

TITLE 20: DEPARTMENT OF COMMERCE

SUBCHAPTER 20-20.2 OFF-SHORE BANKING RULES AND REGULATIONS

Subchapter Authority: 1 CMC § 2454; PL 3-11 § 503(d)(2), formerly codified at 4 CMC § 1503 (repealed by PL 9-22).

Subchapter History: Adopted 5 Com. Reg. 2245 (July 29, 1983); Proposed 5 Com. Reg. 2196 (June 30, 1983); Proposed 4 Com. Reg. 1766 (Dec. 10, 1982). Commission Comment: 1 CMC § 2451 originally created the Department of Commerce and Labor. 1 CMC § 2454 directs the Department to adopt rules and regulations regarding those matters over which it has jurisdiction.

Title 4, division 6 of the Commonwealth Code, 4 CMC §§ 6101-6814 codifies PL 3-104 (effective Feb. 6, 1984), the “Commonwealth Banking Code of 1984.” 4 CMC § 6106 empowers the Department of Commerce and Labor to administer and enforce the provisions of the banking code and to adopt such policies, rules and regulations as may be necessary for the exercise of the powers and duties conferred by the banking code. 4 CMC § 6108 authorizes the Department to issue and adopt all necessary rules and regulations to carry out the purposes of the banking code. 4 CMC §§ 6601-6606 specifically address off-shore banks.

PL 3-104 § 1105 repealed PL 3-11 §§ 104(p) and 503(d)(1) and (d)(2) and exempted “banks and off-shore banks” from the provisions of PL 3-11 § 503 (formerly codified at 4 CMC § 1503). PL 3-11 § 503 was the authority cited for the Offshore Banking Rules and Regulations issued by the former Department of Commerce and Labor. PL 9-22 § 1 (effective retroactively January 1, 1995) later repealed PL 3-11 § 503 in its entirety. See 4 CMC § 6101 and the comment thereto; see also the commission comment to 4 CMC § 1101.

PL 3-104 § 1105 also specifically nullified all previously promulgated Commonwealth banking regulations. See the commission comment to 1 CMC § 6101. The Off-shore Banking Rules and Regulations were promulgated in 1983, prior to the effective date of PL 3-104. Consequently, although the Department of Commerce never formally repealed the Offshore Banking Rules and Regulations, they are null and void by operation of statute.

Executive Order 94-3 (effective August 23, 1994) reorganized the Commonwealth government executive branch, changed agency names and official titles and effected numerous other revisions. According to Executive Order 94-3 § 103:

Section 103. Department of Commerce.

The Department of Commerce and Labor is redesignated the Department of Commerce.

The full text of Executive Order 94-3 is set forth in the commission comment to 1 CMC § 2001.

Emergency Off-shore Banking Rules and Regulations were in effect prior to the adoption of permanent regulations in May 1983. See 4 Com. Reg. 1448 (May 24, 1982); 4 Com. Reg. 1697 (Nov. 22, 1982); 5 Com. Reg. 1953 (Mar. 31, 1983) (effective for 120 days from March 29, 1983).

[Nullified by PL 3-104 effective February 6, 1984.]