

Bill wants gambling legalized on Saipan

The House of Representatives to vote on a proposal that would legalize gaming on Saipan and make the former La Fiesta shopping mall the center of such activities.

House members voted 15-1 to pass on first reading House Bill 15-322, which would exempt the operation of Texas Hold 'em poker and other card games, as well as video lottery terminals, from the gambling prohibition.

The lawmakers will reconvene to hold a final vote. The bill needs 14 votes to pass. The bill, sponsored by Vice Speaker Justo S. Quitugua, comes barely a month after voters rejected a constitutional amendment to allow casino gambling on Saipan.

If enacted, it would legalize Texas Hold 'em poker games in conjunction with black jack and baccarat games. It would also allow the operation of slot machines.

Under the bill, these gaming activities may be held only at the La Fiesta shopping mall in San Roque. The term is for 15 years or until the current land lease terminates, whichever is later. But a maximum of 40 slot machines may be licensed for operation in any hotel or resort on Saipan having 200 rooms or more.

In the bill, Quitugua said the proposed gaming activities are "very viable and can be a major source of new government revenue." He said initial revenue estimates go as high as USD 40 million a year. "Whatever amounts that are realized will help replace the revenue lost from the closure of the garment industry and ensure the continued funding of critical government services," he said.

The bill proposes an annual license fee of USD 1.5 million on

the first 30 poker tables for each approved location, plus USD 50,000 for each additional table. Each specific location can have up to 40 poker tables. In addition, an annual license fee of USD 50,000 is proposed for each black jack and or baccarat table licensed for operation with the approved poker games.

The bill would impose a special gaming tax of 20 percent on the net gaming proceeds of any licensed activity. The first USD 250,000 of the fees collected will go to a special account to be used for scholarships.

Saipan would have to right to impose fees on top of those established by the act. In an interview, Speaker Oscar M. Babauta said Quitugua deserved praise for his foresight in restricting the gaming activities to La Fiesta.

The CNMI government purchased La Fiesta in 2003 and has since been paying USD 200,000 a year for the idle property. "This bill will make La Fiesta once again a vibrant facility. It will also bring more revenue and create approximately 400 jobs, which we hope will be offered to our local people," Babauta said.