



# Commonwealth of the Northern Mariana Islands

ECONOMIC DEVELOPMENT LOAN FUND

Wakin's Bldg., Gualo Rai, Tel. 7145 & 7146

Saipan, CM 96950

Cable Address:  
Gov. NMJ Saipan

July 2, 1985

Delegate Lorenzo I. Guerrero  
Chairman  
Committee on Finance & Other Matters  
Second Northern Marianas Constitutional  
Convention  
Conventional Hall, House of Taga  
San Vicente, Saipan, CM 96950

Dear Mr. Chairman:

Thank you for the opportunity to comment on the proposed amendment of the Constitution of the Northern Mariana Islands. The Delegate proposal No. 119-85 is in line with purpose of the Economic Development Loan Fund to encourage local participation in the business activities in the Commonwealth.

We urgently need a constitutional restriction of foreign business infiltration in the Northern Marianas which are presently operating and competing with our local businesses. Businesses that requires little know-how with minimal capitalization, such as retail, auto shop, restaurant and night club, travel and tour services, entertainment and amusement center, gift shops and numerous other business activities should be owned solely by our local people. Businesses which requires large sum of investments and high technological requirements, may be owned by foreign with an opportunity for local participation.

The effect of such a restriction for local participation is two-folds:

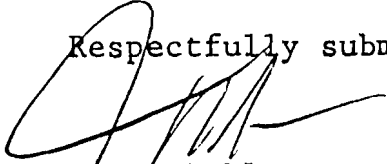
1. Local people will participate in the business opportunities available in the Commonwealth.
2. Income generated by the businesses will be retained and circulated within the Commonwealth.

I suggest that your committee increase the \$100,000.00 investment requirement to \$1,000,000.00 on Section 4. This will discourage foreign business ownership if investment is less than \$1 million. In addition, require the Legislature to pass a bill identifying the type of businesses which are reserved for Northern Marianas citizens.

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Please note that EDLF with the participation of the federal loans and the local banks have financial capabilities to assist local businesses.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'J. M. Sablan', written over the typed name below.

J. M. Sablan  
Executive Director

xc: EDLF Board of Directors