and address disparities in access to educational opportunity that were exacerbated by the coronavirus pandemic.
- The CNMI Nutrition Assistance Program received funding for the Pandemic EBT Program that provided reimbursements to eligible students to replace the cost of meals students would have received at school if not for the lack of in-person instruction or due to school closures during the 2020-2021 school year. P-EBT benefits are coupon benefits that are redeemable just as how NAP coupons are redeemed at NAP authorized retailers and vendors.
- The CNMI received funding for the Homeowner Assistance Fund (HAF) Program administered by the Northern Marianas Housing Corporation (NMHS) to support homeowners facing financial hardship associated with COVID-19 by providing mortgage delinquency

assistance, mortgage payment assistance, annual home-related insurance premium assistance, home utilities assistance, and broadband assistance.

### **Promoting Equitable Outcomes**

Although the CNMI territory is an underserved/disadvantaged community, the CNMI government is committed to promoting equity in applying funds across all allowable use areas. The CNMI is a small community of 47,329 people as of the 2020 census. These programs are regularly advertised and discussed in the local news, social media outlets, and among the community. Information on the intended use of funds was publicly presented and continues to incorporate public input to benefit our local community.

Various projects from the use of funding included water and wastewater projects that continue to provide essential services to the community, broadband projects to benefit all citizens to address impacts of the pandemic, funding assistance to non-profits for continued operations, direct financial assistance to households (food, utilities, and other needs), assistance to impacted industries (such as tourism, travel, and hospitality), providing premium pay to frontline workers, and provisions of government services which allowed for government operations to continue providing services to the community as a whole. The list above encompasses all the covered projects and all citizens are given access to the benefits of the completed outcome. As the intent is to close gaps and reach universal levels of service, the CNMI remains committed to providing the community with as much assistance and service that is made possible with such funding.

The CNMI government prioritized providing to disproportionately impacted communities services needed to address health disparities, build stronger neighborhoods and communities (e.g., affordable housing), address educational disparities (e.g., online class, community schools, and academic, social-emotional, and mental health supports for high poverty schools), and promote healthy childhood environments (e.g., childcare).

The COVID-19 pandemic caused great harm and widespread panic throughout the CNMI community, with the neighboring municipal islands of Tinian and Rota being hit the hardest as the funds for these island's municipalities were used to help with their impacted industries. State level lockdowns were implemented and curfew hours were enforced to mitigate the spread of the virus, forcing government shutdowns and business closures for months in an effort to address health disparities. Aside from the main hospital on island and private clinics, vaccine distributions were offered in various youth centers throughout the municipalities and distributed in public schools in an effort to cater to our youth (12 yrs. & above). During the peak of the pandemic, a campaign ad was created by the Public School System (PSS) about the importance of getting vaccinated for our youths and following the CDC guidelines of the importance of following the 3 W's (wear a mask, wash your hands & watch your distance).

Funding for the programs was targeted to benefit the community as a whole, covering the main island of Saipan and neighboring islands of Tinian, Rota and the Northern Islands, with no barriers to a certain race, color, or ethnicity.

### **Community Engagement**

The Commonwealth of the Northern Mariana Islands (CNMI) recognizes the critical importance of engaging our diverse community in the programs funded through the ARPA CSLFRF. With a

population characterized by cultural diversity and varying levels of English proficiency, effective community outreach and accessibility remain central to our recovery efforts.

Historically, Chamorro and Carolinian were the official languages of the CNMI until English was adopted upon becoming a U.S. territory in 1985. As a result, many residents face challenges with English language comprehension. In addition to serving the local population, the CNMI is also home to a large immigrant community, whose needs are actively considered in the planning and implementation of recovery programs.

ARPA funds have been strategically invested in initiatives aimed at strengthening social support systems and revitalizing the local economy. These programs were developed to respond directly to community needs and promote inclusive recovery across all segments of our population.

One such initiative was the distribution of a \$500 local stimulus to individual households. This program provided direct financial relief to residents during the height of the pandemic, while simultaneously supporting local businesses by encouraging spending within the CNMI economy. Another form of direct assistance was the residential utility stimulus, which credited utility accounts to alleviate the financial burden of household utility bills.

Additional recovery efforts targeted the tourism, travel, and hospitality sectors—industries essential to the CNMI’s economic stability. Notable initiatives included support for the successful hosting of the 2022 Northern Marianas Pacific Mini Games, which bolstered the sports tourism sector. Furthermore, the Tourism Resumption Investment Plan (TRIP) facilitated the reopening of international travel through safe tourism corridors with South Korea and Japan, helping to restart the CNMI’s primary revenue-generating industry.

Through these programs and continued community engagement, the CNMI is working to build an equitable and resilient path to recovery for all residents.

## **Labor Practices**

The CNMI awarded the Commonwealth Utilities Corporation (CUC) through ARPA CSLFRF assistance for investing in water and wastewater projects. Wastewater related infrastructure projects include investments to prevent aging and the collapse of sewer pipelines, reduce oil contaminants in the wastewater equipment, and increase response time to urgent customer related issues. CUC has also been able to extend water service lines to areas on the island, servicing customers who may not be able to pay for lengthy waterlines and laterals, as well as improvements to water storage facilities and units.

With the increase in such infrastructure projects, CUC participated in hiring qualified professionals and staff internally to streamline the success of these projects. All these positions were advertised internally on their local website to encourage the hiring of local citizens. For specialized positions such as engineers, these were advertised internally, locally, and nationally through channels including the American Water Works Association and the Water Environment Association. After more than eight months of active recruiting for engineers, CUC did not receive any qualified applications. Considering the extremely competitive market for positions such as professional engineers, CUC needed to reduce requirements for these positions, which resulted in the submission of multiple applications.



## Use of Evidence

To date, the CNMI has not incorporated evidence-based interventions or program evaluations in its' ARPA CSLFRF Programs.

**Table of Expenses by Expenditure Category**

Expenditure Category	EC27	Previous EC28	Cumulative expenditures to date (\$)
<b>1: Public Health</b>			
<b>COVID-19 Mitigation &amp; Prevention</b>			
COVID-19 Vaccination^	1.1	1.1	100,000
COVID-19 Testing^	1.2	1.2	1,200,038
Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine) ^	1.7	1.8	4,196,971
<b>2: Negative Economic Impacts</b>			
<b>Assistance to Households</b>			
Household Assistance: Rent, Mortgage, and Utility Aid*^	2.2	2.2	25,940,000
Household Assistance: Cash Transfers*^	2.3	2.3	49,134,980
<b>Assistance to Small Businesses</b>			
Loans or Grants to Mitigate Financial Hardship^	2.29	2.9	13,859,992
<b>Assistance to Non-Profits</b>			
Assistance to Impacted Nonprofit Organizations (Impacted or Disproportionately Impacted) ^	2.34	2.1	4,665,721
<b>Aid to Impacted Industries</b>			
Aid to Tourism, Travel, or Hospitality^	2.35	2.11	34,903,676
<b>3: Public Health-Negative Economic Impact: Public Sector Capacity</b>			
<b>General Provisions</b>			
Public Sector Capacity: Administrative Needs	3.5	-	562,050
<b>4: Premium Pay</b>			
Public Sector Employees	4.1	4.1	17,452,305
Private Sector: Grants to Other Employers	4.2	4.2	1,365,292
<b>5: Infrastructure</b>			
<b>Water and Sewer</b>			
Water and Sewer: Other	5.18	-	17,068,545
<b>6: Revenue Replacement</b>			
Provision of Government Services	6.1	6.1	244,681,317
<b>7: Administrative</b>			
Transfers to Other Units of Government	7.2	7.3	43,323,694

## **PROJECT INVENTORY**

### **EC 1: Public Health**

Project 8899210033: Road to 80 Vaccination Campaign

Funding amount: \$100,000

Project Expenditure Category: 1.1 COVID-19 Vaccination

Status: Complete

#### **Project Overview**

- A campaign launched to motivate CNMI residents who have not received their vaccinations to get their vaccinations by offering different incentives. The goal of the campaign is to help the CNMI get to herd immunity (80% of population fully vaccinated). An increase in vaccination sites was implemented to ensure all residents of the CNMI have easy access to these sites. All residents were eligible to receive the different prizes and incentives.
- Outputs:
  - Increased vaccination sites
  - Prizes and incentives
  - Awareness through social media and advertisements
- Outcomes:
  - Herd Immunity Goal Reached
  - 10% increase in vaccination because of the incentive
  - 80% of CNMI population vaccinated
  - 4,512 residents received their full vaccinations

Project 8899210033: Community Based and Airport Arrival Testing

Funding amount: \$1,200,038

Project Expenditure Category: 1.2 COVID-19 Testing

Status: Complete

#### **Project Overview**

- Costs incurred for community-based testing and airport arrival testing as a surveillance tool to help the CNMI COVID-19 Task Force and the Commonwealth Healthcare Corporation (CHCC) detect and contain the SARS-COV2 virus, the virus that causes COVID-19, within the CNMI. Such testing helped experts understand how widespread the virus is in the community and identified people who may be infected with the virus, especially those who may be pre-symptomatic or asymptomatic, in order to direct these people to the appropriate care, contain the virus, and prevent its spread using tools such as quarantine, isolation, and contact tracing.
- Outcomes:
  - Mitigate spread of the virus
  - Reduce risk of “immune compromised” individuals from contracting the virus

Project AR88990004: COVID-19 Government Shutdown

Funding amount: \$1,737,975

Project Expenditure Category: 1.7 Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)

Status: Complete

Project Overview

- Costs of government workers isolating themselves at home to mitigate the spread of COVID-19 during the spike. Due to the sudden rises of positive community cases in the CNMI as a result of the COVID-19 public health emergency, the government limited services to limit contact through person-to-person interactions to mitigate the spread of COVID-19.
- Outcomes:
  - Mitigate spread of the virus
  - Limit person-to-person contact

Project 8899210033: Pandemic Mitigation Platform (Safe Travel Marianas)

Funding amount: \$960,000

Project Expenditure Category: 1.7 Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)

Status: Complete

Project Overview

- A web and mobile application (iOS and Android) that enables contact tracing by alerting travelers if they have come into close contact with COVID-19 cases declared by local government units under suspect, probable and confirmed cases. A person in close contact with someone who is infected with COVID-19 are at higher risk of becoming infected themselves, and of potentially infecting others. Closely watching these contacts after exposure to an infected person will help the contacts to get care and treatment, and will prevent further transmission of the virus
- Outputs:
  - Advanced contact tracing
  - Health condition reporting
  - Case management modules
  - Social distancing system
- Outcomes:
  - Mitigate spread of the virus through the advanced contact tracing, health condition reporting, case management modules, and social distancing system, to be customized for travelers

Project 8899210033: Emergency Response

Funding amount: \$163,996

Project Expenditure Category: 1.7 Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)

Status: Complete

Project Overview

- Purchase of emergency response vehicles to serve the CNMI by meeting the daily demands of the CNMI COVID-19 Taskforce such as the need for personnel, equipment, specimens, and personal protective equipment (PPE) to be transported to multiple locations daily to ensure the safety of personnel and the public. In more detail, such vehicles are being used to transport COVID-19 test kits, operational supplies, medical supplies, trauma bags, firefighting gear, medical kits, and more importantly used for contact tracing, transporting Emergency Medical Technicians that are trained and certified with
- Outcomes:
  - Mitigating spread of the virus through the advanced contact tracing and
  - Ensuring safety of the public through emergency response

Project 8899210033: COVID-19 Careforce (CCF)

Funding amount: \$1,335,000

Project Expenditure Category: 1.7 Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)

Status: Complete

Project Overview

- An outreach endeavor to bring testing, prevention, and inoculation to the residents of the CNMI. The CCF team will provide test kits, PPEs, trained and licensed clinicians who will be able to provide vaccination and booster shots, as well as offer assistance in the way of food supplies, water, and wheelchairs to give mobility to those who are not ambulatory. The program is also intended to provide education and resources to the underserved and impoverished residents, some of whom do not have transportation to acquire PPEs or vaccinations.
- Outcomes:
  - Provide PPEs, testing, and vaccinations to underserved communities
  - Mitigate spread of the virus

## **EC 2: Negative Economic Impacts**

Project 8899210030: CNMI Utility Stimulus

Funding amount: \$25,940,000

Project Expenditure Category: 2.2 Household Assistance: Rent, Mortgage, and Utility Aid

Status: Complete

Project Overview

- A program to assist all households with their utility bills due to the financial impact caused by the COVID-19 pandemic. The CNMI provided utility assistance funding to the Commonwealth Utilities Corporation that provided a \$500.00 stimulus credit to all residential utility accounts.
- Outputs:
  - Apply \$500 utility credit to residential accounts
- Outcomes:

- Provide financial relief to CNMI residents

Project 8899210030: CNMI Local Stimulus

Funding amount: \$49,134,980

Project Expenditure Category: 2.3 Household Assistance: Cash Transfers

Status: Complete

Project Overview

- A program to assist all CNMI families with financial hardships experienced due to the negative impact of the COVID-19 pandemic. Administered through the CNMI Department of Finance Division of Revenue and Taxation, two rounds of \$500 stimulus were distributed to all CNMI taxpayers and their dependents via prepaid debit card to promote spending these stimulus funds within the CNMI.
- Outputs:
  - \$500 stimulus per taxpayer and dependent
- Outcomes:
  - Provide financial relief to CNMI families

Project 8899210031: Building Optimism, Opportunities and Stability Together (BOOST) Program

Funding amount: \$ 13,759,992

Project Expenditure Category: 2.29 Loans or Grants to Mitigate Financial Hardship

Status: Complete

Project Overview

- A program to assist eligible small businesses including local nonprofits that have experienced financial hardship due to the negative economic impacts caused by the public health emergency, COVID-19. The intent of the program is to support the viability of such businesses and the employment opportunities they offer residents of the CNMI, to further the government's goal of a diverse economy, and to increase commonwealth tax revenues.
- Outcomes:
  - Small businesses recovering losses due to the pandemic
  - Small businesses continuation of operations
  - Increase commonwealth revenues

Project 8899210031: Saipan Community School

Funding amount: \$100,000

Project Expenditure Category: 2.29 Loans or Grants to Mitigate Financial Hardship

Status: Complete

Project Overview

- Award provided to Saipan Community School (SCS), a small business and/or non-profit organizations to provides financial assistance to, due to the negatively impact caused by the pandemic. Funds awarded are to support staff payroll and fringe benefits due to the financial impacts that the public health emergency had on SCS's revenues.

- Outcomes:
  - Small businesses/non-profit recovering losses due to the pandemic
  - Small businesses/non-profit continuation of operations
  - Increase commonwealth revenues

Project 8899210004: Nonprofit Organizations Assistance

Funding amount: \$4,665,721

Project Expenditure Category: 2.34 Assistance to Impacted Nonprofit Organizations (Impacted or Disproportionately Impacted)

Status: Complete

*Project Overview*

- A program to assist eligible non-profit organizations that have experienced financial hardship due to the negative economic impacts caused by the public health emergency, COVID-19. Funds awarded are intended to support operational costs to continue to provide vital services and annual programs that benefit communities across the islands, as many non-profits were unable to raise enough funds or experienced a significant reduction in donations due to the pandemic.
- Outcomes:
  - Nonprofit organizations recovering losses due to the pandemic
  - Nonprofit organizations continuation of operations

Project 8813210002: Tourism Resumption and Investment Plan (TRIP)

Funding amount: \$22,662,011

Project Expenditure Category: 2.35 Aid to Tourism, Travel, or Hospitality

Status: Complete

*Project Overview*

- A program administered by Marianas Visitors Authority (MVA) to provide incentives to stimulate economic recovery through the revitalization of the tourism industry, restoration of travelers' confidence in travelling to the CNMI, and increased overall destination exposure.
- Outputs:
  - Tourist incentives
  - Airline Incentives
- Outcomes:
  - To resume tourism industry
  - Generate local revenue

Project 8899210023: Northern Marianas Pacific Mini Games

Funding amount: \$6,317,851

Project Expenditure Category: 2.35 Aid to Tourism, Travel, or Hospitality

Status: Complete

*Project Overview*

- A program to provide sports tourism opportunities to the CNMI, where the tourism industry was significantly impacted by the COVID-19 pandemic. With the effects of the public health emergency, COVID-19, on the CNMI's tourism industry, this funding aims to support the Pacific Games in attracting tourists to the CNMI, a vaccinated tourism destination, to watch these games whilst spending money within CNMI, sparking local economic activity.
- Outputs:
  - Hosting of Northern Marianas Pacific Mini Games
- Outcomes:
  - To resume tourism industry
  - Generate local revenue

Project 8899210032: Saipan International Airport

Funding amount: \$2,041,923

Project Expenditure Category: 2.35 Aid to Tourism, Travel, or Hospitality

Status: Complete

*Project Overview*

- A program to assist the Saipan International Airport in continuing operations. Due to the negative effects caused by the COVID-19 pandemic, such as the drastic decline in passenger traffic, the Commonwealth Ports Authority (CPA) experienced a substantial decline in revenues, resulting to actions such as cutting employee working hours. The CNMI awarded CPA funds to fully restore employee hours to be readily able to maintain, develop, operate, and manage the ports during all efforts to restore affected industries such as tourism.
- Outcomes:
  - Continued operations
  - Fully restore CPA employee working hours

Project AR88990002: Marianas Pacific Express Airline Incentive

Funding amount: \$2,381,891

Project Expenditure Category: 2.35 Aid to Tourism, Travel, or Hospitality

Status: Complete

*Project Overview*

- Procurement of services of Marianas Pacific Express, LLC. to provide inter-island scheduled and chartered air and cargo passenger service between the Commonwealth of the Northern Mariana Islands of Saipan, Tinian, and Rota and between the CNMI and Guam, as commercial activities on the CNMI have been detrimentally impacted. The new means of air-transportation allowed tourists and potential visitors a secondary accommodation option and additional flight schedules for travel into the island of Saipan transiting from the island of Guam. In addition, when the CNMI's lone inter-island airline, STAR Marianas Air, temporarily suspended flights between the islands of the CNMI, due to lack of tourism activity, causing unease for residents of Rota and Tinian who had no alternative air-travel options to and from the main island of Saipan, the Commonwealth sought immediate and critical inter-island travel alternatives to safeguard the health and safety of Tinian and Rota and to ensure reliable air transportation between the three main Commonwealth islands.

- Outputs:
  - Airline Incentives
- Outcomes:
  - To resume tourism industry
  - Safeguard residents of Tinian and Rota
  - Generate local revenue

Project 8899210032: Aid to Tourism and Hospitality Industry

Funding amount: \$1,500,000

Project Expenditure Category: 2.35 Aid to Tourism, Travel, or Hospitality

Status: Complete

*Project Overview*

- A program to provide assistance to organizations operating in the tourism and hospitality industries negatively impacted by the COVID-19 pandemic in restoring its business operations to restore economic activity within the CNMI.
- Outcomes:
  - To revitalize the tourism industry as a whole, inclusive of the hospitality industry
  - Generate local revenue

**EC 3: Public Health-Negative Economic Impact: Public Sector Capacity**

Project AR51010001: CNMI Judiciary Case Management System

Funding amount: \$853,485

Project Expenditure Category: 3.5 Public Sector Capacity: Administrative Needs

Status: Ongoing

*Project Overview*

- To provide funding for the CNMI Judiciary's new Case Management System (CMS) to aid and benefit the Judiciary and Commonwealth as a whole as the system assists to expedite resolution of complex issues and ensures optimal case flow for litigants. It will also decrease paperwork and allow for better recordkeeping as information is stored digitally. Further, all data in the system can be securely accessed by remote users, optimizing real-time and speedy judicial access. Such digital access will increase transparency and facilitate clear audit trails by providing easy access to information, foster communication, and identify risks and issues for efficient resolution.
- Outcomes:
  - To produce an optimal case flow for the Judiciary
  - To speed up resolution of cases

**EC 4: Premium Pay**

Project 8899210034: Public Sector Premium Pay

Funding amount: \$17,452,305

Project Expenditure Category: 4.1 Public Sector Employees



Status: Complete

Project Overview

- To provide public sector employees including CNMI Central Government Employees as well as autonomous agency employees with premium pay for essential services provided throughout the pandemic period beginning March of 2020 with cutoff being September of 2021.
- Outcomes:
  - To provide premium pay to public sector employees

Project AR88990003: Healthcare Sector Premium Pay

Funding amount: \$1,365,292

Project Expenditure Category: 4.2 Private Sector: Grants to Other Employers

Status: Completed

Project Overview

- To provide private sector employees deemed by the Governor of the CNMI as essential, such as private healthcare providers and pharmacies, with premium pay for essential services provided throughout the pandemic period beginning March of 2020.
- Outcomes:
  - To provide premium pay to healthcare sector employees

**EC 5: Water, Sewer, and Broadband Infrastructure**

Project 8899210003/28: Water and Wastewater Infrastructure

Funding amount: \$17,083,745

Project Expenditure Category: 5.18 Water and Sewer: Other

Status: Ongoing

Project Overview

- Programs awarded to the Commonwealth Utilities Corporation (CUC) to make necessary repairs, upgrades, and investments in water and sewer infrastructure. High priority projects are awarded to ensure the safety of distributing water to the public, as well as the necessary treatment of wastewater.
- Outcomes:
  - Investments to improve water and wastewater services to residents of the CNMI

**EC 6: Revenue Replacement**

Project MI210001: Provisions of Government Services

Funding amount: \$265,496,622

Project Expenditure Category: 6.1 Provision of Government Services

Status: Ongoing

Project Overview

- To provide funding up to the amount of revenue loss experienced by the CNMI government due to the COVID-19 public health emergency by restoring reduction of hours, reinstating furloughed employees, and supporting all operations that would enable the CNMI government to continue to provide vital services to the general public.
- Outcomes:
  - Continue vital services to the public

Project CUCMOU01: Commonwealth Utilities Corporation (CUC) Memorandum of Understanding

Funding amount: \$2,300,000

Project Expenditure Category: 6.1 Provision of Government Services

Status: Ongoing

*Project Overview*

- To provide funding up to the amount of revenue loss experienced by the CNMI government due to the COVID-19 public health emergency to cover governmental utility costs for the fiscal years 2025 and 2026.
- Outcomes:
  - Continue vital services to the public

**EC 7: Administrative**

Project ARTRANSFERSOUT: Transfers to Component Units

Funding amount: \$37,937,889

Project Expenditure Category: 7.2 Transfers to Other Units of Government

Status: Complete

*Project Overview*

- To transfer funds to the component units of the CNMI Government. This funding is to support operational costs, enabling these units to maintain and provide essential services to the communities and the general public.
- Outcomes:
  - For component units of government to continue vital services to the public

Project MUNICIPALITYTRFOUT: Transfers to Municipalities

Funding amount: \$5,385,804

Project Expenditure Category: 7.2 Transfers to Other Units of Government

Status: Complete

*Project Overview*

- To provide funds to municipalities in the Commonwealth of the Northern Mariana Islands (CNMI), including the outer islands of Tinian and Rota, which have smaller populations and more limited resources. These islands are more reliant on external support to maintain essential services and operations. The funding is to help cover operational costs, enabling these municipalities to sustain and deliver vital services to their communities, especially as they face unique challenges due to geographic isolation.

- Outcomes:
  - For municipalities to continue vital services to the public

#### **INELIGIBLE ACTIVITIES: TAX OFFSET PROVISION**

Item	Amount
a. Revenue-reducing Covered Changes	\$ 0