

Head of Saipan regulator says terminating Imperial Pacific's exclusive casino license unconstitutional

Written by Administrator

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The man who originally called for Imperial Pacific International (CNMI) LLC's Saipan [casino license to be suspended](#)

last year has described a push to override the company's exclusive license terms as unconstitutional.

According to a report by *Marianas Variety*, Andrew Yeom, Executive Director of the Commonwealth Casino Commission, told a House Committee this week that a Bill aimed at allowing up to five casino licenses on Saipan would violate the Commonwealth Constitution because an exclusive license had already been established.

"We cannot have a local bill trying to supersede a Commonwealth law," Yeom is quoted as saying. Ironically, it was the head of the casino regulator himself who had called for IPI's license to be suspended after filing five complaints in early 2021 for failure to comply with certain requirements under its license agreement.

Those complaints related to IPI's failure to pay its annual US\$15.5 million license fee last August, failure to pay its annual US\$3.1 million regulatory fee in October, failure to contribute US\$20 million to the community benefit fund in both 2018 and 2019, failure to comply with its minimum US\$2 billion capital requirement and failure to comply with a CCC order to pay all money owing to its vendors.

The company's license was eventually [suspended in April 2021](#) and remains so to this day.

With little indication that IPI has either the will or the means to fulfil its financial obligations, House Local Bill 22-26 was filed in November calling for an end to IPI's exclusivity.

"The present situation, where the exclusive casino licensee has not been able to pay taxes and, most relevantly, cannot reliably pay the \$15 million guaranteed license fee, demonstrates that it was imprudent for the Commonwealth to rely on just one industry and just one company," the Bill says.

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As such, to “obtain the goal of increased stability and dependability ... We must move away from the current single licensee framework that is totally dependent on one business entity.”

IPI has previously said it would [“vigorously defend” its exclusive Saipan casino license](#) .

Read more <https://www.asgam.com/index.php/2022/01/04/head-of-saipan-regulator-says-terminating-imperial-pacifics-exclusive-casino-license-unconstitutional/>