

**COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
SAIPAN MARIANA ISLANDS**

VOLUME 18 NUMBER 09



SEPTEMBER 15, 1996

COMMONWEALTH

REGISTER

COMMONWEALTH REGISTER
VOLUME 18 - NUMBER 09
SEPTEMBER 15, 1996

TABLE OF CONTENTS

EMERGENCY and PROPOSED:

Notice of Emergency and Proposed Regulations Governing the Administration of the Garment Industry Moratorium Act of 1996. Department of Commerce	14316
Emergency Rules and Regulations Governing the Group Health and Life Insurance Programs. NMI Retirement Fund	14326

PROPOSED and AMENDMENTS:

Proposed Amendments to the Board of Parole Rules and Regulations. Board of Parole	14337
---	--------------

ADOPTION:

Notice of Adoption of the Amendments to the 1993 Foreign Currency Rules and Regulations. Department of Commerce / Banking and Insurance Section	14345
---	--------------

PUBLIC NOTICE:

Schedule of Medical and Other Related Fees for Rota Health Center and Tinian Health Center Department of Public Health-Environmental Services.....	14356
--	--------------

**NOTICE OF EMERGENCY REGULATIONS
AND NOTICE OF PROPOSED REGULATIONS
GOVERNING THE ADMINISTRATION OF
THE GARMENT INDUSTRY MORATORIUM ACT OF 1996**

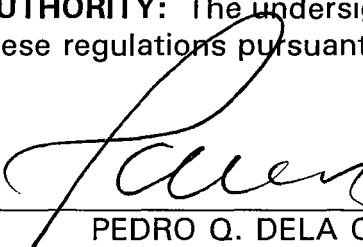
EMERGENCY: The Secretary of Commerce, the Secretary of Labor and Immigration and the Secretary of Finance, "Garment Panel", find that pursuant to the Commonwealth Code, Title 1, Division 9, Chapter 1, Section 9104(b) (1 CMC Section 9104(b)), the public interest requires the adoption of Emergency Regulations, upon concurrence by the Governor, to establish procedures in governing the administration of the Garment Industry Moratorium Act of 1996 (P.L. 10-9). The Garment Panel finds that the Public interest requires adoption of these regulations within fewer than thirty (30) days notice, and that these regulations shall become effective immediately upon filing with the Registrar of Corporations for the reasons below and shall remain effective for 120 days.

REASON FOR EMERGENCY: Public Law 10-9 became effective on May 28, 1996. This law requires the holders of new garment manufacturing business licenses issued between January 1, 1995 and May 28, 1996 to comply with certain provisions as required by law on or before September 30, 1996. These emergency regulations are necessary also to allow the Garment Panel to allocate labor quotas to garment manufacturers and to create a garment industry labor pool.

CONTENTS: The regulations provide for a procedural guideline in processing of labor certificates and renewal of business licenses.

INTENT TO ADOPT: The Garment Panel intends to adopt these regulations as permanent regulations pursuant to 1 CMC Section 9104(a)(1) and (2), and, therefore, publishes in the Commonwealth Register this Notice of opportunity to submit comments and, if necessary, a hearing will be provided. Comments on the contents of the regulations may be sent to: Garment Panel, c/o Department of Commerce, Caller Box 10007, C.K., Saipan, MP, 96950.


AUTHORITY: The undersigned department Secretaries are authorized to promulgate these regulations pursuant to Public Law 10-9.



PEDRO Q. DELA CRUZ
Secretary of Commerce




DATE



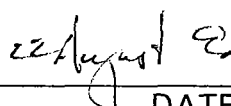
THOMAS O. SABLAN
Secretary of Labor and Immigration



DATE

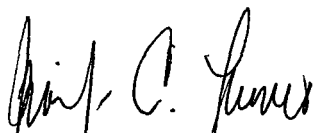


ANTONIO R. CABRERA
Secretary of Finance

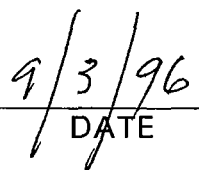


DATE

CONCURRENCE:



FROILAN C. TENORIO
Governor



DATE

FILED:



SOLEDAD B. SASAMOTO
Registrar of Corporations



DATE



DEPARTMENT OF COMMERCE
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
CALLER BOX 10007
C.K., SAIPAN, MP 96950

TEL. NO. (670) 664-3000/1/2
FAX NO. (670) 664-3067

**EMERGENCY REGULATIONS
GOVERNING THE ADMINISTRATION OF
THE GARMENT INDUSTRY MORATORIUM ACT OF 1996**

The Secretary of Commerce, the Secretary of Labor and Immigration and the Secretary of Finance, pursuant to their responsibilities and authority designated to them under Public Law 10-9, hereby issue a joint public notice that they have developed and established the rules and regulations that will govern the administration and implementation of the "Garment Industry Moratorium Act of 1996" (the Act), prohibiting the issuance of new business licenses for the purpose of garment manufacturing, imposing restrictions on the issuance of nonresident worker certificates for garment workers; establishing a garment worker pool and quotas per manufacturer for garment workers; and establishing reporting requirements for garment manufacturers.

1. **AUTHORITY:** These regulations are promulgated by the Department of Labor and Immigration, the Department of Commerce and the Department of Finance pursuant to Public Law 10-9.
2. **PURPOSE:** To ratify and re-promulgate certain provisions of the garment industry regulations published prior to October 15, 1995 which are considered consistent with Public Law 10-9; and to assess a fee of \$25.00 for each non-immigrant alien garment worker for costs of administering and reviewing the Garment Industry's exceptional requirements imposed by Public Law 10-9.
3. **DEFINITIONS:**
 - A. "Business License" as used herein means business licenses issued by the Department of Commerce to engage in or conduct business under 4 CMC section 5611.
 - B. "Renewal" as used herein means the applicant was issued a business license prior to the effective date of Public Law 10-9 and may apply for renewal at the expiration date of the business license.
 - C. "Garment Panel" means the Secretary of Commerce, the Secretary of Labor and Immigration and the Secretary of Finance or their appointed designees.

- D. "Garment Worker License Fee" as established herein means a non-immigrant alien worker license fee for engaging in a garment industry occupation. This fee is in addition to the application fee imposed by the Department of Labor and Immigration for processing of work and entry certificates.
 - E. "Work Certificate" means a certificate of labor issuable by the Department of Labor and Immigration pursuant to 3 CMC 4435(b).
 - F. Quota of a Manufacturer: The total number of non-immigrant alien employees which the Department of Labor and Immigration has issued Work Certificates to for the employment by qualified manufacturers as of July 31, 1996, plus the total number of non-immigrant alien workers in the process of being recruited or to be recruited after July 31, 1996 by those garment manufacturers issued business licenses after January 1, 1995 and qualify for renewal under the provisions of the Act.
 - G. "Employee" means a non-immigrant alien garment worker.
 - H. "Employer" means a Qualified Garment Manufacturer employing a non-immigrant alien garment worker.
 - I. "Qualified Garment Manufacturer" means a garment manufacturer engaged in manufacturing textiles or textile products prior to the expiration of its business license issued by the Department of Commerce.
4. **ESTABLISHMENT OF GARMENT PANEL:** There is hereby established a Garment Panel, consisting of the Secretaries of the Department of Commerce, the Department of Labor and Immigration and the Department of Finance or their designees which shall be responsible for the administration and implementation of Public Law 10-9. The Garment Panel shall establish its own rules and procedures governing its duties and responsibilities.
5. **ESTABLISHMENT OF A GARMENT WORKER LICENSE FEE:** A non-refundable license fee of \$25.00 for each Garment Worker as defined shall be paid in full to the Treasurer, CNMI Government, prior to the approval and issuance of Work and Entry Permits by the Department of Labor and Immigration. The fee shall be deposited under the account of "Garment Administration Account". The Garment Panel shall have disbursing authority over the funds to be used for costs of administering and reviewing the Garment Industry's exceptional requirements imposed by Public Law 10-9, and other services that the Garment Panel believes necessary to accomplish its responsibilities. The Garment Panel shall work closely with the Director of Labor for recommendations in the expenditures of these funds.

The fee is non-refundable and not transferable for credit to the manufacturer when a worker's application is withdrawn or cancelled.

6. ISSUANCE OF WORK AND ENTRY CERTIFICATES: No employee of the Department of Labor and Immigration shall issue or cause to be issued any new Work and Entry Certificates on behalf of a non-immigrant alien to be employed as a garment worker except upon written finding by the Garment Panel that the applicant meets the criteria for issuance of such certificate as provided by Public Law 10-9.

- A. Receipt of Application: Upon receipt of a completed application for Work Certificate on behalf of a non-immigrant alien to be employed as a garment worker, the Garment Panel shall review the application for compliance with these regulations and other applicable laws and regulations. Within forty-five (45) days of the filing of the application, the Director of Labor shall determine if the application is in compliance with such regulations and laws and shall either approve the application and issue the Work Certificate or deny the application. Any failure by the Director of Labor to issue a determination on an application within the forty-five (45) day period shall be deemed an approval of the application.
- B. The Director of Labor may suspend, modify, revoke or withdraw any approval or issuance of a Work Certificate issued hereunder whenever the approval or issuance was in error, or was based on incorrect, false, or misleading information.
- C. Renewal of Existing Employment Contract: The Employer must submit the required applications for renewal at least 30 days before the expiration of the existing contract. The Nonresident Workers Act will apply where appropriate in following the criteria for renewal of existing employment contracts.

Failure to submit the required documents for renewal at least 30 days before expiration of the existing contract shall constitute a default and the number of employees affected will revert to the Garment Worker Pool as provided under Paragraph 10(A) of these regulations.

The Garment Panel, however, may, at its discretion, impose a penalty in an amount not to exceed \$500 per garment worker for the manufacturer to be allowed to renew a garment worker within the 30 days immediately preceding the expiration date of the contract provided that the Garment Panel gave its approval in writing and the penalty is

paid as assessed.

- D. Recruitment to Replace a Terminated or Non-Renewed Non-Immigrant Alien Employee: The Department of Labor & Immigration may approve work certificates for new employees to replace terminated or non-renewed employees provided that: the employee has no pending labor or agency case with the Division of Labor; the employee was not transferred to another employment within the CNMI; a termination notice was provided to the Department of Labor and Immigration in accordance with the termination procedures set forth in the Employment Contract; the Work and Entry Permits of the terminated employee were provided to the Department of Labor and Immigration; and evidence of departure of the terminated employee was also provided to the Department of Labor & Immigration within ten (10) days after the employee departed the CNMI.
 - E. Application to Recruit a Non-Immigrant Alien Employee from the Garment Worker Pool Approved by the Garment Panel: Upon receipt of an official notice from the Garment Panel indicating the total number of employee allotment approved from the Workers Pool, the applicant may submit a completed application to the Department of Labor & Immigration for the additional recruitment allowed together with the official notice from the Garment Panel indicating the total number allotted and approved.
7. **RENEWAL OF BUSINESS LICENSE:** The Department of Commerce shall not renew or cause to be renewed any business license for the purpose of garment manufacturing unless: a) the applicant, at the time the renewal application is submitted, holds a valid business license for the purpose of garment manufacturing and was engaged in the manufacturing of textiles or textile products prior to January 1, 1995; or, b) the applicant was issued a valid business license between January 1, 1995 and May 28, 1996, and is engaged in manufacturing textiles or textile products, as provided by Public Law 10-9.
8. **APPLICATION FOR RENEWAL OF BUSINESS LICENSE:** Upon receipt of a completed application for business license renewal, the Garment Panel shall review the application and shall either approve or deny the application within 30 days of the filing of the application for renewal.

The Department of Commerce may prescribe a different application form for renewal of a business license for garment manufacturing which may require the same, more, or less information than that required in an initial application.

9. **ISSUANCE OF NEW LICENSES:** The Department of Commerce shall not issue or cause to be issued to any applicant a new business license for purposes of garment manufacturing after May 28, 1996.

10. **GARMENT WORKER POOL:** There is hereby established a garment worker pool which shall consist of all unused or unfilled non-immigrant alien garment worker positions within the quota of a manufacturer. The term "unused or unfilled non-immigrant alien garment worker position" shall mean that portion of a qualified garment manufacturer's quota, as established by the Garment Panel, for which a garment manufacturer has not filed with the Division of Labor a completed application to renew or replace non-immigrant alien workers within 90 days after the effective date of this regulation.

A. All unused or unfilled non-immigrant alien garment worker quotas shall revert to the Garment Worker Pool for reallocation to qualified garment manufacturers, unless a garment manufacturer filed a complete application with the Division of Labor to renew or replace non-immigrant alien workers (90 days from date of termination) or 30 days before expiration date of the contract for renewal.

B. Unused or unfilled non-immigrant alien worker quotas shall not include the quota allotted to a qualified garment manufacturer who was issued a business license but was not renewed at the expiration date of the business license. The quota allotted to a manufacturer whose license was not renewed shall not revert to the Garment Worker Pool.

11. **STATEMENT OR REPORT REQUIRED:** Every qualified garment manufacturer shall file an annual report with the Garment Panel. The report shall contain a complete, true, and correct statement listing the names, permit numbers, expiration dates of permits issued for all non-immigrant alien garment workers and such other information as may be required or prescribed by the Garment Panel. Failure to file the statement or report required herein shall constitute a default and the Garment Panel shall deny any application for a Work Certificate on behalf of a non-immigrant alien to be employed as a garment worker filed by such defaulting party until the default is cured.

The first report required under this regulation shall be filed on or before the last working day of December 1996 and subsequent reports shall be made annually on the last working day of December.

12. REQUEST FOR GARMENT POOL WORKER: Notwithstanding any other provisions of these regulations, any qualified garment manufacturer may apply for additional workers from the Garment Worker Pool provided the applicant meets the criteria below as of the date of application:

- a. Applicant is a holder of a certificate of origin issued by the Division of Customs and has exported textile products prior to applying from the Garment Worker Pool.
- b. Applicant has substantially begun construction or has completed construction of a factory to accommodate the request for additional workers.
- c. Applicant has purchased capital equipment for the requested additional workers, which equipment shall be in place in the Commonwealth or in transit for delivery prior to the date that such requested workers' contracts are to begin.
- d. Applicant has available living quarters to accommodate the additional workers.
- e. Applicant has complied with all other applicable laws and regulations.

13. RESIDENT WORKER TRAINING PROGRAM AND RECRUITMENT: Employers shall make every effort to recruit and employ resident workers. Six months after the effective date of this regulation, a qualified garment manufacturer employing non-immigrant alien workers must maintain resident workers of at least twenty percent of its total workforce. Waiver of this requirement shall only be made by the Garment Panel in accordance with their established policies and procedures.

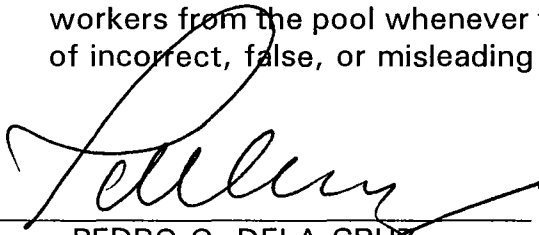
Notwithstanding any other provisions of these regulations, no application for a Work Certificate on behalf of a non-immigrant alien to be employed as a garment worker shall be issued by the Director of Labor until the Garment Panel has approved a Resident Worker Training Program for the manufacturer/employer. A Resident Worker Training Program shall be designed to provide knowledge and skills essential to the full and satisfactory performance of the duties and responsibilities of garment manufacturer jobs, provide opportunities for career advancement, and reduce the employer's reliance on non-immigrant alien garment workers. The training plan shall be submitted for approval to the Garment Panel within six months of the effective date of this regulation. No Work Certificate will be issued after six months of the effective date of this regulation without a training plan approved by the

Garment Panel.

14. **TEMPORARY RESTRICTIONS ON ADDITIONAL WORKERS:** No additional workers will be approved for any garment manufacturer whom the Garment Panel determines was allowed additional workers exceeding any previous quota allowed by regulations established prior to October 15, 1995.
15. **DURATION OF RESTRICTIONS:** The restrictions provided above will remain in effect until such time as the Garment Panel determines that a sufficient number of additional workers has become available in the Garment Worker Pool.
16. **GARMENT PANEL MEETING:** Notwithstanding any other provisions of this regulation, the Garment Panel shall meet once a year or as necessary to determine the number of available workers in the Garment Worker Pool and to notify all qualified garment manufacturers of the availability of garment workers in the Garment Worker Pool to be allotted.
17. **NOTIFICATION OF AVAILABLE POOL WORKERS:** The Garment Panel shall send written notice to all qualified garment manufacturers informing them of the availability of garment workers in the Garment Worker Pool. The notice shall prescribe the deadline for submitting applications for workers from the Garment Worker Pool, the deadline for bringing in non-immigrant alien garment workers, quota forfeiture and percentage of allotment allowed by this regulation.
18. **RECEIPT OF APPLICATION:** Upon receipt of a completed application for additional workers, the Garment Panel shall review the application for compliance with these regulations and shall determine the number of available workers in the Garment Worker Pool. The available workers shall be distributed equitably at the percentage established by this regulation or if a lesser number is requested, that number shall be granted, provided that the applicant meets all the criteria enumerated under paragraph 12 above. The Garment Panel shall make its distribution within 45 calendar days.

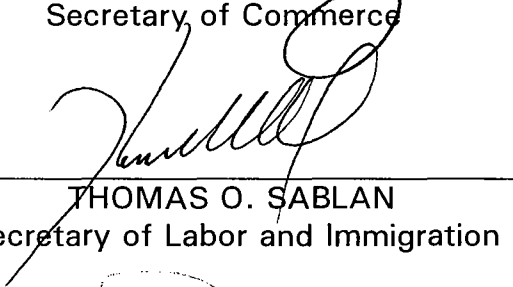
The number of Garment Pool Workers available after the Garment Panel has made its distribution to a qualified manufacturer shall remain in the Pool until the Panel meets again to review applications for additional workers.
19. **PERCENTAGE OF ALLOWABLE ADDITIONAL WORKERS:** No qualified garment manufacturers will be allowed additional workers in excess of twenty percent (20%) of the original quota.

20. **SUSPENSION, MODIFICATION, REVOCATION OR WITHDRAWAL OF APPROVAL OF REQUESTS FOR GARMENT POOL WORKERS:** The Garment Panel may suspend, modify, revoke or withdraw approval of requests for workers from the pool whenever the approval is issued in error, or on the basis of incorrect, false, or misleading information.



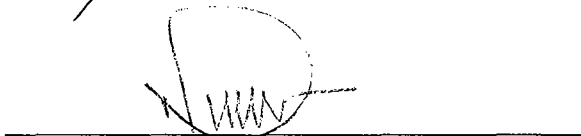
PEDRO Q. DELA CRUZ
Secretary of Commerce

8/21/96
DATE



THOMAS O. SABLAN
Secretary of Labor and Immigration

8/21/96
DATE



ANTONIO R. CABRERA
Secretary of Finance

8/21/96
DATE

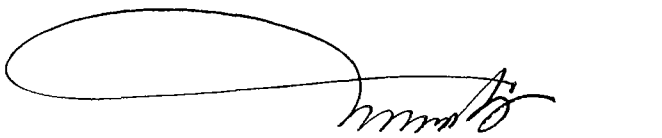
CONCURRENCE:



FROILAN C. TENORIO
Governor

9/3/96
DATE

FILED:



SOLEDAD B. SASAMOTO
Registrar of Corporations

9/3/96
DATE



Northern Mariana Islands
R E T I R E M E N T F U N D

P.O. Box 1247, Saipan, MP 96950
Telephone: (670) 234-7228 / Fax: (670) 234-9624
e-mail: nmi.retirement@saipan.com

**Notice of Adoption of Emergency Rules and Regulations
Governing the
Group Health and Life Insurance Programs**

PART I. EMERGENCY

The Board of Trustees of the Northern Mariana Islands Retirement Fund (NMIRF) finds that the public interest and welfare requires the adoption, on an emergency basis, of Rules and Regulations Governing the Group Health and Life Insurance Programs. Authorized by Public Law 10-19 to assume responsibility for administering the Group Health and Life Insurance Programs, the NMIRF finds that a smooth and effective transference of program and function requires immediate publication of formal written statements of administrative policy and procedure. These emergency regulations are promulgated to meet that need. The Board further finds that the public interest requires these regulations to become effective upon concurrence of the Governor and filing with the Registrar of Corporations, to remain effective for a period of one hundred twenty (120) days.

PART II. AUTHORITY

By virtue of the authority provided under Section 5 of Public Law 10-19 and the appropriate provisions of the Administrative Procedure Act, the Board of Trustees of the Northern Mariana Islands Retirement Fund hereby adopts these emergency rules and regulations in accordance with 1 CMC §9104(b).

PART III. PURPOSE

Public Law 10-19 transferred the administration of the Group Health and Life Insurance programs (hereinafter the GHLI) from the Department of Finance to the NMI Retirement Fund effective June 21, 1996. It is therefore the purpose of these rules and regulations

CNMI Group Health and Life Insurance Regulations

to articulate policies for the administration of the Government Group Health and Life Insurance programs within the NMI Retirement Fund.

PART IV. DEFINITIONS

Section IV.01. As used in these regulations, except where the context clearly indicates otherwise:

(a) "Act" means Public Law 10-19, which was enacted into law on June 21, 1996, and all subsequent amendments.

(b) "Administrator" means the chief executive officer of the Northern Mariana Islands Retirement Fund.

(c) "Allowable expenses" are restricted to payments from the GHLI Trust Fund, in the case of the Group Health Insurance plan, for medically-related services and supplies, and in the case of the Group Life Insurance plan, for insurance benefits, to the extent, in both cases, that such benefits are covered expenses under the terms of the GHLI program plans; and in both cases, for reasonable costs of administration including employee salaries, fringe benefits, and related administrative costs.

(d) "Board" or "trustees" means the Board of Trustees of the NMI Retirement Fund.

(e) "Carrier" means any insurance company licensed by the CNMI Department of Commerce to transact general life and casualty insurance within the Commonwealth.

CNMI Group Health and Life Insurance Regulations

(f) "Contribution" means the share of the premium required to be paid into the GHLI trust fund for health insurance coverage or life insurance coverage or both by either the employer or the employee.

(g) "Employee" means a person who is employed by the Commonwealth Government, its departments, agencies, instrumentalities, public corporations, municipal governments or other Commonwealth government entities, whether or not under a specific contract of employment. For purposes of these regulations, CNMI government retirees who enroll in the group health insurance, or group life insurance program, or both, are employees of the NMI Retirement Fund.

(h) "Employer" means the Government of the Northern Mariana Islands, its departments, agencies, instrumentalities, municipal governments, and public corporations.

(i) "Fund" or "NMIRF" means the Northern Mariana Islands Retirement Fund.

(j) "GHLI Trust Fund" or "GHLIT" means the government Group Health and Life Insurance Trust account which is segregated from other funds and held in trust and administered by the Fund under the fiduciary care of the Board.

(k) "Plan" means the summary description of benefits as described in a printed document made available to participants.

(l) "Premium" means the total amount of money required to be paid into the GHLIT for either health insurance coverage or life insurance coverage or both.

CNMI Group Health and Life Insurance Regulations

PART V. GHLI ORGANIZATIONAL STRUCTURE AND ADMINISTRATION

Section V.01. Organization. The GHLI programs shall be organized as a component of the NMI Retirement Fund. The Administrator is responsible for the administration and management of the programs.

Section V.02. Personnel.

(a) The Administrator may select a manager to be responsible for the daily functions of these programs, including but not limited to receiving and processing of claims, responding to customer inquiries, supervising all employees within the GHLI programs, and such other duties as are assigned by the Administrator.

(b) The Administrator of the Fund may reassign, reallocate or otherwise reorganize the functions and activities of the GHLI component.

Section V.03. Assets The assets belonging to the GHLI programs on the effective date of Public Law 10-19 shall be recorded as assets of the separate GHLIT fund allocable solely to the GHLI programs by the Fund. They shall be physically transferred to the offices of the GHLI programs.

Section V.04. Operations

(a) The Administrator shall prepare an annual budget for the operation of the GHLI programs specifically to cover the estimated claims, premium payments, reasonable administrative cost, and other related expenses, for approval by the Board. The annual budget shall be based on the estimated total contributions for the CNMI Government fiscal year.

(b) The annual operating budget shall be prepared, and approved by the Board, on or before the beginning of each fiscal year. The approved budget shall be

CNMI Group Health and Life Insurance Regulations

transmitted to the Office of Management and Budget, Office of the Governor, for informational purposes only.

(c) In the event of a shortfall occurring during any fiscal year, the Administrator shall prepare a revised budget to cover the shortfall, provided, however, that the total budget shall not exceed the estimated contributions to be received during that fiscal year.

PART VI. GHLI TRUST FUND

Section VI.01. GHLI Trust Fund Established. In accordance with Section 5 of Public Law 10-19, a Group Health and Life Insurance Trust Fund (GHLIT) is established for the purpose of holding employer and employee contributions and any investment earnings thereon. The GHLIT is to be expended only for the payment of health insurance, life insurance, and other GHLI benefit claims, premiums, reasonable costs of administration, and related expenses.

(a) The Fund shall open a trust account in the name of the Northern Mariana Islands government GHLIT at any recognized financial institution whose deposits are insured by an agency of the federal government. The trust fund account name shall be known and cited as the GHLI Trust Fund.

(b) The Administrator of the Fund, or his designee, shall have sole and exclusive expenditure authority over the GHLIT fund.

Section VI.02. Contributions. Contributions to the GHLI Trust Fund shall be made as follows:

(a) Employees in the GHLI programs, whether for health insurance coverage only or life insurance coverage only or both, shall make contributions to the GHLIT

CNMI Group Health and Life Insurance Regulations

based on rates as determined by the Board of Trustees. The rates in effect for group health and group life insurance at the time of the transfer shall continue to be in effect until a change is made by the Board. All employee contributions shall be made through deductions from employees' payroll or pension benefits payments. The Secretary of Finance or the head of each autonomous agency shall cause such contributions to be deposited directly into the GHLI Trust Fund.

(b) Employers shall make their corresponding required health and/or life insurance contributions to the GHLIT each pay period based on rates as determined by the Board of Trustees. The rates in effect for group health and group life insurance at the time of the transfer shall continue to be in effect until a change is made by the Board. The Secretary of Finance or the head of each autonomous agency shall cause such contributions to be deposited directly into the GHLI Trust Fund.

(c) The Board shall review at least annually, and revise, as deemed necessary, the rates set for GHLI program contributions required of employees and GHLI program contributions required of employers.

Section VI.03 Remittance

(a) Within five (5) working days of the close of each pay period, each employer shall remit its total premiums, including contributions deducted from employees' paychecks, for GHLI coverage to the GHLI Trust Fund. Payments shall be made to the GHLI Trust Fund, and sent to the NMI Retirement Fund. If the total premiums are not received by the Fund by the tenth (10th) working day following each pay period, interest will be charged on the amount due at the rate determined by the Board, but not in excess of the highest rate authorized by law.

CNMI Group Health and Life Insurance Regulations

(b) Employers must submit a list of all their employees for whom a remittance is being made with each remittance to the Trust Fund. This list shall constitute definitive identification of all those individuals committed to making a contribution to either the group health insurance or group life insurance program, or both.

(1) It is the responsibility of each employer to make certain that such contributions to the GHLI programs of each of its employees are fully paid each payroll period.

(2) It shall, however, be the responsibility of each employee to make certain that his or her contribution to the GHLIT continues to be fully paid during periods when employee receives no paycheck, such as during a period of leave without pay..

(c) The Fund shall issue proof of payment to each such employer.

Section VI.04. Deposits, Disbursement, and Investment

(a) The Administrator shall establish an accounting system for the GHLI Trust Fund. Such a system shall be in accordance with generally accepted governmental accounting standards. The Administrator shall issue accounting reports to the Board of Trustees as required, but at least semi-annually.

(b) The Administrator shall promptly disburse funds from the GHLI Trust Fund for the purpose of paying GHLI Trust Fund liabilities, including but not limited to the payment of health insurance, life insurance, and other GHLI benefit claims, premiums, reasonable costs of administration, and related expenses.

CNMI Group Health and Life Insurance Regulations

(c) The Board may invest assets of the trust account, to the extent not required to be available to defray current expenses, in interest bearing accounts in FDIC insured local banks that offer competitive rates.

(d) When the GHLIT reaches three (\$3) million dollars in excess of the amount estimated to cover obligations for one (1) full year, the Board may invest such excess funds in other appropriate investments programs.

PART VII. GROUP LIFE INSURANCE PROGRAM DESCRIPTION

Section VII.01. Purpose

(a) It is the purpose of this program to provide voluntary life insurance, to be known as the Group Life Insurance Program (GLIP), for CNMI government employees and retirees.

(b) The GLIP shall be administered by the NMI Retirement Fund pursuant to Public Law 10-19, which may contract out to private insurance carriers licensed to issue group-term life insurance within the CNMI. This program shall be implemented in the best interest of the Government and the program participants.

Section VII.02. Eligibility

Only active and retired government employees who elect to enroll during the period permitted in these regulations are eligible for coverage under this program. Specifically, the following are eligible for coverage:

- (1) Employees who work at least 20 hours per week;

CNMI Group Health and Life Insurance Regulations

(2) Employees who retire as a result of length of service, disability or age. Surviving family members or dependents of deceased employees are not entitled to life insurance coverage.

Section VII.03. Contributions and Benefits

The contributions by both the employee and the government under the GLIP shall be governed by the agreement between the Board of Trustees and the private carrier.

Section VII.04. Contract with Private Carrier

(a) Life insurance coverage shall be underwritten by a private carrier selected by the Board. The carrier must demonstrate its ability to provide life insurance prior to selection.

(b) A carrier shall be selected in accordance with established procurement policy of the Commonwealth government. This applies to any renewals of existing coverage.

(c) The Board, through its Administrator, shall have the authority to negotiate favorable rates for the employees, retirees, and the government.

(d) The Board may enter into a contract of up to and including a term of five (5) years with a private carrier.

PART VIII. GROUP HEALTH INSURANCE PROGRAM DESCRIPTION

Section VIII.01. Purpose

(a) It is the purpose of this program to provide voluntary health insurance, to be known as the Group Health Insurance Program (GHIP), for CNMI government employees and retirees.

CNMI Group Health and Life Insurance Regulations

(b) The GHIP shall be administered by the NMI Retirement Fund pursuant to Public Law 10-19.

Section VIII.02. Eligibility

Only active and retired government employees and their dependents as defined in the plan who elect to enroll during the period permitted in these regulations are eligible for coverage under this program.

Section VIII.03. Contributions and Benefits

(a) The contributions by both the employee and the government under the GHIP shall be determined by the Board of Trustees.

(b) Benefits under the group health insurance program shall be as determined by the Board and set forth in a written health plan.

(c) The Board, through its Administrator, shall have the authority to negotiate favorable rates for employees, retirees, and the government.

(d) The benefits of the plan currently in effect are those spelled out in the booklet "Group Health Insurance Program" issued by the Department of Finance, as revised January 25, 1995.

PART IX. AMENDMENTS AND EFFECTIVE DATE

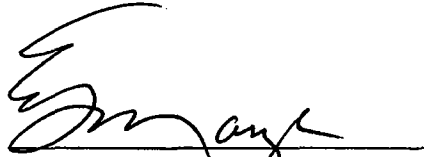
Section IX.01. Amendments.

These regulations may be amended by the Board of Trustees from time to time.

CNMI Group Health and Life Insurance Regulations

Section IX.02. Effective Date.

The effective date of these regulations shall be in accordance with the Administrative Procedure Act at 1 CMC § 9104(b).

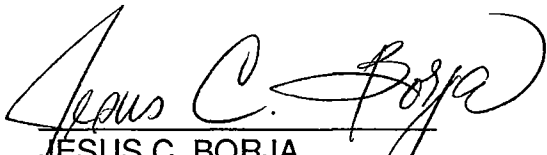

EDWARD H. MANGLONA
ADMINISTRATOR

9/9/96
Date


VICENTE C. CAMACHO
CHAIRMAN
BOARD OF TRUSTEES


9/9/96
Date

Concurred by :


JESUS C. BORJA
ACTING GOVERNOR

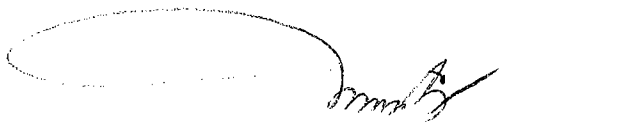
Sept. 9, 1996
Date

Received by:


DONNA CRUZ
GOVERNOR'S OFFICE

9/9/96
Date

Filed by:


SOLEDAD B. SASAMOTO
REGISTRAR OF CORPORATIONS

9/9/96
Date



Board of Parole

Commonwealth of the Northern Mariana Islands

P.O. BOX 2641

SUSUPE, SAIPAN, MP 96950

TEL.NOS.: (670) 664-3300 ~ 3302 • FAX: (670) 664-3310

PUBLIC NOTICE

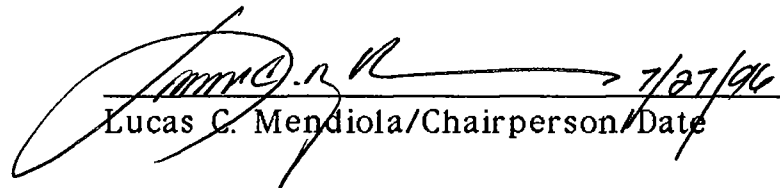
OF THE PROPOSED AMENDMENTS TO THE BOARD OF PAROLE RULE AND REGULATIONS

The Board of Parole, pursuant to the Authority of Public Law 1-8, Chapter 8 and 6 CMC Division 4, Chapter 2 Section 4206, hereby gives notice to the public of its intention to Amend and Modify the Board of Parole Rules and Regulations as necessary and required.

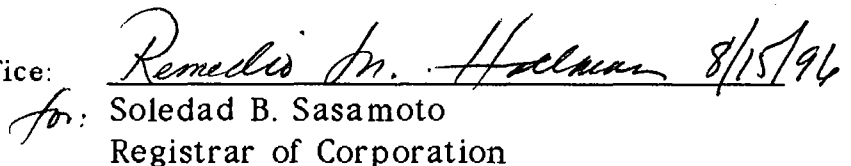
These proposed changes revise and clarify certain portions and sections of the existing Board of Parole Rules and Regulations. The proposed amendments also establish requirements necessary in defining and determining Eligibility for Parole and other Parole Criteria.

All interested person/persons will be given reasonable opportunity to submit their views, comments, and/or arguments, in writing concerning these proposed regulations. Written comments must be submitted to the Parole Office of the Board of Parole not later than thirty (30) calendar days following the date of publication of this Notice. Copies of these proposed amendments are available and may be obtained from the Parole Office, located behind the Joeten-Kiyu Library, the former Finance complex. Anyone interested or who still needs further information(s) and or clarification, please contact our office at telephone numbers 664-3300/01/02.

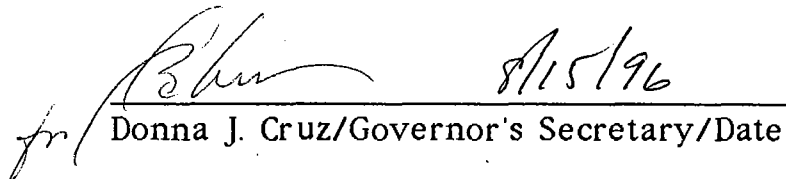
Filed By:

 7/27/96
Lucas C. Mendiola/Chairperson/Date

Received at Attorney General Office:

 8/15/96
for: Soledad B. Sasamoto
Registrar of Corporation

Received at Governor's Office:

 8/15/96
for: Donna J. Cruz/Governor's Secretary/Date



Board of Parole

Commonwealth of the Northern Mariana Islands

P.O. BOX 2641

SUSUPE, SAIPAN, MP 96950

TEL.NOS.: (670) 664-3300 ~ 3302 • FAX: (670) 664-3310

NOTICIA PUBLIKU

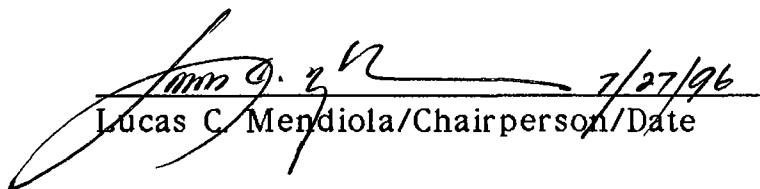
POT I MAMMA PRUPOPONI SIHA NA AMENDASION GI AREKLAMENTO YAN REGULASION I BOARD OF PAROLE

I Board of Parole, sigon gi Aturidat i Lai Pupbliku 1-8, Kapitulu 8 yan 6 CMC Dibisiona 4, Kapitulu 2 Seksiona 4206, ginen este ha nana'i i publiko nuticia nu i entension-na para u Amenda yan Modifika i Areklamento yan Regulasion i Board of Parole komo nisisario yan ginagagao.

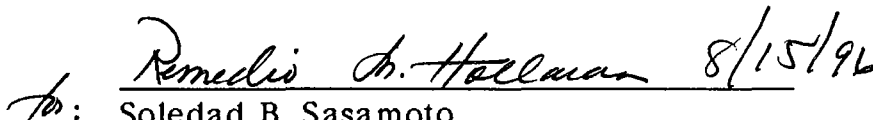
Este siha i manma prupoponi na tinilaika me Ribibisa yan ma Klarififika unos Kuantu siha na patte yan seksionan i eksiste na Areklamento yan Regulasion i Board of Parole. I manm prupoponi siha na Amendasion ma estableble si lokkue Kondesion Parole.

Todu enteresante siha na petsona siempre u fanma na'i resonable na opottunidat para u ma satmiti i hinasson-niha, komenton-niha, yan osino' atgumenton-niha gi tinige' put i este i manma prupoponi siha na regulasion. Todu tinige siha na komento debi di u fanma satmiti guato gi ofisinan i Board of Parole sin mas di trenta (30) na dian kalendario despues di i fechan i ma publikasion-na este na nutisia. Guaha kopia put este i manma prupoponi siha na Amendasion ya sina manma chuchule' ginen i Ofisinan Parole, ni gaige gi tatten i Joeten-Kiyu Library, i estaba Ofisinan i fainansiat. Todu enteresante osino' ayu siha u nyba;nisisita mas enfotmasion yan pat klarifikasion, pot fabot a'agang i Ofisinan Parole gi tilifon numiru 664-3300/01/02.

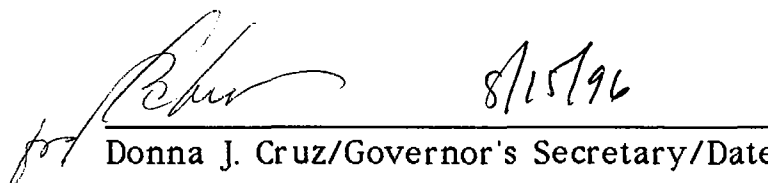
Ma satmiti ni as:


Lucas C. Mendiola/Chairperson/Date 7/27/96

Ma resibi as:

to: 
Soledad B. Sasamoto 8/15/96
Registrar of Corporation

Ma Settefuka as:


Donna J. Cruz/Governor's Secretary/Date 8/15/96



Board of Parole

Commonwealth of the Northern Mariana Islands

P.O. BOX 2641

SUSUPE, SAIPAN, MP 96950

TEL.NOS.: (670) 664-3300 ~ 3302 • FAX: (670) 664-3310

ARONGORONG NGA'LIIR TOULAP

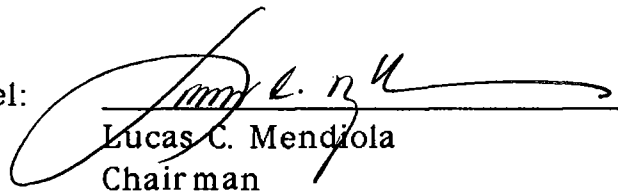
REEL IGHA EBWE LLIWEL AFAL ME ALLE'GH MELLO'L BOARD OF PAROLE

Board of Parole mereel bwangil llo'l Alle'ghul Toulap 1-8, Chapter 8 me 6 CMC Division 4, Chapter 2 Section 4206, mereel aweeweel, e arongaar toulap reel intention-al igha ebwe lliwel afal me alle'gh llo'l Board of Parole.

Lhwel reel Afal me Alle'gh kkaal nge ebwe alleta me awela akka'a'w ta'hl reel Afal me Alle'gh llo'l Board of Parole. Reel igha e lliwel Afal me Alle'gh kkaal nge ebwal ayoorra requirements reel eligibility iio'l Parole me akka'a'w Parole Criteria.

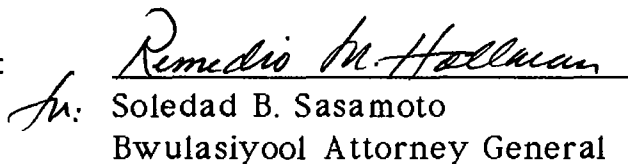
A suusu ngalar aramas' toulap rebwe isisilong yaar mengemeng ngare aiyegh ebwe isisilong llo'l bwulasiyool Board of Parole. Mengemeng ngare aiyegh ebwe isisilong llo'l bwulasiyool Board of Parole esso'bw aluwelo' eliigh (30) ra'i sa'ngi towowul arongorong yeel ngaliir toulap. Emmwal ubwe bweibwogh yo'o'mw kopiya mereel bwulasiyool, Board of Parole, elomwuri Joeten-Kiyu Library, iyo e tipeli ebwe maas ghuleey meta, ebwe faffaingi numorool telefon kkaal, 664-3300/01/02.

Filed Mereel:


Lucas C. Mendiola
Chairman

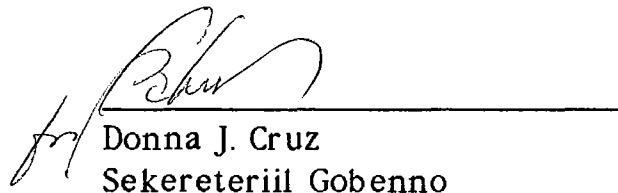
7/27/96
Ra'i

Bwughiyal:


Soledad B. Sasamoto
Bwulasiyool Attorney General

8/15/96
Ra'i

Bwughiyal:


Donna J. Cruz
Sekereteriil Gobenno

8/15/96
Ra'i

PROPOSED AMENDMENT TO THE ADMINISTRATIVE PROVISIONS

SECTION I. GENERAL PROVISIONS/AUTHORITY:

These proposed Amendments of the existing Board of Parole Rules and Regulations highly warrants and necessary. This Section of the existing Board of Parole's Rules and Regulations need to be corrected and changed to Public Law 1-8, Chapter 8 instead of 8-1 and Section 6 CMC Division 4 Section 4206 as adopted regarding the operation of the Board of Parole. Also in accordance with 1 CMC, Division 9 Chapter 1, Sections 9104, 9105, and 9106 of the Administrative Procedure Act.

SECTION II. PURPOSE:

The purpose of these proposed amendments of the Board of Parole Rules and Regulations is to revise, clarify and inform all parties and agencies concerned of the proposed amendments necessary and required in order to smoothly and appropriately carry out the mandated functions of the Board of Parole.

SECTION III. DEFINITIONS

To amend, modify, delete and add certain words to Subsection 3.6 and to add a new Subsection 3.10 to read as follows:

Subsection 3.6: "One-Third (1/3)" means one-third (1/3) of the minimum term of imprisonment imposed by the sentencing court in its Judgment of Conviction. Where by statute the crime of which the inmate was convicted expressly states that the sentence imposed therefore may not be reduced by suspension, probation or parole, the inmate must serve the greater of the minimum sentence imposed or one-third (1/3) of the minimum term of imprisonment.

Subsection 3.10: "minimum term of imprisonment" means the lowest amount of time to actually be served in prison; in calculating the minimum term of imprisonment, suspended prison time or time to be served on probation or parole is not counted.

SECTION IV. POWER AND DUTIES OF THE BOARD OF PAROLE

B. ANCILLARY POWERS AND DUTIES

Subsection (1)(a) is amended to add/insert the word "and" between A(5) and A(7), and delete A(8), as there is no A(8) in this particular section, to read as follows:

(1)(a): may delegate to any Board Member powers enumerated in Subsections A(4), A(5), and A(7).

SECTION VI. ELIGIBILITY CRITERIA FOR PAROLE

To delete certain words on (b)(3) to read as follows:

(b) (3) Delete the word "parole or"

SECTION VII. PAROLE APPLICATION PROCESS

Subsection 7.2 is amended and modified to add certain words to read as follows:

7.2: After receiving a parole application from a prisoner applicant, the Parole Officer shall conduct an interview with applicant, prison inmates, correction officials, the inmate's family and neighbors. The Parole Officer shall notify the victim of the crime and/or family of the victim of the crime that the inmate has requested parole, and may interview the victim and/or family of the victim regarding the inmate's application for parole.

Subsection 7.3 is amended, modified to read as follows:

7.3: If feasible, any inmate who has applied for an initial Parole determination shall be heard by the Parole Board at least thirty (30) days before completion of one-third (1/3) requirement.

SECTION VIII. BOARD OF PAROLE HEARINGS

Subsection 8.2: Shall be amended, modified and changed to read as follows:

If feasible, the Parole Hearings schedule shall normally be conducted on the fourth (4th) weekend of every month. Parole revocation hearings shall be conducted in accordance with the provisions of Section 16.1.

8.3: Change to seven (7) days.

Section VIII, Subsection 8.3: Shall be amended and changed as follows:

8.3: A prisoner shall receive written notice of his/her parole hearing date at least seven (7) days prior to the hearing. The Notice shall inform the prisoner of the date, time, and place of hearing and of his/her right to assistance and consultation as provided in Subsection 8.6.

Subsection 8.4: Shall be amended and change to reflect as follows:

- (a) Six (6) months, from the date of denial if the prisoner is serving a sentence of one (1) year or more, but less than ten (10) years;
- (b) Twelve (12) months from the date of denial if the prisoner is serving a sentence or of ten years or more but less than 30 years or life;
- (c) Twelve (24) months from the date of denial if the prisoner is serving a life sentence or a sentence of thirty (30) years or more; and

(d) Twelve (12) months from the date of reimprisonment in a Commonwealth institution, if the prisoner's parole has been revoked.

Subsection 8.6 is amended to read as follows:

Subsection 8.6: In preparing for your parole hearing you may consult with any person or persons whose assistance you desire, including an attorney. You may also consult with such persons for purposes of preparing an appeal to a denial of parole or revocation of parole. Please be advised, however, that the Commonwealth is not required to provide an attorney to assist you in these matters; if you desire the help of an attorney, you must make arrangements for retaining and paying an attorney yourself.

SECTION IX. WHEN PAROLE PERMITTED 9.1: Shall be amended, modified, and changed to read as follows:

9.1: When Parole permitted, an offender sentenced to a term of imprisonment may be released conditionally on parole upon completion of one-third (1/3) of his/her minimum term of imprisonment or otherwise in accordance with the provisions of this article.

Subsection 10.2: Hereby amended and modified to read as follows:

Subsection 10.2: Appeal Whenever parole release is denied under Subsection 10.1, or parole revocation is ordered, or parole conditions are modified or special parole conditions are imposed or changed, the prisoner or parolee may appeal such decision by submitting to the Board, in writing, within 15 days of the date of decision, statement giving reasons for modification or reversal of the Board's decision. If the appeal concerns a condition or special condition of parole, the appeal may be submitted to his/her parole officer. An appeal is not rehearing of the evidence and argument considered at the initial hearing. An appeal is a review of the process and procedure surrounding the denial of parole to determine whether or not the Board properly followed the

applicable rules and regulations in reviewing the inmate's application for parole. If it is determined that the Board did not act properly, the Board shall grant the inmate a new hearing that fully complies with the applicable rules and regulations.

SECTION XIII. RECORDS TO BE MADE AVAILABLE TO THE BOARD

Subsection 12.1: Hereby amended, modified, deleted and add certain words to read as follows:

12.1: Before making a determination regarding a prisoner's release on Parole, the Board of Parole shall cause to be brought before it, and it shall be the responsibility of the Department of Public Safety, Division of Corrections, the Superior Court, Probation Office, and any other agencies to furnish such of the following records and informations regarding the prisoner as may be required and available:


NOTICE OF ADOPTION OF THE AMENDMENTS TO THE 1993 FOREIGN CURRENCY RULES AND REGULATIONS

Commonwealth Register Vol. 15 No. 1 January 15, 1993 Pages 10390 to 10438. Adopted by the Director of Banking, Joaquin S. Torres, on December 17, 1992.


The Director of Banking and Secretary of Commerce of the Commonwealth of the Northern Mariana Islands, in accordance with Section 2454 of 1 CMC 2 and Sections 6108 and 6351 of 4 CMC 6, hereby adopt the amendments to the rules and regulations of the 1993 Foreign Currency Exchange Rules and Regulations as adopted and published in the Commonwealth Register Vol. 15 No. 1 on January 15, 1993 pages 10390 to 10438.

The proposed amendments to the 1993 Foreign Currency Exchange Rules and Regulations were published in the Commonwealth Register Vol. 18 No. 5 on May 15, 1996 pages 14122 to 14125. No comments were received on the proposed changes.

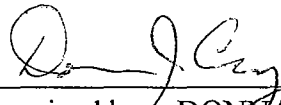
9/4/96
Date


OSCAR C. CAMACHO
Director of Banking

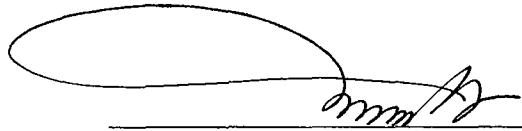
9/4/96
Date


PEDRO Q. DELA CRUZ
Secretary of Commerce

9/4/96
Date


Received by: DONNA CRUZ
Governor's Office

9/4/96
Date


Filed with: SOLEDAD SASAMOTO
Registrar of Corporations


**NOTISIA NA MA ADAPTA I MAPROPOPONI NA AMENDASION AREKLAMENTO
YAN REGULASION PARA I 1993 FOREIGN CURRENCY EXCHANGE**

Commowalth Register Vo. 9 No. 1 Eneru 15, 1993 pahina 10390 asta 10438 ni ha adapta I Direktot Banking as Joaquin S. Torres gi December 17, 1992.


I Direktot Banking yan I Sekretarian Dipatamenton Commerce gi halom Commonwealth of the Northern Mariana Islands, sigun gi Seksiona 2454 gi 1 CMC 2 yan Seksiona 6108 yan 6351 gi halom 4 CMC 6, ma adapta i ma'amenda na areklamento yan regulasion I 1993 Foreign Currency Exchange ni esta ma adapta yan publika huyong gi Commonwealth Register Vol. 15 No. 1 pahina 10390 to 10438.

I manma proposito siha na amendasion para i 1993 Foreign Currency Exchange na areklamento yan regulasion ma publika huyong gi Commonwealth Register Vol. 18. No. 5 gi Mayu 15, 1996 pahina 14122 asta 14125.

9/4/96
Date


OSCAR C. CAMACHO
Director of Banking

9/4/96
Date


PEDRO Q. DELA CRUZ
Secretary of Commerce

9/4/96
Date


Rinisibi as: DONNA CRUZ
Governor's Office

9/4/96
Date


Ma file as: SOLEDAD SASAMOTO
Registrar of Corporations

**ADOPTION OF THE AMENDMENTS TO THE FOREIGN CURRENCY EXCHANGE
RULES AND REGULATIONS**

Notice is hereby given, in accordance with Section 2454 of 1 CMC Div.2 and Sections 6108 and 6351 of 4 CMC Div. 6 and provisions of 1 CMC Sections 9102, 9104, and 9105, that the Department of Commerce shall adopt the proposed amendments to the Foreign Currency Exchange Rules and Regulations.

The regulations shall take effect on September 15, 1996.

Copies of the new rules and regulations on foreign currency exchange may be obtained from:

**The Banking and Insurance Section
Department of Commerce
Commonwealth of the Northern Mariana Islands
Department of Commerce Building
Capitol Hill, Saipan, MP 96950**

The Director of Banking certifies his approval and adoption of the proposed amendments to the Foreign Currency Exchange Rules and Regulations in accordance to the provisions of 1 CMC Sections 9102, 9104, and 9105.

I hereby certify approval and adoption of the proposed amendments to the Foreign Currency Exchange Rules and Regulations and in compliance to the provisions enumerated in the Administrative Procedure Act.

Dated this 4th day of Sept 19996.

Adopted and certified by: Oscar C. Camacho
OSCAR C. CAMACHO
Director of Banking

Pedro Q. Dela Cruz
for PEDRO Q. DELA CRUZ
Secretary of Commerce

9/4/96
Date

Donna Cruz
Received by: DONNA CRUZ
Governor's Office

9/4/96
Date

Soledad Sasamoto
Filed with: SOLEDAD SASAMOTO
Registrar of Corporations

FOREIGN CURRENCY EXCHANGE
RULES AND REGULATIONS

1. AUTHORITY AND PURPOSE:

- (a) Authority. The authority for the promulgation and issuance of Foreign Exchange Rules and Regulations is by virtue of Section 2454 of 1 CMC 2 and Section 6351 and 6108 of 4 CMC Division 6.
- (b) Purpose. The purpose of the regulations is to establish policy and procedures to implement and provide uniform enforcement of the business of selling foreign currency notes or in the business of receiving money for the purpose of transmitting the same or its equivalent to any country outside the Commonwealth of the Northern Mariana Islands; to require, administer, comply and enforce all licenses issuable under these regulations; and to establish administrative and appeal procedures.

2. DEFINITIONS.

- (a) "Director" means the Director of Banking or his designee.
- (b) "Licensee" means any person licensed pursuant to these regulations and for purpose of granting authority to engage in foreign exchange transactions and transmittal or remittance.
- (c) "Remittance" means the business of receiving money for the purpose of transmitting the same or its equivalent to any country outside the Commonwealth of the Northern Mariana Islands.
- (d) "Foreign Exchange Currency Transactions" means the business of receiving and/or selling foreign currency notes.
- (e) "Dealer" means any person or business establishment engaged in either (c) or (d) or both and is a licensee.
- (f) "Agent" means a person hired or employed and appointed by Dealer to have some or all duties and responsibilities enumerated in the Dictionary of Occupational Title #211.362-022.
- (g) Quarterly Foreign Exchange Remittance Report means that described in forms FX-10, FX-11.

3. FOREIGN EXCHANGE LICENSE. No person shall engage in the business of selling or receiving foreign currency notes or in the business of receiving money for the purpose of transmitting the same or its equivalent to any country outside the Northern Mariana Islands without first obtaining a license from the Director. The applicant must also obtain a general

business license after the issuance of a foreign exchange license.

Provisions of these regulations shall not apply to:

- (a) a bank licensed to do business in the Commonwealth.
 - (b) the receipt of money by an agent of an incorporated telegraph company at any regular office of such company for immediate transmission by telegraph.
4. FOREIGN EXCHANGE LICENSE FEE. Every licensee shall pay annually a license fee of Three Hundred Dollars (\$300.00).
5. FOREIGN EXCHANGE LICENSE APPLICATION. The application for a license shall be in writing and shall contain the following information:
- (a) The name, address and nationality of the applicant, and the address from which the business is to take place and telephone numbers. If the applicant is a corporation, the names, addresses and nationality of the shareholders, directors and officers and the number of shares held by each shareholder are also required.
 - (b) The name, address, and nationality of every agent of the applicant.
 - (c) Whether the license applied for is to be used for the sale of foreign currency notes or the transmittal of money or both.
 - (d) Any other information which the Director may require.
6. DENIAL OF FOREIGN EXCHANGE LICENSE. The Director may deny an application for a license to be issued under these regulations if, after a hearing pursuant to the provisions of the Administrative Procedures Act, he finds that
- (a) granting of the license will be against the public interest;
 - (b) the applicant does not intend to actively and in good faith carry on as a business with the general public the transactions which would be permitted by the issuance of the license applied for;
 - (c) the applicant, and if a corporation, a shareholder, director or officer thereof, is not of good business reputation or is lacking in integrity;
 - (d) the applicant has knowingly or willfully made a misstatement in an application to the Director

for a license, or any document filed in support of such application, or has made a false statement in testimony given under oath before the Director or any other person acting in his stead.

- (e) the applicant has permitted any person in his employ to violate any provisions of these regulations.

- 7. ISSUANCE OF FOREIGN EXCHANGE LICENSE. If the application is approved by the Director, he shall, upon receipt of the license fee, issue to the applicant a license to engage in business in accordance with these regulations. A licensee shall conduct its business at its designated office location. A licensee shall be prohibited and restricted from conducting or performing remittance collection transactions, issuance of receipts, or the collection of funds outside the premises of its designated business office location. This rule shall also apply to agents of remittance companies.

FORM FX-1 and all items required on the "checklist" for proposed registration as foreign exchange dealer/agent must be completed and submitted to the Director.

- 8. EXPIRATION AND RENEWAL OF FOREIGN EXCHANGE LICENSE.

- (a) The license is not transferrable or assignable.
- (b) License shall expire one year following the date of issuance. An agent's license shall expire on the same date as the appointing Dealer's license.
- (c) Failure to comply with section 7 of these rules and regulations shall be just cause for the non-renewal of dealer's license and may be subjected to other certain sections of these rules and regulations.
- (d) Any other information which Director may require as part of renewal of license requirement must be submitted.

- 9. REGISTRATION OF AGENTS.

- (a) Every agent of a licensee except as described under 9(c), shall register with the Director and shall pay annually a registration fee of Thirty Dollars (\$30.00).
- (b) If the appointed agent is a nonresident worker, he/she must obtain the approval from the Director of Labor or submit copies of work permit and employment contract which specify duties and responsibilities inherent of "agent" as defined under 2(f) of these regulations.

- (c) Retailers and hotels in the business of foreign exchange currency transactions and having such business as only incidentals to serving their clients must also appoint agents. Only these establishments may include cashiers as agents. Names of persons doing transactions and their job title must be specified on Forms FX-1 and FX-12. Only one \$30 fee may be assessed for all agents listed on FX-2 and FX-3.
- (d) Registration of agents shall be denied if applicant fails to meet the above requirements and others as required by the Director of Banking.

Forms FX-2 and FX-3 must be completed.

10. EXAMINATION

- (a) The Director may at any time and from time to time examine the business of any licensee or its agents in order to ascertain whether such business is being conducted in a lawful manner and whether all monies received for transmission are properly accounted for. Each licensee and its agents shall keep books, records and accounts in such form or manner as the Director may prescribe.
- (b) The Director has prescribed a Quarterly Reporting requirement as found in FORM FX-11 and its instructions. The Director further requires dealers to obtain details of senders of amounts aggregating \$10,000 or more, such details include Social Security Numbers, Tax Identification Numbers, addresses, type of transaction, whether by check or cash, and signature of sender. Dealer shall report such transactions upon submittal of the quarterly reports.
- (c) All Foreign Currency Exchange Dealers are required to submit a summary report of business activity on a quarterly basis:
 - Foreign currency exchange dealers in the business of transmitting money shall submit a report of total funds remitted outside of the CNMI, and report the number of remitters.
 - Foreign exchange currency transaction dealers shall submit a report of the total amount of foreign currency transacted in the CNMI.
- (d) Every foreign exchange dealer must cause its bank to provide the Director running balances of funds transmitted abroad every quarter, except hotels and retailers. Foreign currencies collected should also be reported.
- (e) Director will include collected figures and data in the annual banking report of the Director of Banking.

11. MAINTENANCE OF FORMS. Each licensee will obtain and continue to hold for three (3) years a true copy of every receipt form used by it and by its agents for selling foreign currency notes or for money received for transmission. The receipts used shall be printed and prenumbered and consist of at least two (2) copies, one (1) to be given to the customer, the other to be retained by the licensee for record keeping purposes. A receipt used for the sale of foreign currency notes shall contain not less than the following information:
- (a) The amount and country of origin of the foreign currency notes involved in the transactions.
 - (b) The rate of exchange of the transaction.
 - (c) The U.S. Dollar amount involved in the transaction.
 - (d) The commission or other charge received by the licensee for carrying out the transaction.

A receipt used for the transmittal of money shall contain in addition to the above information required for the sale of foreign currency notes, the name and address of the beneficiary and the method in which the beneficiary is to receive the funds transmitted.

No licensee or its agents shall use any receipts, a certified copy of which has not first been filed with the Director. Every licensee violating the requirement of this section shall be subject to a fine of Fifty Dollars (\$50.00) for each violation.

Forms FX-5 or FX-6 information must be revealed in the prenumbered receipts.

12. FORWARDING OF FUNDS.

Every licensee or its agents shall forward all monies received for transmission to a foreign country or give instructions committing equivalent funds to the person designated by the depositor within ten (10) days after receiving such money, unless otherwise ordered by his customer.

13. SECURITY DEPOSIT.

- (a) As security for the faithful performance of its obligations, each licensee, before engaging in the business of transmitting money (remittance), shall deposit with the Treasurer of the Commonwealth Fifty Thousand Dollars (\$50,000.00) in a Time Deposit for a period of not less than one year in a bank within the Northern Mariana Islands; and such value must be maintained at all times. The Director of Banking prescribes the following procedures:

- 1) Time Deposit account must show foreign exchange company "and" the CNMI

Treasurer "or" the Director of Banking as holders of the account.

- 2) The Director shall notify Treasurer and company of account's maturity date and Treasurer shall be authorized to renew or terminate such account pursuant to instruction from the Director.
 - 3) Interest earned on such deposit shall accrue to the benefit of the foreign exchange company.
 - 4) Complete forms FX-7, FX-9, and other forms as provided by the Director.
 - 5) Release of the security deposit shall only be accomplished by authority from the Director of Banking.
- (b) In lieu of the deposit of money pursuant to subsection (a) and (b) of this section, a licensee may deliver to the Director of Banking the bond of a bonafide surety company, in a form satisfactory to the Director, the principal sum of FIFTY THOUSAND DOLLARS (\$50,000.00) lawful money of the United States, conditioned upon the faithful holding and transmission of all monies received by such licensee or its agents for such purpose.

Form FX-13 contains language which may be used as guideline language for surety bond, otherwise, policy forms previously approved by the Insurance Commissioner shall remain acceptable.

- (c) Foreign exchange currency transaction dealers who are not in the business of remittance shall not be required to put up security deposit.

The Director shall forward the deposit to the CNMI Treasurer for custody and safekeeping and shall be accomplished by preparing a transmittal form and acknowledged by the Treasurer.

14. TRUST FUND. The money deposited with the Treasurer of the Commonwealth pursuant to Section 13(a) and (b) of these regulations shall constitute a fund for the benefit of persons in case a licensee or its agents is not able to pay for funds entrusted to them for remittance.
15. OWNERSHIP OF FUNDS FOR TRANSMISSION TO A FOREIGN COUNTRY. All funds, less fees, received by a licensee or its agents for transmission to a foreign country shall constitute trust funds owned by and belonging to the person from whom they were received until such time as directions have been given by the licensee or its agents for payment abroad of the remittance and funds provided for such payment.

16. ORDER TO CEASE UNLAWFUL PRACTICE.

If it appears to the Director that the licensee is violating or failing to comply to these regulations; the Director shall direct the licensee to comply with these regulations or if it appears to the Director that any licensee is conducting his business in an unsafe or injurious manner he shall in like manner direct the licensee to discontinue practice. The Order shall require the licensee to show cause before the Director at the time and place to be fixed by him why the Order should not be observed.

17. SUSPENSION OR REVOCATION OF LICENSE. The Director may suspend any license issued pursuant to these regulations if he finds that

- (a) the licensee has violated a provision of these regulations or any rule issued thereunder;
- (b) any fact or condition exists which, if it had existed at the time of the original application of such license, would be grounds for denying an application for a license under Section 5 of these regulations;
- (c) the licensee is conducting his business in an unsound manner.

The Director may revoke a license after a hearing held pursuant to the Administrative Procedures Act following a suspension.

18. CIVIL PENALTY FOR VIOLATION.

- (a) Any person who violates or fails to comply with any of these regulations or who, without complying with the provisions of these regulations, represents that he is authorized to receive, or solicits or receives, money or the equivalent for transmission to a foreign country, shall be fined \$500 for each violation.
- (b) A penalty fee of \$10.00 a day for each day a report is late shall be assessed on the foreign exchange company or failure to submit a complete and accurate quarterly report on the filing deadline and no notice and explanation for extension request was received by the Director.
- (c) If, upon sufficient evidence, the Director finds that funds were not remitted to beneficiaries within 10 days as required in Section 12, the foreign exchange company will be fined fifty dollars (\$50.00) for each violation; or have its license suspended, or both.

19. FEES: The following is a schedule of all fees required by these regulations:

(a)	Foreign Exchange Dealer License	\$300.00
(b)	Foreign Exchange Agent License	30.00
(c)	Violations to Sections 11, 12 & 18(c).	50.00/day
(d)	Violations to Section 18(a).....	500.00
(e)	Penalty Fees Section 18(b)	10.00/day
(f)	Amendment Fee	10.00
(g)	Duplication of documents50/page
(h)	Certification Fees.....	5.00
(i)	Late Renewals and Other Filing Fees.....	2.00/day or as prescribed by the Director
(j)	Business license.....	50.00

Fees collected under this Section other than business license (j), shall be paid to the CNMI Treasurer, and Director of Finance shall permit the Director of Banking to use funds for the enforcement of these regulations.

20. Schedule of all requirements are enumerated in the "Checklist For Proposed Registration As Foreign Exchange Dealer/Agent" and all such requirements are included as part of these regulations. Memoranda, rules, guidelines, comments, procedures, and other items relative to foreign exchange business to be issued by the Director of Banking shall be published annually as part of these regulations.

21. Amendments to these Rules and Regulations shall be in accordance to the Administrative Procedures Act. These Regulations shall repeal all previous Foreign Exchange Rules and Regulations upon its adoption and certification by the Director of Banking.

22. EFFECTIVE DATE. These regulations are to take effect immediately after adoption and certification by the Director of Banking after its publication in the Commonwealth Register. All foreign exchange companies and agents must immediately comply.



COMMONWEALTH HEALTH CENTER

Hospital Division

GOVERNMENT OF THE NORTHERN MARIANA ISLANDS
DEPARTMENT OF PUBLIC HEALTH-ENVIRONMENTAL SERVICES

PUBLIC NOTICE

SCHEDULE OF MEDICAL AND OTHER RELATED FEES for ROTA HEALTH CENTER AND TINIAN HEALTH CENTER

The Secretary of the Department of Public Health hereby notifies the public that effective October 1, 1996, the Rota Health Center and Tinian Health Center will comply with the Department of Public Health's Schedule of Medical and Other Related Fees which was published in its entirety, and adopted, in Volume 17, Number 2 of the Commonwealth Register pages 12752 to 12948 (February 15, 1995) and Volume 17, Number 4, of the Commonwealth Register pages 13293 to 13297 (April 15, 1995), and amended as follows:


- Volume 17, Number 9 adopted on September 15, 1995
- Volume 17, Number 12 adopted on December 15, 1995
- Volume 18, Number 1 adopted on January 15, 1996
- Volume 18, Number 7 adopted on July 15, 1996

The Schedule of Medical and Other Related Fees has been in effect at the Commonwealth Health Center since April 26, 1995. This public notice is intended to clarify the issue regarding the applicability of Schedule of Fees to the Rota Health Center and Tinian Health Center.



 Dr. Manuel Q. Sablan
 Acting Secretary
 Department of Public Health

Date: 9.13.96

Filed by: 

 Ms. Soledad Sasamoto
 Registrar of Corporations

Date: 9/13/96

Received by: 

 Ms. Donna Cruz
 Governor's Office

Date: 9/13/96