



COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

Benigno R. Fitial
Governor

Timothy P. Villagomez
Lieutenant Governor

EXECUTIVE ORDER 08-04

DECLARATION OF A STATE OF DISASTER EMERGENCY: COMMONWEALTH PORTS AUTHORITY'S APPROACH OF TECHNICAL DEFAULT ON \$20 MILLION INDENTURE

I, BENIGNO R. FITIAL, pursuant to the authority vested in me as Governor of the Commonwealth of the Northern Mariana Islands ("CNMI") by Article III, Section 10 of the Commonwealth Constitution and 3 CMC § 5121 of the Commonwealth Disaster Relief Act of 1979, do hereby declare a State of Disaster Emergency for the Commonwealth of the Northern Mariana Islands due to the inability of the Commonwealth Ports Authority ("CPA") to avoid technical default on the March 1, 1998 indenture on the CPA Airport Revenue Bonds; and the extreme, immediate and imminent threat such condition poses to the Commonwealth of the Northern Mariana Islands.

I find that a technical default could result in the entire principal and interest of the bonds becoming immediately due and payable, adversely affecting CPA's ability to raise future capital. Such a default will degrade the ability of CPA to maintain and manage the ports of the Commonwealth, to the extreme detriment of the economy and the people of the CNMI.

I also find that this Declaration is necessary to insure that a CPA technical default does not have a cumulative impact on the CNMI economy, which has been in a constant and prolonged downward trend as shown, among other examples, by the closure of several businesses, the withdrawal of Japan Airlines from CNMI service, the decline in tourism, and the persistent rise in fuel and electricity costs. Thus, ultimately, this Declaration is necessary to protect the health and safety of all CNMI residents and visitors.

Therefore, I hereby invoke my authority under Article III, § 10 of the Commonwealth Constitution and 3 CMC § 5121(f) to take all necessary measures to address the imminent threat facing the Commonwealth of the Northern Mariana Islands.

Exercise of the Constitutional and statutory authority invoked herein will be effectuated by the issuance of Executive Directives setting forth the measures to be taken to address the State of Disaster Emergency pursuant to 3 CMC § 5121(f), which states:

(f) In addition to any other powers conferred upon the Governor by law, the Governor may, during a state of disaster emergency:

(1) Suspend the provisions of any regulatory statute prescribing the procedures for conduct of the Commonwealth's business, or the orders, rules, or regulations of any Commonwealth activity or agency, if strict compliance with the provision of any such statute, order, rule or regulation would in any way prevent, hinder, or delay necessary action in coping with the emergency;


(2) Utilize all available resources of the Commonwealth as reasonably necessary to cope with the disaster emergency of the Commonwealth;

(3) Transfer the direction, personnel, or functions of the Commonwealth departments and agencies or units thereof for the purpose of performing or facilitating emergency services;

3 CMC § 5121(f)(1)-(3).

This Declaration of a State of Disaster Emergency shall take effect immediately and all memoranda, directives and other measures taken in accordance with this Declaration shall remain in effect for thirty (30) days from the date of this Executive Order unless I, prior to the end of the thirty (30) day period, notify the Presiding Officers of the Legislature that the state of emergency has been lifted or has been extended for an additional period of thirty (30) days. A comprehensive report on the exercise of my constitutional authority shall be transmitted to the presiding officers of the Legislature as soon as practicable in accordance with 1 CMC § 7403(a).

Done this 13th day of May 2008.


BENIGNO R. FITIAL
Governor