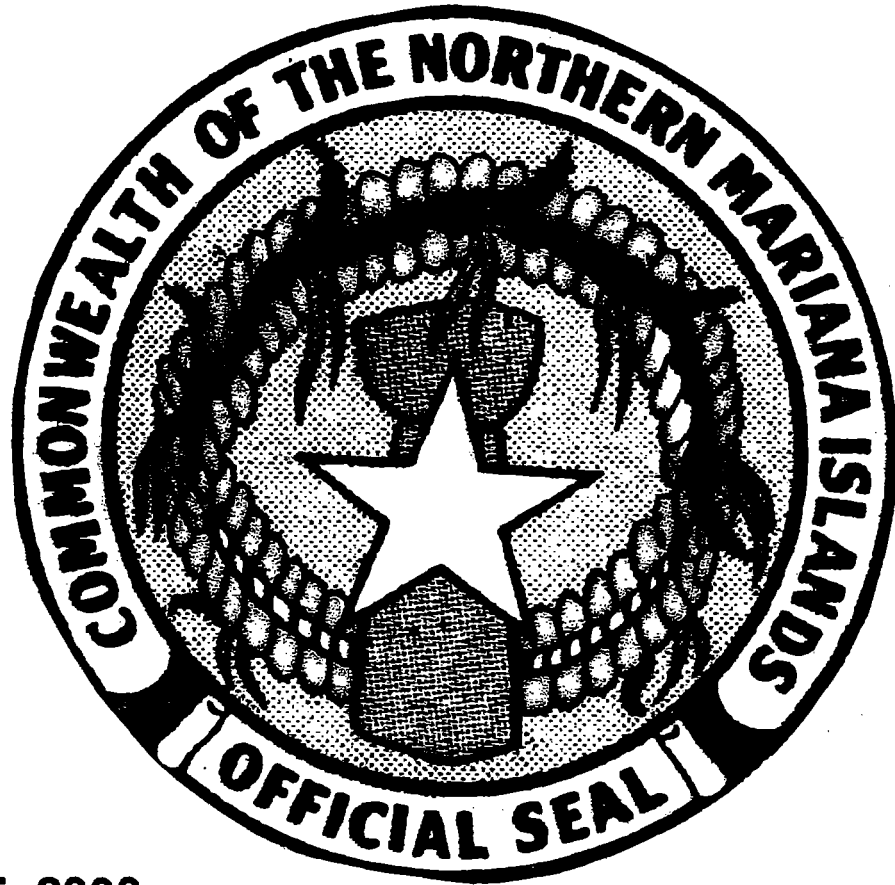


COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
SAIPAN MARIANA ISLANDS

VOLUME 22 NUMBER 02



FEBRUARY 15, 2000

COMMONWEALTH

REGISTER

COMMONWEALTH REGISTER

VOLUME 22 NUMBER 02
FEBRUARY 15, 2000

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PUBLIC NOTICE

**PROPOSED AMENDMENTS TO THE COMMONWEALTH OF THE
NORTHERN MARIANA ISLANDS PROCUREMENT REGULATIONS**

Section 4 of Public Law 11-87 requires the Secretary of Finance to promulgate rules and regulations to implement the preference program established by that Act.


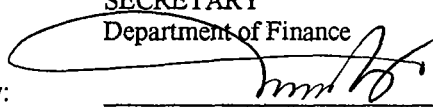
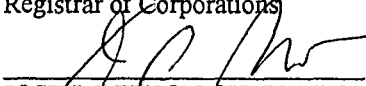
Pursuant to that authority, and to the authority granted the Secretary by 1 CMC § 2553(j) to be in control of and be responsible for procurement and supply in the Commonwealth, the Secretary is proposing to amend the CNMI Procurement Regulations, as published in its entirety at pages 7274-7320 of the Commonwealth Register Volume 12, No. 9, dated September 15, 1990, and adopted by notice published at pages 7436-7437 of the Commonwealth Register Volume 12, No. 10, dated October 15, 1990.

The proposed amendment would add a new Article 7 to implement the local preference program established by Public Law 11-87.

The proposed amendments may be inspected at, and copies obtained from, the Division of Procurement and Supply, Lower Base, Saipan, MP 96950. These proposed amendments are published in the Commonwealth Register. Copies of the Commonwealth Register may be obtained from the Office of the Attorney General.


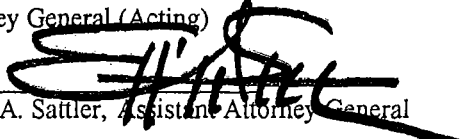
The Secretary of Finance is soliciting comment on this proposed amendment to the CNMI Procurement Regulations from the general public.

Anyone interested in commenting on this proposed amendment to the CNMI Procurement Regulations may do so in writing addressed to the Department of Finance, Director of Procurement and Supply, P.O. Box 51008, Saipan, MP 96950. Written comments may also be delivered to the offices of the Division of Procurement and Supply in Lower Base, Saipan, MP. All comments must be received within 30 days from the date this notice is published in the Commonwealth Register.

Certified By:	 LUCY DL NIENSEN SECRETARY Department of Finance	<u>1/14/2000</u> DATE
Filed By:	 SOLEDAD B. SASAMOTO Registrar of Corporations	<u>2/11/00</u> DATE
Received by:	 JOSE I. DELEON GUERRERO Special Assistant for Administration Office of the Governor	<u>2/11/2000</u> DATE

Pursuant to 1 CMC § 2153, as amended by P.P. 10-50, the rules and regulations attached hereto have been reviewed and approved by the CNMI Attorney General.

Dated this 11th day of FEB 2000.


HERB D. SOLL
Attorney General (Acting)

Elliott A. Sattler, Assistant Attorney General

NUTISIAN PUBLIKU

I MAPROPOPONE SIHA NA AMENDASION GI REGULASION PROCUREMENT COMMONWEALTH I SANKATTAN SIHA NA ISLA MARIANAS

Seksiona 4 gi Lai Publiku 11-87 ha afuetsas i Sekretarian Finance para u famatinas areklamento yan regulasion para implementasion i preference programa komu maestablesi ginen ayu na Akto.

Sigun ayu na aturidat, yan i aturidat ni ma entrega i Sekretaria ginen 1 CMC § 2553 (j) para u manea yan responsable para procurement yan supply gi halom Commonwealth, i Sekretaria ha propone para u amenda i Regulasion Procurement giya CNMI, ni mapublika enteramente gi pahina 7274 asta 7320 gi Rehistra Commonwealth Baluma 12, No. 9 ni mafecha gi Septembre 15, 1990 yan ma adapta ginen nutisia ni manma publika gi pahina 7436 asta 7437 gi Rehistran Commonwealth Baluma 12, No. 10 ni mafecha gi Oktubre 15 1990.

I priniponen amendasion u aomenta halom nuevo na Attikulu 7 para ma implementan i local preference program ni inestablesi ni Lai Publiku 11-87.

I manmapropopone siha na amendasion siña manma ina gi, yan guaha kopia gi Dibision Procurement yan Supply, Lower Base, Saipan, MP 96950. I manmapropopone siha na amendasion manmapublika gi Rehistran Commonwealth. Kopian i Rehistran Commonwealth siña manmagagao guato gi Ofisinan Attorney General.

I Sekretarian Fainansiat ha sosoyu komentu ginen publiku put este i priniponen amendasion gi Regulasion CNMI Procurement.

Hayi interesao mamatinas komentu put este na mapropopone amendasion gi Regulasion CNMI Procurement, siña ha cho'gue gi tinige ya u ma adres para guatu gi Depatamenton Fainansiat, Direktot Procurement yan Supply, P.O. Box 51008, Saipan, MP 96950. I manma tugi siha na komento siña lakkue' machule guatu gi Ofisinan Dibision Procurement yan Supply giya Lower Base, Saipan, MP. Todu komentu debi di ufanmasatmiti halom trenta dias despues di ma fechan este na nutisia ya mapublika gi Rehistran Commonwealth.

Sinettefika as [Signature]
LUCY DLG. NIELSEN
Sekretaria Dipatamenton Fainansiat

1/14/2000
FECHA

Ma File as : [Signature]
SOLEDAD B. SASAMOTO
Rehistradoran Korporasion

2/11/00
FECHA

Rinisibi as : [Signature]
JOSE A. DELLEON GUERRERO
Espisiat Na Ayudanten Admin.
Ofisinan Gubetno

2/11/2000
FECHA

Sigun gi 1 CMC § 2153, Ni Inamenda ni Lai Publiku 10-50, i arekamento yan regulasion ni chechetton guine esta manmaribisa yan apreba ginen Ofisinan CNMI Attorney General.

Mafech gi mina' 11 dia FEB 2000.

[Signature]
HERB D. SOLL
Attorney General (Acting)

By [Signature]
Elliot A. Sandoz, Assistant Attorney General

**PROPOSED AMENDMENTS TO THE COMMONWEALTH OF THE
NORTHERN MARIANA ISLANDS PROCUREMENT REGULATIONS**

Statutory Authority: Public Law 11-87, portions of which are to be codified at 1 CMC § 7404

Goals and Objectives: This amendment is intended to implement the requirement for a local preference in public contracting required by Public Law 11-87.

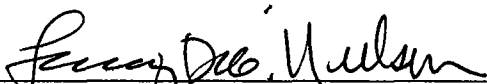
Brief Summary of the Proposed Rule: This proposed amendment to the Commonwealth of the Northern Mariana Islands Procurement Regulations would add a new Article 7 to those regulations to implement the requirement of Public Law 11-87 to create a preference for local businesses in the award of competitive public procurement contracts by giving preference for award to bidders or proposers responding to a competitive solicitation which meet the statutory criteria to qualify for preference, are otherwise qualified for award, and have offered a price that is not more than fifteen percent (15%) higher than the amount bid or proposed by competing contractors not meeting the criteria for preference. The proposed amendment restates the statutory criteria determining eligibility for preference, and establishes procedures for applying for and documenting entitlement to preference, and for applying the preference in the context of the different types of price-competitive procurement. The proposed amendment also creates enforcement mechanisms to help the Commonwealth ensure that unqualified contractors cannot improperly take advantage of the preference program.

Contact Person: Interested parties may contact Robert Florian of the Department of Finance Division of Procurement and Supply with questions at (670) 664-1500. Written comments may be directed to the Department of Finance Division of Procurement and Supply, P.O. Box 510008, Saipan, MP 96950 or delivered to the Division of Procurement and Supply offices in Lower Base, Saipan, within 30 days of publication of this proposed amendment.

Related or Affected Statutes, Regulations, and Orders: The proposed amendment would affect other sections of the existing procurement regulations, specifically those sections which provide the procedures for price-competitive procurement and section 6-212, which provides for debarment and suspension of contractors for certain offenses.

Date: _____

1/13/2000



Lucy DLG Nielsen
Secretary of Finance
Department of Finance

Article 7 – SOCIO-ECONOMIC PROGRAMS

Part A – Preference for Local Businesses

Section 7 -- 101 Policy

It is the policy of the Commonwealth, as set forth in Public Law 11-87, to expend public procurement funds in a manner beneficial to the local economy by establishing a preference in favor of local businesses.

Section 7 -- 102 Businesses Qualifying for Preference

- (1) *Basis for Qualification.* A bid, quotation, or proposal shall be qualified to be accorded a preference as described in this Article if the person or entity submitting the bid, quotation or proposal complies with the procedural requirements of section 7 - 103, does not fall within the definition of a non-qualifying de facto joint venture set out in subparagraph (2) of this section, and meets the criteria set out in any one of the following:
 - (a) A person or entity submits a bid, quotation, or proposal in response to a Commonwealth invitation for bids, request for proposals, or request for quotations in the amount of \$5,000,000.00 or less, and that person or entity has for three successive years immediately preceding the submission of the bid or proposal:
 - (i) continuously possessed a valid Commonwealth business license; and
 - (ii) filed all required Commonwealth employment, excise, gross revenue, and income tax returns and paid all amounts owing on such returns;
 - (b) A joint venture submits a bid, quotation, or proposal in response to a Commonwealth invitation for bids, request for proposals, or request for quotations in the amount of \$5,000,000.00 or less, and the joint venture includes one or more venturers which will collectively perform at least 51% of the work for which the bid, quotation, or proposal is submitted, and each of which have for three successive years immediately preceding the submission of the bid, quotation, or proposal:
 - (i) continuously possessed a valid Commonwealth business license; and
 - (ii) filed all required Commonwealth employment, excise, gross revenue, and income tax returns and paid all amounts owing on such returns;
 - (c) A person or entity submits a bid, quotation, or proposal in an amount greater than \$5,000,000.00, and that person or entity has for five successive years immediately preceding the submission of the bid or proposal:

- (i) continuously possessed a valid Commonwealth business license; and
 - (ii) filed all required Commonwealth employment, excise, gross revenue, and income tax returns and paid all amounts owing on such returns;
- (d) A joint venture submits a bid, quotation, or proposal in response to a Commonwealth invitation for bids, request for proposals, or request for quotations in an amount greater than \$5,000,000.00, and the joint venture includes one or more venturers which will collectively perform at least 51% of the work for which the bid, quotation, or proposal is submitted, and each of which have for five successive years immediately preceding the submission of the bid, quotation, or proposal:
 - (i) continuously possessed a valid Commonwealth business license; and
 - (ii) filed all required Commonwealth employment, excise, gross revenue, and income tax returns and paid all amounts owing on such returns.
- (2) *Non-Qualifying De Facto Joint Venture.* Any business entity that meets the criteria set out in paragraph (1) of this section, but which intends to perform the work involved in the contract by subcontracting more than 49% of the contract work to one or more businesses that would not qualify for a preference under paragraph (1) if submitting a bid, quotation, or proposal in the procurement, shall be considered a de facto joint venture for the purpose of this article and shall not qualify for preference
- (3) *Performance of the Work.* Determination of whether a business entity applying for preference is a de facto joint venture and whether the percentage of work requirements are met by a stated or de facto joint venture shall be committed to the reasonable judgment of the contracting authority subject to review by the Attorney General, taking into consideration the amount of revenue to be received by each of the parties, the amount of profit expected to accrue to each of the parties, subcontracting plans or arrangements, the amount of labor to be performed by the forces of each of the parties, and other factors found to be relevant by the contracting authority or the Attorney General. In making this determination, the following presumptions shall apply and any determination by the contracting authority that contradicts the presumption must be supported by a written explanation of the factors justifying the decision:
 - (a) When the procurement is for construction or other services, there shall be a presumption that the performance of work percentage requirement is not met if more than 49% of the labor will be performed by businesses that would not qualify for preference under paragraph (1) if they were the offeror.
 - (b) When the procurement is for purchase of supplies, equipment, or other items, there shall be a presumption that the performance of work requirement is not met if the items will be purchased by the prospective

vendor from businesses that would not qualify under paragraph (1) if they were the offeror, and the items are to be resold to the Commonwealth under the contract without substantial alteration or the furnishing of substantial effort by the prospective vendor such as substantial labor involved in installation or configuration; provided, however, that this presumption shall not apply if the prospective vendor is a regular dealer of such supplies, equipment, or other items in the Commonwealth and stocks and sells such items on a regular basis to customers in the Commonwealth other than the Commonwealth government.

Section 7 -- 103 Procedure

- (1) *Application for Preference.* A business desiring to be granted preference must apply for preference by submitting a written declaration or affidavit with its bid, quotation, or proposal stating that the business qualifies for preference in the particular procurement and specifically declaring that it meets the applicable criteria identified in section 7 – 102. The declaration must be signed under penalty of perjury by the proprietor of a sole proprietorship, by a general partner of a partnership, and by a senior corporate officer of a corporation. Where an application is made on behalf of a joint venture under the provisions of section 7-102(1)(b) or (d), the declarant or affiant must be the proprietor, a partner, or officer of the business or businesses upon which qualification is based. Failure to submit the application with the bid, quotation, or proposal shall constitute waiver of the right to seek preference, except that a bid or proposal may be amended prior to the time of bid opening or the closing time for receipt of proposals to include an application for preference. No preference may be granted if an application meeting the requirements of this section is not submitted in accordance with this requirement.
- (2) *Operation of Preference in Sealed Bid Procurement.* When one or more bids submitted in response to an invitation for sealed bids under section 3-102 or section 4-101 are accompanied by applications for preference that comply with the requirements of paragraph (1) of this section, bids will be evaluated and award made as follows:
 - (a) After all timely submitted bids have been opened and a record made of the amount of each bid, together with the name of each bidder, as required by section 3-102(5), the Director of Procurement and Supply shall prepare a preference-adjusted bid abstract for the purpose of evaluating bid prices for award. The preference-adjusted bid abstract shall be created by multiplying the amount bid by each bidder that has not submitted a compliant application for preference by a factor of 1.15 (115%). The bids submitted by bidders who have filed compliant applications for preference shall be included in the preference-adjusted abstract without adjustment.
 - (b) The preference-adjusted bid abstract shall be used to order the adjusted bids from lowest to highest. If the lowest bid, as reflected on the preference-

adjusted bid abstract, was submitted by a bidder not applying for preference, award shall be made to that bidder at the actual and not the adjusted bid price if the bid is found to be responsive and the bidder to be responsible as required by section 3-201(9). If the lowest bid, as reflected on the preference-adjusted bid abstract, was submitted by a bidder applying for preference, award shall be made to that bidder at the price bid if the bid is found to be responsive and the bidder to be responsible as required by section 3-201(9) and the bidder documents its qualification for preference as required by paragraph (5) of this section; provided, however, that if a bid for which preference is claimed would be low even without operation of a preference, the requirement for documentation of preference shall not apply. In the event that the lowest bid is rejected for any of the reasons described in section 3-201(7), the remaining bids shall be evaluated in the same manner until a bid is selected for award.

- (3) *Operation of Preference to Price Quotations Under Section 3-103(3).* When one or more vendors submitting quotations in response to a request for quotations under section 3-103(3) submits an application for preference that complies with the requirements of paragraph (1) of this section, a preference-adjusted price abstract of quotations will be prepared in the same manner as the preference-adjusted bid abstract described in paragraph (2)(b) of this section. The adjusted prices shall be used for evaluation of the price component of the evaluation for selection; provided, however, that award shall not be made to a vendor that would not be in line for award in the absence of the preference unless that vendor documents its qualification for preference as required by paragraph (5). Any award made shall be for the actual price quoted and not for an adjusted price.
- (4) *Operation of Preference to Competitive Sealed Proposals.* When one or more proposals submitted in response to a request for competitive sealed proposals under section 3-106 are accompanied by applications for preference that comply with the requirements of paragraph (1) of this section, proposals will be evaluated and award made as follows:
 - (a) A preference-adjusted price abstract shall be prepared for the purpose of evaluating initial proposal prices in the same manner as the preference-adjusted bid abstract described in paragraph (2)(b) of this section. Such preference-adjusted price abstract and the information contained therein shall be confidential procurement information and shall not be disclosed to competitors or the public during the conduct of the procurement. Any applications for preference submitted with proposals shall be considered a part of those proposals and shall be entitled to the protection from disclosure accorded other proposal information. The price reflected on the preference-adjusted price abstract shall be used for initial evaluation of price as a factor. The relative weight of price as an evaluation factor, as set forth in the request for proposals, shall not be affected.

- (b) If a determination is made to make award on the basis of initial proposals without discussions and the evaluation results in a determination that the proposal of an offeror applying for preference is the most advantageous to the government in accordance with the provisions of section 3-106(7), but evaluation of the proposals in the absence of the preference price adjustment in favor of that offeror would result in another proposal being determined most advantageous, then award shall be made to the offeror applying for preference only after that offeror's qualification for preference has been documented as required by paragraph (5). If such offeror fails to document its qualification for preference, then its proposal shall be treated as though no application for preference had been made.
- (c) If a determination is made to conduct discussions with fewer than all offerors and the proposal of one or more offerors that have applied for preference is determined to be reasonably susceptible of being selected for award only because of the impact of the preference adjustment as to price, documentation of qualification for preference as described in paragraph (5) will be required of any such offerors prior to the start of discussions. If any such offeror is unable to document its qualification for preference, discussions shall not be conducted with that offeror.
- (d) If proposal revisions are permitted for the purpose of obtaining best and final offers, a new preference-adjusted price abstract shall be prepared based upon the prices included in the best and final offers and such adjusted prices shall be used for evaluation of price as a factor in the same manner as for initial proposals. The relative weight of price as an evaluation factor, as set forth in the request for proposals, shall not be affected. Award shall be made in accordance with the criteria set forth in section 3-106(7) with price evaluation based upon the preference-adjusted prices but with any award made at the price actually proposed; provided, however, that no offeror shall be awarded a contract if its proposal is only found to be most advantageous to the government because of the impact of a preference price adjustment unless that offeror documents its qualification for preference in accordance with paragraph (5) either prior to participating in discussions or before award.
- (5) *Documentation of Qualification for Preference.* Applicants for preference shall submit the following documentation when requested by the Director of Procurement and Supply within the time periods set forth below or such longer period as is stated in the written request of the Director. Failure to provide the requested documentation within the time permitted shall result in the applicant being found not qualified for preference, unless the Director extends the time allowed in writing.
 - (a) Applicants applying under the provisions of section 7 – 102(1)(a) shall, within five business days of receipt of a written request from the Director for documentation of qualification provide the following:

- (i) Copies of the applicant's valid Commonwealth business licenses covering the three year period immediately preceding the date of submission of its bid, quotation, or proposal; or a certification from the Commonwealth Department of Finance Division of Revenue and Taxation that the applicant has continuously possessed a valid Commonwealth business license during the relevant time period; and
 - (ii) Tax clearance from the Commonwealth Department of Finance Division of Revenue and Taxation and Division of Customs that it has fully complied with the filing and payment of those taxes enumerated in Section 7-102(1)(a)(ii) including all applicable late charges covering the three year period immediately preceding the date of submission of the applicant's bid, quotation, or proposal, and
 - (iii) A certification signed by the proprietor, a general partner, or a senior corporate officer of the applicant stating that it does not intend to subcontract more than 49% of the work to businesses which would not meet the same qualifications under which the applicant is applying and which identifies any major portions of the work anticipated to be subcontracted; and
 - (iv) Any other documentation identified in the request by the Director.
- (b) Applicants applying under the provisions of section 7-102(1)(b) shall, within five business days of receipt of a written request from the Director for documentation of qualification provide the following:
- (i) A statement identifying the venturers involved in the joint venture upon which the application for qualification is based, along with a brief identification of the portion of the work to be performed by each; and
 - (ii) For each venturer identified, the documentation identified in subparagraphs (a)(i)-(iii) above; and
 - (iii) Any other documentation identified in the request by the Director.
- (c) Applicants applying under the provisions of section 7-102(1)(c) shall, within five business days of receipt of a written request from the Director for documentation of qualification provide the documentation identified in subparagraph (a) above, except that the documentation identified in (a)(i) and (a)(ii) shall cover a period of five years immediately preceding the date of submission of the applicant's bid, quotation, or proposal.
- (d) Applicants applying under the provisions of section 7 - 102(1)(d) shall, within five business days of receipt of a written request from the Director for documentation of qualification provide the documentation identified in subparagraph (b) above, except that the documentation that is required to

cover a time period preceding submission of the bid, quotation, or proposal shall cover a period of five years immediately preceding that date.

- (e) After receipt of the documentation required in the initial request, the Director may, in his discretion or at the request of the contracting authority or Attorney General, request any additional information deemed necessary for a determination as to qualification for preference. Such request may be made at any time before a contract has been awarded. The Director shall specify in the request the time allowed for submission of the additional information, which shall be reasonable in light of the type of information requested and the urgency of the procurement.
- (f) Documentation of qualification for preference submitted shall be retained in the procurement file.

Section 7 -- 104 Discovery of Misrepresentation or Failure of Compliance

- (1) *Discovery of Misrepresentation as to Qualification for Preference Before Award.* Discovery prior to award of a contract that an offeror falsified qualification documentation, misrepresented its status, circumstances, subcontracting plans or other information relevant to a determination of qualification; or willfully concealed or omitted information that would result in a determination that the offeror does not qualify for preference shall be grounds for disqualification of that offeror from award in that procurement and shall constitute cause for debarment under section 6 – 212 of these regulations. An honest mistake or misunderstanding as to the criteria for eligibility for preference shall not be considered to fall within the coverage of this paragraph or of paragraph (2) below; however it is the duty of an offeror to investigate the eligibility requirements before applying for preference and willful failure of an offeror to investigate such requirements shall not relieve the offeror from liability.
- (2) *Discovery of Misrepresentation as to Qualification for Preference After Award.* Discovery after award that a contractor falsified qualification documentation; misrepresented its status, circumstances, subcontracting plans or other information relevant to a determination of qualification; or willfully concealed or omitted information that would have resulted in a determination that the contractor did not qualify for preference shall be grounds for termination of the contract for default and shall constitute cause for debarment under section 6 – 212 of these regulations. The Director of Procurement and Supply or other official with authority to terminate the contract for default may elect not to terminate for default, if the official determines after consultation with the expenditure authority that it would not be in the best interest of the Commonwealth to do so. In such a case, the contract price will be reduced by an amount equal to the difference between the contract amount as awarded and the amount offered by the offeror who would have been next in line to receive award, plus 10% of that amount.

- (3) *Failure to Comply With Percentage of Performance Requirements.* Failure of a contractor to achieve performance of at least 51% of the contract work by entities which would qualify for preference shall be grounds for termination of the contract for default if the failure is either substantial or willful. The Director of Procurement and Supply or other official authorized to terminate the contract for default may agree to negotiate a deductive change to the contract price in lieu of terminating for default if such course of action is approved by the expenditure authority. If the failure is willful, it will constitute cause for debarment under section 6 - 212 of these regulations. Provided, however, that work added to the contract after award by change order shall not be included in an evaluation of whether the 51% performance requirement has been met unless considering such work improves the contractor's percentage of performance or the change order specified that the new work was subject to the requirement. Further provided that a contractor shall not be penalized if the failure to meet the performance requirement was caused by deletion of work that was intended to be performed by qualifying entities. In the event that a contractor becomes unable to meet the performance requirement due to causes reasonably beyond its control and timely notifies the expenditure authority or contracting officer of the inability and the circumstances, the Commonwealth may take such action as is consistent with fairness and the best interest of the Commonwealth, including termination of the contract for the convenience of the Commonwealth, negotiation of a deductive change order, or any other action permitted by the contract.

Section 7 -- 105 Effect on Other Parts of These Regulations

All other sections of these regulations shall be interpreted to permit operation of the preference provided for in this Article where applicable by the terms of this Article.

Section 7 - - 106 Non-applicability of This Article

This Article shall not apply if governed by other provisions of law.

Section 7 - - 107 Severability

If any provision of these Regulations shall be held invalid by a court of competent jurisdiction, the validity of the remainder of these Regulations shall not be affected thereby.

NOTICE OF PROPOSED AMENDMENT
TO THE TAXICAB REGULATIONS

CONTENTS: Except as provided elsewhere (as detailed within the amendment), all violators of taxicab regulations will be assessed penalties in accordance with their classification as either "minor" or "major" offenses as detailed herein.

INTENT TO ADOPT: The Secretary of Commerce intends to adopt this amendment to the taxicab regulations as a permanent regulation pursuant to 1 CMC Section 9104(a)(1) and (2), and therefore publishes in the Commonwealth Register this notice of opportunity to submit comments. If necessary, a hearing will be provided. Comments on the content of the regulations may be sent to: David Palacios, Director, Enforcement and Compliance, Department of Commerce, Capitol Hill, Saipan.

AUTHORITY: The Secretary of Commerce is authorized to promulgate this amendment to the regulations pursuant to 1 CMC Section 2596.

Issued by: Frankie B. Villanueva 1-28-00
Frankie B. Villanueva, Secretary Date

Received by: Jose I. Deleon Guerrero 2/11/2000
Jose I. Deleon Guerrero Date
Office of the Governor

Pursuant to 1 CMC Section 2153 as amended by P-L 10-50, the modification of the regulation attached hereto has been reviewed and approved as to form and legal sufficiency by the CNMI Attorney General's Office.

Dated this 11th day of February, 2000

HERBERT D. SOLL
Acting Attorney General
[Signature]

BY [Signature]
Elliott A. Sattler
Assistant Attorney General

Filed and Recorded by: [Signature] 2/11/00
Soledad B. Sasamoto Date
Registrar of Corporations

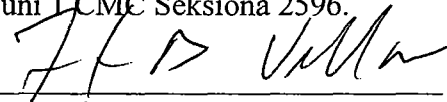
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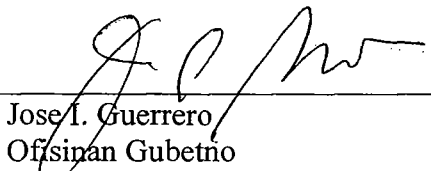
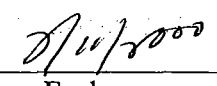
**Nutisia put Maproponen Amendasion
I Regulasion Taxicab**

SUHETU: Fuera di ayu komu mapribiniyi maseha (ni maná klaru gi halom amendasion), todo ayu i timatatitiyi regulasion taxicabs u mana fannutta sigun gi klasifikasion tat komu "menot" pat "mayot" na isao ni manaklaru guine.

INTENSION INADAPTA: I Sekretariun Kometsiu ha intensiona para u adopta este na amendasion gi regulasion taxicab siguni 1 CMC Seksiona 9104(a)(1) yan (2), yan lakkue mapublika gi Rehistran Commonwealth este na nutisia para u guaha oppottunidad munáhalom komento. Yanggen nisisariu, u maprubiniyi inekungok. Komento put suhetun i regulasion sína manahanao guatu para si David Palacios, Direktot Enforcement yan Compliance, Dipatamenton Kometsio, Capitol Hill, Saipan.

ATURIDAT: I Sekretariun Kometsio ma aturisa para u chógue este na amendasion gi regulasion siguni 1 CMC Seksiona 2596.

Linaknos as:  1-28-00
Frankie B. Villanueva, Sekretariu Fecha

Rinisibi as:  
Jose I. Guerrero Fecha
Ofisinan Gubetno

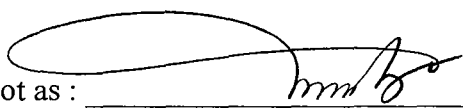
Siguni 1 CMC Seksiona 2153 ni inamenda mi Lai Pupbliku 10-50, i modifikasion gi regulasion ni chechetton guine esta manmaribisa yan apreba komu fotma yan sifisiente na ligat ginen Ofisinan Attorney General CNMI.

Ma fecha gi mina 11th na dia FEB, 2000.

HERBERT D. SOLL
Acting Attorney General

~~ELLIOTT A. SATTLER~~
78/ELLIOTT A. SATTLER

Elliot A. Sattler
Assistant Attorney General

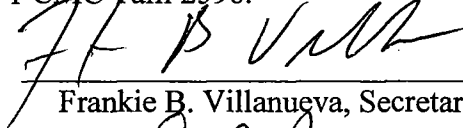
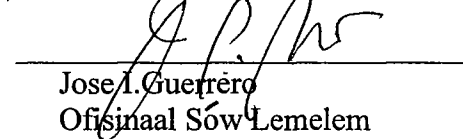
Mi file yan Rinekot as:  2/11/00
Soledad B. Sasamoto Fecha
Registrar of Corporation

**Arongorong Reel Igha Ebwe Yoor
Lliwel Mellol Alleghul Taxicab**

AUTOL: Saabw ikka schagh (ikka e ffat mellól lliiwel kkaal), alongeer schóó kka rese tipeew ngali alléghúl taxicab nge imwu rebwe amwuttaay sáangi yaal classification igha ebwe “minor” ngare “major” kastiigool ikka a affatewow mellól.

EFIL EBWE ADOPT: Secretary mellól Commerce e tipeli ebwe adopt-li lliiwel kkaal ngali alleghul taxicab reel ebwe allegh fischilo sáangi aileewal 1 CMC Talil 9104(a)(1) me (2) bwal reel igha a published llól Commonwealth Register bwe ebwe yoor isisilongol aiyegh ngare mángemáng. Ngare efil, iwe ebwe yoor aroongroong. Aiyegh ngare tiip reel allégh kkaal nge akkafang ngali, David Palacios, Director, Enforcement and Compliance, Department of Commerce, Capitol Hill, Seipél.

BWANGIL: Secretary mellól Commerce eyoor bwángil ebwe ateeweló lliiwel kkaal sáangi aileewal 1 CMC Talil 2596.

Mereel:	 Frankie B. Villanueva, Secretary	<u>1-28-00</u> Rál
Bwughiyal:	 Jose I. Guerrero Ofisinaal Sów Lemelem	<u>2/11/2000</u> Rál

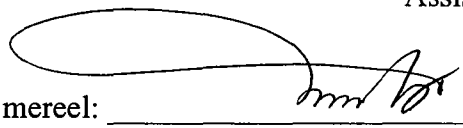
Sáangi aileewal 1 CMC Talil 2153 iye a lliiwel sáangi Alléghúl Toulap (Public Law)10-50, afalafal reel allégh kkaal ikka e appasch ighaal nge atakkal amweri me alúghúlúghúló sáangi Ofisinaal CNMI Attorney General.

Rál ye 11/11 llól maramal ~~Seipew~~ **FEB** (January), 2000.

HERBERT D. SOLL
Acting Attorney General

/S/ ELLIOTT A. SATTLER

Elliot A. Sattler
Assistant Attorney General

Isáliyal me e Rekood mereel:	 Soledad B. Sasamoto Registrar of Corporation	<u>2/11/00</u> Ral
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Department of Commerce

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

Caller Box 10007 CK., Saipan, MP 96950

Tel. (670) 664-3000/1/2 • Fax: (670) 664-3067

AMENDMENT OF TAXICAB RULES AND REGULATIONS TO ADD PENALTY PROVISIONS

*Citation of
Statutory Authority:*

The Secretary of Commerce is authorized to promulgate this amendment to a regulation pursuant to 1 CMC Section 2596(d).

*Short Statement of
Goals and Objectives:*

In order to ensure compliance with the taxicab regulations, a progressive penalty provision has been added.

*Brief Summary
of the Rules:*

Except as provided elsewhere (as detailed within the amendment), all violators of taxicab regulations will be assessed penalties in accordance with their classification as either "minor" or "major" offenses as detailed herein.

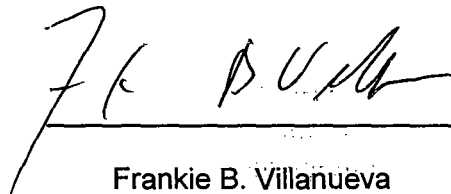
*For Further
Information, Contact:*

David Palacios, Director
Enforcement and Compliance Section
Department of Commerce
Capitol Hill
Telephone: 670-664-3093
Facsimile: 670-664-3067

*Citation of Affected
Rules and Regulations:*

Taxicab Regulations, Commonwealth Register, Vol. 14, No. 2, February 15, 1992 at pages 8909 et. seq.; and Vol. 20, No. 6, June 15, 1998 at pages 15917-21.

Submitted by:


Frankie B. Villanueva
Secretary

1-28-00

Date

**TAXICAB REGULATIONS
SECTION M: PENALTIES**

Section 1515.1 Unregistered Taxicabs / Unlicensed Taxi Drivers

In accordance with 9 CMC Section 2303, the owner of an unregistered taxicab or an unlicensed taxi driver, shall be subject to a fine of \$ 500 or 30 days imprisonment or both.

Section 1515.2 Failure to Carry Proper Insurance

In accordance with 1 CMC Section 2596(a)(6), all taxicabs must be insured under a general or public liability insurance policy issued by a qualified insurance company licensed to do business in the Commonwealth. Failure to carry the insurance or to possess the proper insurance card, will subject the owner of the taxicab to the penalties in Section 8111 of the Mandatory Auto Insurance Law, Public Law 11-55.

Section 1515.3 All Other Offenses

(a) All other offenses shall be classified as either major or minor in accordance with the list reproduced below:

(1) Minor Violations

- 1) Part C section 1503 (a) Taxicab Operator's I.D. Card (I.D. must be mounted within twelve inches (12") of the taximeter and that is readily visible to all passengers ; not to be mounted on the sun visor of taxicab.
- 2) Part E. Section 1505.1 Registration Numbering.
- 3) Part E Section 1505.3 Required Letters & Numbering Size.
- 4) Part E. Section 1505.5 Sign Display : Approved by Director.
- 5) Part E. Section 1505.6 Removal of All Sign Displays.
- 6) Part E. Section 1505.7 Abbreviation Prohibited.
- 7) Part F Section 1506.1 Posting of Fares.
- 8) Part F. Section 1506.6 Direct Route – Use Of.
- 9) Part F. Section 1506.7 Extra Large Parcels, Objects — Charges For.
- 10) Part G. Section 1507.2 Illumination.
- 11) Part G. Section 1507.10 Taxicab Radio Usage.
- 12) Part H Section 1508.8 Accidents -- Report to DPS & the Chief.
- 13) Part I Section 1509 Interior Lights.
- 14) Part I Section 1509.1 Dome Light.
- 15) Part I. Section 1509.2 Electrical Wiring – Protection Required.
- 16) Part I. Section 1509.7 Trip Records.
- 17) Part I. Section 1509.8 Receipts to be Issued.
- 18) Part J. Section 1510.2 Sleeping in Taxicab.
- 19) Part J. Section 1510.5 Advertising.
- 20) Part K. Section 1511. Taxicab Dress Code.
- 21) Part L. Section 1512.5 Filing Procedures Posted.

(2) Major Violations

- 1) Part C. Section 1503.1 Alteration, Removal or Destruction of Taxicab Operator's Identification Card : Tampering Prohibited.
- 2) Part C. Section 1503.5 Operation of a Taxicab other than the Owner or Taxicab Operator (" Prima Facie ").
- 3) Part E. Section 1505 Exterior Signs.
- 4) Part E. Section 1505.2 Identification of Owner.
- 5) Part E. Section 1505.4 Color Restriction : White on Dark / Black on Light.
- 6) Part F. Section 1506 Taxi Rates – Charges.
- 7) Part F. Section 1506.2 Charges, Fares, When Permitted.
- 8) Part F. Section 1506.3 Additional Passengers – Thereof .
- 9) Part F. Section 1506.4 Additional Passengers – Conditional Pickup.
- 10) Part F. Section 1506.5 Use of Lower Rates – Prohibited.
- 11) Part G. Section 1507 Taxicab Meter Requirements.
- 12) Part G. Section 1507.1 Installation.
- 13) Part G. Section 1507.3 Gearbox – Installation.
- 14) Part G. Section 1507.4 Security Seals – Provisions For.
- 15) Part G. Section 1507.5 Indications – Visibility of.
- 16) Part G. Section 1507.6 Reinspection.
- 17) Part G. Section 1507.8 Taximeter Employed.
- 18) Part G. Section 1507.9 Calibration of Taxicab Meters.
- 19) Part H. Section 1508 Vehicle Type.
- 20) Part H. Section 1508.1 Vehicle Condition.
- 21) Part H. Section 1508.2 Driver's Report – Taxicab Condition.
- 22) Part H. Section 1508.3 Unsafe Taxicab – Operation Prohibited.
- 23) Part H. Section 1508.4 Proper Exits – Requirement.
- 24) Part H. Section 1508.5 Periodic Safety Inspection.
- 25) Part H. Section 1508.6 Damaged Vehicle – Prohibited for Sale.
- 26) Part H. Section 1508.9 Tires.
- 27) Part I. Section 1509.3 Fire Extinguisher – Requirement.
- 28) Part I. Section 1509.4 Speedometer / Odometer – Requirement.
- 29) Part I. Section 1509.5 Engine Condition – Requirement.
- 30) Part I. Tinting, Shades, Curtain Prohibited.
- 31) Part J. Section 1510 Narcotics, Amphetamine, and or Other Dangerous Drugs.
- 32) Part J. Section 1510.1 Intoxicating Liquor.
- 33) Part J. Section 1503.3 Other Conduct.
- 34) Part J. Section 1510.4 Safety Restraints and Taxi Over – Capacity Load.

(b) For all violations of the Taxicab Regulations published in the Commonwealth Register, Vol. 14, No. 2, February 15, 1992 at pages 8909 et. seq., and classified above as either "minor" or "major," the civil penalties shall be as follows:

(1) Civil Penalties For Minor Violations:

First Offense - \$20.00

Second Offense - \$40.00

Third Offense - \$60.00

Fourth Offense - *Revocation of BOT Identification Card*

(2) Civil Penalties For Major Violations:

First Offense - \$100.00

Second Offense - \$250.00

Third Offense - \$500.00

Fourth Offense - *Revocation of BOT Identification Card*

**COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
OFFICE OF THE CIVIL SERVICE COMMISSION**



P.O. BOX 5150 CHRB
SAIPAN, MP 96950
TEL. NOS. (670) 322-4363/6954
FAX NO.: (670) 322-3327



**Notice of Expiry of
Personnel Service System Rules and Regulations Part XII, Sub-part A**

On January 29, 1999, the Civil Service Commission promulgated an amendment to the Personnel Service System Rules and Regulations (P S S R & R) for financial austerity measures that were to become Part XII of the P S S R & R. That amendment was adopted with a minor modification on April 6, 1999. Part XII of the P S S R & R, upon notice in the Commonwealth Register, suspended all increases in employees' salaries due to permanent or temporary promotions, acting or detail assignments, reallocation or reclassification of positions, and step increases based on attendance at workshops or other training programs. A Notice of Implementation of Financial Austerity Measures (i.e., Part XII) was published in the Commonwealth Register Vol. 21, No. 4, p. 16703 on April 19, 1999.

By its terms, the suspension of increases to employee salaries shall expire upon notice in the Commonwealth Register. See Commonwealth Register Vol. 20, No. 2 at p. 16459 on February 18, 1999. The suspension of increases in employee salaries is thus expiring through this notice. Thus, in accordance with the adoption of and amendment to the PSSR & R; "Upon expiration of the suspension of the pay increases[,] employees who qualified for the increases during the time of suspension shall receive the pay increases effective the date the suspension expired. The increases shall not be made retroactive to any date that occurred during the time of the suspension." Commonwealth Register Vol. 21, No. 4, p. 16701, April 19, 1999.

This notice of expiry of suspension shall be implemented 10 days after the date of its publication in the Commonwealth Register.

By signature below, I hereby certify that the Notice of Expiry is true, correct, and complete. I further require and direct that this Notice be published in the Commonwealth Register.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on the 14th of February, 2000 at Saipan, Commonwealth of the Northern Mariana Islands.

A handwritten signature in black ink, appearing to read "Vincente M. Sablan", written over a horizontal line.

Vincente M. Sablan, Chairman
Civil Service Commission

Opm/regs/govtausterityexpiry.doc

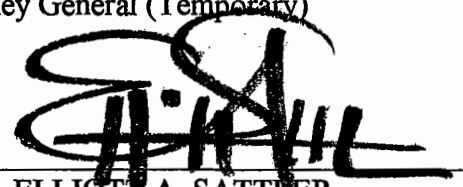
Pursuant to 1 CMC § 2153 as amended by P.L. 10-50 the rules and regulations hereto have been reviewed and approved as to form and legal sufficiency by the CNMI Attorney General's Office.

Dated this 14th day of Feb, 2000.

FEBRUARY 15, 2000


HERBERT D. SOLL
Attorney General (Temporary)

By:



ELLIOTT A. SATTLER
Assistant Attorney General

Received by:




Jose L. Deleon Guerrero
Special Assistant for Administration
Office of the Governor

Date:

2/14/2000

FILED BY:



Soledad B. Sasamoto
Registrar of Corporations

Date:

2/15/00