# REGISTER

# **COMMONWEALTH**

OF

114

JUNE 15, 1996



E NORTHERN MAR VOLUME 18 NUMBER 06

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

SAIPAN, MARIANA ISLANDS

## COMMONWEALTH REGISTER VOLUME 18 NUMBER 06 JUNE 15, 1996

## TABLE OF CONTENTS

## **EMERGENCY**:

1

١

17

(

Designated Tourist Site Regulations.	
Aarianas Visitors Bureau1414	7

## **PROPOSED AMENDMENTS:**

Member Home Loan Program.
Northern Marianas Retirement Fund/Member Home Loan Program14152

<b>`</b>	Amendments to the Schedule of Fees.
	Department of Public Health14156

## ADOPTION:

Adoption of OPA Personnel Regulations.	
Office of the Public Auditor	14159

Amendments to the Administrative Rule and Regulations. Northern Marianas Retirement Fund/Workers Compensation Commission......14165

### NOTICE OF EMERGENCY REGULATIONS

The Board of Directors of the Marianas Visitors Bureau (MVB) find that the public interest and welfare requires the adoption, on an emergency basis, of amendments to the "Revised Marianas Visitors Bureau Designated Tourist Site Regulations", as published in the Commonwealth Register Volume 12, Number 4, on April 15, 1990, commencing at page 6874, adopted in Commonwealth Register Volume 12, Number 6, on June 15, 1990, at page 7146; as amended, with said amendments published in the Commonwealth Register Volume 14, Number 10, on October 15, 1992, commencing at page 9974; and adopted in the Commonwealth Register Volume 14, Number 15, 1992, commencing at page 10363.

MVB has begun the process for receiving applications and bids for the issuance of Beach Concessionaire Permits. MVB has found that the existing regulations are inadequate and must be amended in order to properly govern the issuance, regulation, and monitoring of the operation and activities of Beach Concessionaire Permits and permit holders. In addition, these amendments are required to foster and encourage concessionaire operation of business ventures owned by U.S. Citizens. MVB finds that the adoption of the amendments to the Revised Marianas Visitors Bureau Designated Tourist Site Regulations on an emergency basis will assure the integrity and reliability of the Bureau's process issuing Beach Concessionaire Permits and prevent an interruption to the provision of services to tourists, thereby preventing any disruption to one of the Commonwealth's major industries. The Bureau further finds that the public interest requires these amendments to become effective upon concurrence of the Governor and filing with the Registrar of Corporations; and shall remain effective for a period of one hundred twenty (120) days.

The regulations adopt a procedure for the Marianas Visitors Bureau to take bids for Beach Concessionaire Permits, award Beach Concessionaire Permits to selected applicants, and regulate the operation and activities of Beach Concessionaire Permit holders. The regulations are adopted pursuant to 4 CMC 2106(q) & (r), and in accordance with 1 CMC 9104(b).

**ISSUED BY:** 

ANTONIO S. GUERRERO

Chairman

ANIČIA Q. TOMOKANE Managing Director

une 6, 1996

COMMONWEALTH REGISTER

VOLUME 18 NUMBER 06 JUNE 15, 1996

CONCURRED BY:

1 ay 10, 1996 DATE JEBUS C.

ACTING GOVERNOR

**RECORDED BY:** 

m

SOLEDAD SASAMOTO Registrar of Corporation

1

16/94

DATE

## AMENDMENTS TO THE REVISED MARIANAS VISITORS BUREAU DESIGNATED TOURIST SITE REGULATIONS

A new article, entitled "ARTICLE VII BEACH CONCESSIONAIRE PERMITS," is adopted as follows:

**SECTION 1. Concessionaire Sites.** Concessionaire sites are currently located in buildings controlled and operated by the Marianas Visitors Bureau on the beach front property located between the Saipan Beach Hotel and the Hyatt Regency Saipan. The number of permits that may be issued for this site shall be subject to the Director's sole discretion.

Additional sites may be designated by the Director.

**SECTION 2.** Application Forms. Applications for Beach Concessionaire Permits will be accepted on forms approved by the Marianas Visitors Bureau. The Director is hereby authorized to draft any and all forms it deems necessary for said applications. Said applications may require the submission of any and all documents that the Director deems necessary. Said applications may also require the applicant to pay a nonrefundable fee and submit a deposit, representing a percentage of their bid (See Section 3(b)), to be set by the Director. Unsuccessful applicants shall receive a refund of their deposit, but not of any application fee.

#### SECTION 3. Concessionaire Permit Decision.

(a) At least one month prior to the end of the permit year, the Director shall publish a notice specifying a period of time in which persons may apply for available Beach Concessionaire Permits.

(b) At a time designated in the notice issued pursuant to subsection (a), above, all applications shall be publicly opened. After each application is opened and announced, the Director shall have seven days for review and selection and shall ensure that it is complete and in compliance with these rules and any applicable regulations and statutes. Incomplete applications shall not be considered.

(c) The issuance of Beach Concessionaire Permits shall be based on the bids contained in complete applications. In addition to the bids, the Director shall consider, in its sole discretion, the applicant's experience, resources, and/or background, to ensure that Beach Concessionaire – Permits are awarded to those applicants that can best conduct the concession in a safe, healthy, and successful manner. While the award of bids is an important factor as it will generate revenue for the Marianas Visitors Bureau, the Bureau is statutorily charged with promoting the Commonwealth tourist industry and working to increase the overall number of tourists to the Commonwealth, therefore, it is also important that qualified applicants are selected that will complment the goals of MVB. Accordingly, the Director may reject a bid, or select a lower bid if they, in their sole discretion, determine that it would be in the best interest of the Bureau to do so.

(d) Alternative awardees may be selected if the Director so chooses, in order to provide for the event where a successful applicant is not awarded a permit, or in case a Beach Concessionaire Permit is revoked, or a Beach Concessionaire Permit holder ceases operations.

**SECTION 4. Concessionaire Fees.** Successful applicants shall pay a fee in the form of their bid. The remainder of their bid (bid less any required deposit) shall be paid in equal monthly installments. Said monthly installments shall be paid in advance, and shall be due on the first day of each and every month at the Marianas Visitors Bureau's office.

SECTION 5. Concessionaire Leases. The Director is authorized to adopt leases, rental agreements and/or any other contracts prescribing the terms and conditions of the Beach Concessionaire Permit holders use of Marianas Visitors Bureau's buildings and/or the operation of the concession. Successful applicants may not be issued a permit, nor may they engage in any concession activities until they have executed said documents and complied with the terms of said documents.

**SECTION 6. Insurance**. A permit shall not be issued, nor shall a successful applicant and/or Beach Concessionaire Permit holder engage in the operation of their concession until and unless they have liability insurance, insuring the concessionaire's patron's, the Marianas Visitors Bureau, its directors, officers, employees, and agents, and any other third parties who may be injured by a concessionaire's operations and for which a concessionaire may be found liable by a court of competent jurisdiction. The terms and amounts of said insurance shall be as prescribed by the Director.

SECTION 7. Compliance with Laws and Regulations. Prior to the operation of their concession, a successful applicant and/or Beach Concessionaire shall comply with any and all applicable laws and regulations, and obtain any permits and/or licenses that may be required to operate their concessions. As the concession will be operated within the Coastal Resources Management's (CRM) Area of Particular Concern (APC), a CRM permit must be obtained prior to the operation of the concession.

The revocation and/or denial of any permit and/or license that may be required by any agency/instrumentality of the CNMI and/or Federal Government, shall cause an immediate suspension of the Concessionaire Permit, notwithstanding the terms and timelines contained in Section 8, and may also be considered a default under Section 8 of these regulations for the purposes of the cancellation of the concessionnaire permit.

**SECTION 8. Default**. Should any successful applicant and/or permit holder fail to pay any fees, purchase or maintain insurance, or violate the terms of these regulations or any applicable law, then their application may be revoked, or permit canceled or suspended upon thirty (30) day written notice by the Marianas Visitors Bureau. In the case of suspension, the Director shall have the authority to impose additional requirements on the permit holder as a condition of reinstatement, including a monetary payment up to two hundred (200.00) dollars. The Beach Concessionaire Permit holder shall cease operation during any period of suspension. If the Director finds that a public emergency necessitates the suspension of a permit on less than thirty

(30) days notice, the Director is authorized to suspend said permit providing that the Beach Concessionaire Permit holder is provided with an expedited appeal.

Appeals of any action taken by the Marianas Visitors Bureau shall **SECTION 9.** Appeals. be governed by the Administrative Procedures Act.

The provisions contained in Articles I and V, to the extent SECTION 10. Miscellaneous. they are not inconsistent, shall apply to Beach Concessionaire Permits. All other provisions shall not be applicable. Specifically, Articles II through VI, and VI.

. . . .



# NOTICE OF THE PROPOSED AMENDMENTS TO THE MEMBER HOME LOAN PROGRAM REGULATIONS

The Board of Trustees of the Northern Mariana Islands Retirement Fund hereby notifies the general public that it proposes to adopt the amendments to the Member Home Loan Program Regulations as published in Volume 11, No. 6, dated June 15, 1989, and as amended in Volume 12, No. 3, dated March 15, 1990, Volume 13, No. 4, dated April 15, 1991, Volume 13, No. 10, dated October 15, 1991, Volume 15, No. 3, dated March 15, 1993, Volume 15, No. 9, dated September 15, 1993 Volume 16, No. 12, dated December 15, 1993, Volume 16, No. 04, dated April 15, 1994, Volume 16, No. 05, dated May 15, 1994, Volume 16, No. 09, dated September 15, 1994, Volume 16, No. 11, dated November 15, 1994, Volume 17, No. 02, dated February 15, 1995, Volume 17, No. 04, dated April 15, 1995, Volume 17, No. 06, dated June 15, 1995, Volume 17, No. 10, dated October 15, 1995, and as further amended in Volume 18, No. 02, dated February 15, 1996 of the Commonwealth Register.

day of \_\_\_\_\_ Dated this , 1996. Vicente C. Camacho Edward H. Manglona Chairperson Administrator Board of Trustees NMI Retirement Fund NMI Retirement Fund Date: Donha I Filed by The Governor's Office 6/11/96 Soledad B. Sasamoto Date: Filed by the Registrar of Corp.

COMMONWEALTH REGISTER VOLUME 18 NUMBER 06 JUNE 15, 1996 PAGE 14152

"INVESTING FOR YOUR FUTURE FINANCIAL SECURITY"



# NOTICIA POT I MA PROPONE NA AMENDASION I REGULASION YAN AREKLAMENTO I MEMBER HOME LOAN PROGAM

I Board of Trustees, NMI Retirement Fund, man nanae noticia para i publico na ma propone i tinilaika gi regulasion i Member Home Loan Program anai i ma publika gi Volume 11, No. 6, Junio 15, 1989, ya ma amenda gi Volume 12, No. 3, Matso 15, 1990, Volume 13, No. 4, Abrit 15, 1991, Volume 13, No. 10, Octubre 15, 1991, Volume 15, No. 3, Matso 15, 1993, Volume 15, No. 9, Septembre 15, 1993, Volume 15, No. 12, Decembre 15, 1993, Volume 16, No. 04, Abrit 15, 1994, Volume 16, No. 05, gi Mayo 15, 1994, Volume 16, No. 09, Septembre 15, 1994, Volume 16, No. 11, Novembre 15, 1994, Volume 17, No. 02, Febrero 15, 1995, Volume 17, No. 04, Abrit 15, 1995, Volume 17, No. 10, Octubre, 15, 1995, ya ma amenda talo gi Volume 18, No. 02, Febrero 15, 1996 gi Commonwealth Register.

Mafecha gi dia 1996 Vicente C. Camacho Edward H. Manglona Administrator Chairperson NMI Retirement Fund **Board** of Trustees **NMI** Retirement Fund Date Donna J Cruz Filed by The Governor's Office m |[[| Soledad B. Sasamoto Date: Filed by the Registrar of Corporations

COMMONWEALTH REGISTER VOLUME 18 NUMBER 06 JUNE 15, 1996 PAGE 14153

"INVESTING FOR YOUR FUTURE FINANCIAL SECURITY"



## NORTHERN MARIANA ISLANDS RETIREMENT FUND PROPOSED MEMBER HOME LOAN PROGRAM REGULATIONS

The Board of Trustees of the NMI Retirement Fund hereby proposes to adopt the amendments to the Member Home Loan Rules and Regulations as published in the Commonwealth Register in Volume 11 No. 06, dated June 15, 1989, and as amended in Volume 12, No. 3, dated March 15, 1990, Volume 13, No. 4, dated April 15, 1991, Volume 13, No. 10, dated October 15, 1991, Volume 15, No. 3, dated March 15, 1993, Volume 15, No. 9, dated September 15, 1993, Volume 16, No. 5, dated May 15, 1994, Volume 16, No. 09, dated September 15, 1994, Volume 16, No. 11, dated November 15, 1994, Volume 17, No. 02, dated February 15, 1995, Volume 17, No. 04, dated April 15, 1995, Volume 17, No. 06, dated June 15, 1995, Volume 17, No. 10, dated October 15, 1995 and further amended in Volume 18, No. 02, dated February 15, 1996 of the Commonwealth Register.

## Part I. AUTHORITY

1.

1. By virtue of the authority provided under 1 CMC § 8314(f), and the Administrative Procedures Act, at 1 CMC § 9101, et. seq., the Board of Trustees hereby promulgates these amendments as proposed to the Member Home Loan Program Regulations.

## Part II. AMENDMENTS

'(b)

To amend Part 5, Section 5.1 of the Member Home Loan Program Regulations, to insert the following after the last sentence in the paragraph:

Notwithstanding any provisions of these regulations to the contrary, construction loans for residential homestead properties lacking access to Commonwealth utilities may be extended, provided that the borrower(s) provide their own power generator and a permanent water catchment and storage system acceptable to the Fund. This requirement shall be included as part of the loan agreement."

COMMONWEALTH REGISTER VOLUME 18 NUMBER 06 JUNE 15, 1996 PAGE 14154

teresterationean;

#### PART III. EFFECTIVE DATE

The effective date of these adopted amendments shall be pursuant to 1 CMC § 9105(b).

Adopted as proposed amendments to the Member Home Loan Program Rules and Regulations by the Board of Trustees this <u>1th</u> day of <u>\_\_\_\_\_</u>, 1996.

Vicente C. Camacho

Chairperson Board of Trustees NMI Retirement Fund

Edward H. Manglona

Administrator NMI Retirement Fund





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

# PUBLIC NOTICE

## PROPOSED AMENDMENTS TO THE SCHEDULE OF FEES DEPARTMENT OF PUBLIC HEALTH

Title 1 CMC Division 2, Chapter 12, and in particular 1 CMC SS2603(f) and 2605(j), provides that the Secretary of the Department of Public Health(DPH) shall administer all government owned facilities and shall implement rules and regulations for the efficient delivery of health services in the CNMI.

Pursuant to this authority, the Secretary is amending specific fees from the Schedule of Medical and Other Related Fees which was published in its entirety, and adopted, in the Commonwealth Register Volume 17, Number 2, dated February 15, 1995 and Volume 17, Number 4, dated April 15, 1995, respectively. These amendments are necessary to reflect accurately in the Schedule of Medical and Other Related Fees the types of services that are now being provided by the Department. The amendments are attached herewith and will be incorporated into the DPH Schedule of Medical and Other Related Fees upon adoption.

In adopting these Amendments to the Schedule of Fees, it is the intention of the Department of Public Health to comply with the requirements of the Administrative Procedure Act, specifically 1 CMC S9104. Copies of the proposed Amendments to the Schedule of Fees may be obtained from the Office of the Secretary of Public Health located at the ground floor of CHC. Comments on the proposed Amendments to the Schedule of Fees may be sent to the Office of the Secretary of Public Health, P.O. Box 409 CK, Saipan, MP 96950. All comments must be received within 30 days from the date this notice is published in the Commonwealth Register.

Certified By Manuel Mu	6.14.96
JA DR. ISAMU J. ABRAHAM	DATE
A SECRETARY	
Department of Public Health	
Filed By: mm/ta	6-14-
SOLEDAD B. SASAMOTO	DATE
Registrar of Corporations	,
Received By:	6/14/9
DONNA CRVZ, Governor's Office	<sup>/</sup> DATE
V /	

NUMBER 06 JUNE 15, 1996 COMMONWEALTH REGISTER VOLUME 18





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

## PRINUPONI SIHA NA AMENDASION GI LISTAN APAS DIPATTAMENTON HINEMLO' PUBLIKU

I Tituilu I gi Kodikon Commonwealth (CMC) Dibision 2, Kapitulu 12 yan patikulatmente i 1 CMC s2603(f) yan 2606(j), ha pribebeni i Sikritarion Dipattamenton Public Health (DPH osino' Dipattamenton Hinemlo' Publiku, na para guiya u atministra todu fasilidat gobetno siha yan u enfuetsa todu areklamento yan regulasion siha para minaolek mana'en setbision hinemlo' gi halom i (CNMI) Islas Marianas.

Sigun gi este na aturidat, i Sikritariu ha amemenda espisifiku siha na presiu ginen i lista put mediku yan otro siha apas (Schedule of Medical and Other Related Fees) ni ma publika gi entieru-na, yan ma adapta, gi Rehistran Commonwealth, Volume 17, Numeru 2, gi Febreru 15, 1995 yan Volume 17, Numero 4, gi Abrit 15, 1995. Prisisu este siha na amendasion gi listan presiu siha put mediku yan otro siha apas put para u riflekta i dinanche siha na klasin setbisio ni ma pribeni gi dipattamento. I amendasion mandadana sigun este na notisia ya u ma na patte gi lista put mediku yan otro siha apas (Schedule of Medical and Other Related Fees) gi depattamento gi ma adaptanna.

Gi ma adaptanna este siha na amendasion gi listan presiu siha, ha entensiosiona i Dipattamenton Hinemlo' Publiku kumumple i kondesion siha ni manma' establesi nu i "Administrative Procedure Act" na akto, espesiatmente i 1 CMC s9104. Kopia siha put i manma prupoponi na amendasion gi Listan Apas siha sina manmachuchule' gi Ufisinan i Sikritarion Hinemlo' Publiku gi primet bibenda gi CHC. Dokomento siha put i manma' prupoponi na amendasion gi Listan Apas sina mana' fanhahanao guato gi: Office of the Secretary of Public Health, P.O. Box 409 CK, Saipan, MP 96950. Todu dokomento siha debi di u fanma risibi gi halom trenta (30) dias despues di i fechan ni publika este na nutisia gi Rehistra Commonwealth

Mas settefika nu as:	Mannel Man	6.14.96
	DR. ISAMU J. ABRAHAM	Fecha
	0 Sektretariu	
	Dipatamenton Publi Health	
Ma Rikot nu as:	mmty	6-14-96
	SOLEDAD B. SASAMOTO	Fecha
	Registrar of Corporation	
Received By:	Ala	6/14/96
	Donna Cruz, Bovernor's Office	Fecha
	1	

COMMONWEALTH REGISTER VOLUME 18 NUMBER 06 JUNE 15, 1996

#### DEPARTMENT OF PUBLIC HEALTH SERVICES COMMONWEALTH HEALTH CENTER AMENDMENTS TO THE SCHEDULE OF MEDICAL AND OTHER RELATED FEES 1995

CPT #	CPT SHORT DESCRIPTION	AMOUN (in US	
MEDIO			
ADDITIONS	5:		
	INJECTION OF SINUS TRACT; DIAGNOSTIC		49
	INCISION & DRAINAGE OF ABCESS; PERTONSILLAR		115
43263	ERCP; W/PRESSURE MEASURE OF SPHINCTER OF ODDI		564
44820	EXCISION OF LESION OF MESENTERY (SEPARATE PROCEDURE)		742
46080	SPHINCTEROTOMY		223
49080	PERITONEOCENTESIS, ABDOMINAL PARACENTESIS, OR		104
	PERITONEAL LAVAGE; INITIAL		
49081	PERITONEOCENTESIS; SUBSEQUENT		95
	SIMPLE CYSTOMETROGRAM		120
	INCISION/DRAINAGE OF SCROTUM		200
	CONSTRUCTION OF ARTIFICIAL VAGINA; W/O GRAFT		653
	VENOGRAPHY, EXTREMITY, UNILATERAL, SUP.&INTERPET.		100
	CLINICAL PATHOLOGY CONSULTATION; LIMITED		25
80502	CLINICAL PATHOLOGY CONSULTATION; COMPREHENSIVE		50
	INCENTIVE SPIROMETRY		40
97150	THERAPEUTIC PROCEDURES, GROUP		25

COMMONWEALTH REGISTER VOLUME 18 NUMBER 06 JUNE 15, 1996 PAGE 14158

(



Commonwealth of the Northern Mariana Islands 2nd Floor J.E.Tenorio Building Gualo Rai, Saipan, MP 96950 Mailing Address: P.O. Box 1399 Saipan, MP 96950

# **PUBLIC NOTICE**

# ADOPTION OF OPA PERSONNEL REGULATIONS

The Public Auditor hereby notifies the general public of the adoption of the Office of the Public Auditor (OPA) Personnel Regulations as published in the Commonwealth Register, Volume 18, No. 2, dated February 15, 1996.

The OPA Personnel Regulations shall become effective within ten days after its final publication in the Commonwealth Register.

Issued by:

to taugeth

Leo L. LaMorte Public Auditor, CNMI

Date: <u>5/29/96</u>

Date: 5/301

96

Filed and Recorded by:

Soledad B. Sasamoto Registrar of Corporations

Received at the Governor's Office:

Donna J.

Date: <u>5/30/96</u>



Commonwealth of the Northern Mariana Islands 2nd Floor J.E.Tenorio Building Gualo Rai, Saipan, MP 96950 Mailing Address: P.O. Bax 1399 Saipan, MP 96950

Cable Address: Pub Aud NMI Saipan # (670) 234-6481/2 Fax (670) 234-7812

# CERTIFICATION

# ADOPTION OF OPA PERSONNEL REGULATIONS

I, Leo L. LaMotte, CNMI Public Auditor, promulgating the Proposed OPA Personnel Regulations published in the Commonwealth Register, Volume 18, No. 2, dated February 15, 1996, by signature below hereby certify that the published personnel regulations are a true, correct, and complete copy of the personnel regulations formally adopted by the Office of the Public Auditor.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on the  $29\frac{Th}{2}$  day of May 1996 on the island of Saipan, Commonwealth of the Northern Mariana Islands.

Leo L. LaMotte



Commonwealth of the Northern Mariana Islands 2nd Floor J.E.Tenorio Building Gualo Rai, Saipan, MP 96950

Mailing Address: P.O. Box 1399 Saipan, MP 96950

E-mail Address: public.auditor@saipan.com

**a** (670) 234-6481/2 Forc (670) 234-7812

# NUTISIAN PUPBLIKU

# I MA ADAPTAN REGULASION SIHA PUT EMPLEHAON I OFISINAN AODITOT PUPBLIKU

I Aoditot Pupbliku ginen este ha nutitisia i hinerat pupbliku put i ma adaptan-ñiha i Regulasion siha put i Emplehaon i Ofisinan Aoditot Pupbliku komu i ma pupblika gi halom i Rehistran Commonwealth, Baluma 18, Numiru 2. ní ma fecha Febreru 15, 1996.

I Regulasion siha put i Emplehaoan i Ofisinan Aoditot Pupbliku para u fanefektibu gi halom dies dias despues di i uttimu na ma puplikan-ñiha gi halom i rehistran Commonwealth.

Ma Laknos ginen as: Leo L. LaMøtte

Fecha: 5/29/96

Ma satmiti

mm van Rekot as

Fecha: 5/30/96

Soledad B. Sasamoto Rehistradoran Kotporasion siha

Additot Pupbliku, CNMI

Ma risibi gi Ofisinan Gubetno as: Donna/

Fecha: 5/30/96

0.00

Р

0

ø

0

Commonwealth of the Northern Mariana Islands 2nd Floor J.E.Tenorio Building Gualo Rai, Saipan, MP 96950 Mailing Address: P.O. Box 1399 Saipan, MP 96950

E-mail Address: public.auditor@saipan.com

☎ (670) 234-6481/2
Fox: (670) 234-7812

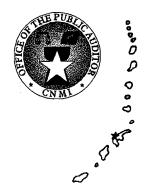
# Ofisinan i Aoditot Pupbliku

# SETTEFIKASION

# PUT I MA ADAPTAN I REGULASION SIHA PUT I EMPLEHAON OFISINAN AODITOT PUPBLIKU

GUAHU, si Leo L. LaMotte, Aoditot Pupbliku giya CNMI, hu lalaknos i ma Prupoponi na Regulasion siha para i Emplehaon Ofisinan Aoditot Pupbliku ni manma pupblika gi halom i Rehistran Commonwealth, Baluma 18, Numiru 2, ni ma fecha Febreru 15, 1996, ginen i fitma-ku gi sampapa guine hu settefika na i ma pupblika na regulasion emplehao manmagahet, dinanche, ayan komplidu na kopian i regulasion emplehao siha ni manma adapta fotmatmente nu i Ofisinan i Aoditot Pupbliku.

Hu deklara gi papa' i penan pethudisia na i manma sangan siha gi sanhilo' manmagahet yan mandinanche ya este na deklarasion ma cho'gue gi este i mina'  $29^{\frac{74}{20}}$  na dia gi Mayu 1996 gi islan Saipan, Commonwealth i Sangkattan siha na Islas Mariana.



Commonwealth of the Northern Mariana Islands 2nd Floor J.E.Tenorio Building Gualo Rai, Saipan, MP 96950

Mailing Address: P.O. Box 1399 Saipan, MP 96950

E-mail Address: public.auditor@saipan.com

**a** (670) 234-6481/2 Fax: (670) 234-7812

## ARONGORONG NGALIIR TOWLAP

# SIIWEL REEL ALLEGHUL SCHOOL ANGANGAL OPA

Bwulasiyol Public Auditor emwuschel aronga ngáliir towlap bwe eyoor siiwel reel Alleghúl schóól angaangal Bwulasiyol Public Auditor iye elo llól Commonwealth Register, Volume 18, No. 2, sángi ráál ye Febrero 15, 1996.

Alléghúl schóól angaang me llól bwulasiyol OPA ebwe alléghéló llól seiigh ráál mweril yaal atootolong Ilól Commonwealth Register.

E toowow me reel:

Leo L. LaMotte

Public Auditor, CMMI

Ráál: 5/29/96

E Atootolong me e alléghéló me reel:

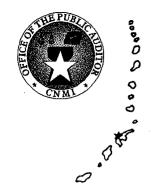
Soledad B. Sasamoto **Registrar of Corporations** 

5/30/96 Ráál:

Re risibi me reel **Bwulasiyol Gobenno:** 

Da	7 Cm
Donna J. Cruz	

Ráál: 5/30/96



Commonwealth of the Northern Mariana Islands 2nd Floor J.E.Tenorio Building Gualo Rai, Saipan, MP 96950 Mailing Address: P.O. Box 1399 Saipan, MP 96950

E-mail Address: public.auditor@saipan.com

☎ (670) 234-6481/2
Fax: (670) 234-7812

## ALLEGHUWLO

## SIWEL REEL ALLEGHUL SCHOOL ANGAANG LLOL BWULASIYOL OPA

Ngaang, Leo L. Lamotte, CNMI Public Auditor, ii aghuleey woow bwe fféérúl Alléghúl schóól angaang llól OPA iye a toolong llól Commonwealth Register, Volume 18, No. 2, llól ráál ye Febrero 15, 1996, sángi makk ye ebweló faal ebwe alléghúwló bwe atootolongol alléghúl school angaal nge eghi allét, me eghi welewel, nge alongal schéél alléghúl schóól angaang nge aa siwel me reel Bwulasiyol Public Auditor.

l akkapalló bwe meta ye effótlong llól allégh yeel nge eghi allét me welewel nge allégh yeel ebwe elléghéléghló wóól  $29^{-1}$ ráál ye Móózo 1996 wóól falúw ye Seipél, téél Northern Mariana Islands ikka elo féél Commonwealth.

nu Leo L. LaMótte



# WORKERS' COMPENSATION COMMISSION

P.O. Box 1247, Saipan, MP 96950 Telephone: (670) 234-7228 / Fax: (670) 234-9624



## PUBLIC NOTICE OF ADOPTED AMENDMENTS TO ADMINISTRATIVE RULES AND REGULATIONS OF THE WORKERS' COMPENSATION COMMISSION

The Board of Trustees/Workers' Compensation Commission (Commission) pursuant to 4 CMC §9351(a)(1), and the Administrative Procedure Act, 1 CMC §9101, et. seq., hereby serves notice that it has adopted amendments to the Rules and Regulations of the Commission.

Dated this 22nd day of May, 1996.

Vicente C. Camacho Chairman Board of Trustees

**RECEIVED BY:** 

Donna J. Cruz Date Office of the Governor Edward H<sup>h</sup> Manglona Administrator NMI Retirement Fund

FILED BY:

adi Ali

Soledad B. Sasamoto / Date Registrar of Corporations

COMMONWEALTH REGISTER VOLUME 18 NUMBER 06 JUNE 15, 1996 PA



# WORKERS' COMPENSATION COMMISSION

P.O. Box 1247, Saipan, MP 96950 Telephone: (670) 234-7228 / Fax: (670) 234-9624



Notician Publiko Pot I Mapropopone Na Tinilaika Gi Areklamenton I Programan Workers' Compensation

I Board of Trustees/Workers' Compensation Commission (Commission), sigun gi atoridat i lai gi 4 CMC §9351 (a)(1), yan i Administrative Procedure Act gi papa i 1 CMC §9101, et. seq., mananae noticia gi publiko pot i ha propone para uma adopta tinilaika gi areklamenton i programan Workers' Compensation Commission.

dia de Mayu, 1996 Mafecha gi

Vicente C. Camacho Chairman Board of Trustees

**RECEIVED BY:** 

Donna J. Cruz/ Date Office of the Governor Edward H. Mangiona Administrator NMI Retirement Fund

FILED BY:

Soledad B. Sasamoto / Date Registrar of Corporations

COMMONWEALTH REGISTER VOLUME 18 NUMBER 06 JUNE 15, 1996

The Board of Trustees/Workers' Compensation Commission (Commission), pursuant to 4 CMC 9351 (a)(1), and the Administrative Procedure Act, 1 CMC §9101, <u>et. seq.</u>, hereby promulgates and adopts these amendments to the rules and regulations governing the CNMI Workers' Compensation Program.

#### PART I. GENERAL PROVISIONS

Section 1. Authority. Under and by virtue of the authority granted to the Commission by 4 CMC §9351 (a)(1), the Commission promulgates the following amendment to the WCC Rules and Regulations.

#### PART II. AMENDMENTS

A. To amend Part 6, adding Sections 6.109 and 6.110, to the Workers' Compensation Rules and Regulations.

#### PART 6. SPECIAL DISABILITY FUND

#### 6.109 Authority to Transfer

The Commission is authorized to transfer One Hundred Fifty Thousand Dollars (\$150,000.00) solely from the collected penalties and fines deposited into the Special Disability Fund for operation and maintenance, and payment of compensation claims of the Government Self Insurance Fund pursuant to 4 CMC Section 9353(h).

#### 6.110 Transfer Effected

The transfer of any amount from the Special Disability Fund shall be effected only in the absence of sufficient appropriation from the Legislature.

B. To add a new Part, Part 29, to the Rules and Regulations of the Workers' Compensation Commission.

#### PART 29. SELF INSURANCE

#### **29.100** General Provisions

1

The Purpose of this section is to provide general guidelines for the review and approval of self-insurance for workers' compensation liability for employers. The authority to promulgate these rules is provided under P.L. 9-33 Section 9341.

#### 29.101 Definitions

- (a) *Commission*: shall mean the Workers' Compensation Commission which shall be the Board of Trustees of the Northern Mariana Islands Retirement Fund.
- (b) Employer: shall mean any person, corporate or unincorporated, public or private, who employs the services of others in return for wages, salaries, or other remuneration and includes the legal representative of a deceased employer.
   "Employer excludes a person who employs for a specified recompense for a specified result an independent contractor and who may or may not in turn employ others whose work is directed as to the means of accomplishing such result by the independent contractor. If the employer is insured it includes his insurer as far as applicable.
- (c) *Employee:* shall mean any person in the service of an employer under any appointment or contract of hire or apprenticeship, express or implied, oral or written, whether lawfully un unlawfully employed, and where the employer has the power or right to control and direct the employee in the material details of how the work is to be performed. Employee includes aquacultural and agricultural workers. Employee excludes a person whose employment is purely casual and not for the purpose of the employers' trade or business, independent contractors, and any person employed by the inhabitant of a private contractors, and any person employed by the inhabitant of a private dwelling to reside at the dwelling and perform household domestic service.
- (d) *Self-Insurer:* shall mean an employer who has been granted relief from the requirement of procuring insurance by the Commission, after having complied with the provisions of the self-insurance regulations.
- (e) *Insolvency:* shall mean the inability of a workers' compensation self-insurer to pay its lawful outstanding obligations as they mature in the regular course of business, as may be shown by either an excess of its liabilities over its assets or by its not having sufficient assets to insure all of its outstanding liabilities after paying all accrued claims owed by it.

#### **29.102** Eligibility for Self-Insurance

- (a) Employers with 200 or more employees are eligible to be self-insured. Any employer with at least 200 employees may elect to be self-insured by submitting an application form prescribed by the Commission which, upon approval shall be bound by the requirements and procedures set forth below in addition to the provisions of the statutes.
- (b) *Employers Unable to Secure Coverage.* 
  - (1) Employers who have demonstrated their inability to procure coverage from at least three (3) carriers authorized to do business in the Commonwealth, may seek coverage from outside the Commonwealth. If the employer is still unable to obtain coverage from carriers outside the Commonwealth, employer is eligible for self-insurance.
  - (2) If employer is unsuccessful in obtaining outside coverage, employer shall automatically become self-insured two (2) months from the date of notice from the Commission to seek coverage and must comply with the self-insurance provisions of these regulations.

#### **29.103** Requirements for Self-Insurance

To qualify to receive a certificate of authorization and relief from procuring workers' compensation insurance, an employer must satisfy the following requirements:

- (a) File with the Workers' Compensation Commission an annual surety bond issued by an insurance company licensed to do business in the Commonwealth in an amount of \$100,000.00, or if the employer cannot procure a bond, then any other security such as cash or negotiable securities, or real property free of any encumbrances acceptable to the Commission, in an equal amount. If in the case of real property, its value shall be based on an appraisal completed by a licensed appraiser. Surety bonds shall be in the form prescribed by the Commission, which in the event of insolvency shall be payable to the WCC to ensure the payment of the employer's workers' compensation liabilities subject to the dollar limitation of the surety bond.
- (b) Except as otherwise noted, all statutes, provisions, and rules and regulations

applicable to non-self-insured employers shall also be applicable to self-insured employers. In addition, the self-insured employer shall adhere to the requirements as follow:

- (1) Special Disability Fund. Employers shall pay into the Special Disability Fund an amount equal to one percent (1%) of the total salaries paid but payment to the Special Disability Fund shall not to exceed \$1,500.00 each quarter, and shall be remitted quarterly to the Commission.
- (2) All amounts due the Special Disability Fund shall be remitted within 30 days following the end of each quarter.
- (3) *Records Inspection.* Self-Insured employers shall avail its records including but not limited to quarterly tax reports as well as reports pertaining to salaries and wages for inspection and review by the Commission to ensure compliance with applicable statutes and rules and regulations.
- (4) Self-Insured Notice. Employers shall keep posted in a conspicuous place, a notice prescribed or approved by the Commission indicating employer is self-insured.
- (c) Administration of Self-Insurance. Each self-insured employer shall have within its own organization a specific plan to administer its self-insurance program. A competent personnel should be available to service such program with respect to claims, administration, loss prevention, loss control safety programs, etc.. Upon request by the Commission, such plans should be readily available for review by the Commission.
- (d) Additional Security Requirements. The Commission may require additional security if the following exist:
  - (1) Insufficient liquid assets or retained earnings;
  - (2) A declining financial condition, as evidenced by a comparison of current financial reports to recent past financial statements in file;
  - (3) The workers' compensation loss experience is significantly higher than prior years;
  - (4) The loss potential as a result of business expansion or there is a significant

- increase in the number of employees, etc.; or,
- (5) Any other relevant considerations.
- (e) *Types of additional security*. Any one or more of the following types of security may be required, in an amount determined by the Commission:
  - (1) Additional surety bond
  - (2) Irrevocable Letter of Credit
  - (3) Specific per occurrence excess insurance
  - (4) Trust Fund
    - *i*. If a trust fund is established, the Commission shall be the Trustee, and may invest said funds as it deems fit.
    - *ii.* Interest accrued on the investment of the trust fund shall accumulate to the Trust Fund.
    - *iii.* The trust fund shall be used to pay losses and expenses in the event the employer is unable to pay for compensation benefits required by law.

#### **29.104** Application for Self-Insurance

- (a) An applicant for a certificate of self-insurance shall submit a completed application to the Workers' Compensation Commission together with the following:
  - (1) A surety bond or other security specified under 29.102 (1) above.
  - (2) Most recent audited financial statement
  - (3) Business Gross Revenue Report for past three (3) years and most recent quarter completed.
  - (4) Data from immediate past 3 years on paid and outstanding compensation losses.
- (b) After an initial review, the Commission may require additional information or additional security.
- (c) Within a reasonable time but no later than 60 days, the Commission will rule on the application and either issue a certificate for self-insurance or send a letter denying the

application with a specific reason or explanation.

#### 29.105 Insolvency

If the employer becomes insolvent, the Commission may appoint or designate an individual or company to receive funds under the trust or disperse the funds to individual claimants.

#### 29.106 Term of Self-Insurance Authorization

- (a) Self-Insurance Authorization shall be issued not to exceed one year, and are renewable in accordance with renewal procedures.
- (b) Terms and provisions of the Self-Insurance Authorization shall remain unchanged if, during the term of the self-insurance authorization, employer shall have less than 200 employees.

#### **29.107** Termination of Self-Insurance

- (a) Employer may, without penalty, purchase coverage and terminate self-insurance, provided claims and penalties due under the self-insurance authorization are fully paid.
- (b) Should employer obtain coverage and terminate the self-insurance authorization prior to the end of the quarter, payments due the Special Disability Fund shall be prorated for the actual period the self-insurance authorization is in effect.

#### 29.108 Renewals

ŧ j

- (a) Self insurance certificate is valid for one year, unless sooner revoked as provided herein.
- (b) Renewal application shall be accompanied with the following:
  - (1) A completed application;
  - (2) An audited financial statement;
  - (3) Any additional relevant information required by the Commission.
- (c) The Commission may require additional security depending on the change on financial condition of the employer.

6

(d) The Commission may require financial reports more frequently than once each year if the financial condition of the employer shows signs of deterioration and closer scrutiny is deemed warranted.

#### **29.109** Periodic Examination

The Commission may examine relevant records of an employer as often as it deems necessary. Examination shall include but not be limited to adequacy of loss reserves, adequacy of securities provided, and claims handling practices.

# **29.110** Grounds for Non-renewal or Revocation of a Certificate of Authorization for Self-Insurance

The following constitute grounds for non-renewal or revocation of a certificate of authorization from self-insurance:

- (a) Failure to comply with any provisions of these rules and regulations;
- (b) Failure to comply with lawful orders of the Commission; or
- (c) Committing an unfair or deceptive act or practice; or
- (d) Poor financial condition adversely affecting employers' ability to pay expected losses.

#### **29.111 Hearing and Appeal**

- (a) Prior to denying a renewal application, or revoking a certificate of self insurance authorization issued pursuant to this regulations, employer shall be given a hearing and a right to appeal as provided herein.
- (b) The Workers Compensation Commission shall hear the appeal no later than 90 days from the date of the request.

#### 29.112 Renewal Request for Self-Insurance

All self-insured employers shall be subjected to an annual review for eligibility and shall submit application forms prescribed by the Commission. The renewal request shall be submitted no later than 30 days prior to the expiration of current self-insurance authorization.

#### 29.113 Penalties

7

- (a) A civil penalty of \$100.00 shall be assessed each employee upon failure to post notice of self-insurance pursuant to Section 9343 (b) of P.L. 9-33.
- (b) Employers who fail to remit payments due under the Special Disability Fund shall be assessed a penalty of 10 percent per month or a fraction thereof of the amount unpaid, not to exceed 50% in the aggregate, plus interest of 12% per annum.

#### 29.114 Disposition of Receipts Upon Termination of Self-Insurance.

Employer is not entitled to a refund of any payments made into the Special Disability Fund in the event coverage is obtained from a carrier, or have elected not to be self insured.

#### **29.116** Severability Clause

These rules are promulgated to implement Section 9341 of P.L. 9-33. If any provision of these rules is held to be invalid, such invalidity shall not affect other provisions.

#### PART III. EFFECTIVE DATE

The effective date of these amendments shall be pursuant to 1 CMC §9105(b).

Adopted as proposed amendments to the WCC Rules and Regulations by the Workers' Compensation Commission this <u>22nd</u> day of <u>May</u>, 1996.

Vicente C. Camacho Chairman

Edward H. Manglona Administrator

## **Certification of Adopted Regulations**

I, Vicente C. Camacho, Chairman of the Board of Trustees/Workers' Compensation Commission, NMI Retirement Fund, which has promulgated the foregoing Workers' Compensation Commission Rules and Regulations, by my signature below, do hereby certify that these regulations are true, complete and a correct copy, formally adopted by the Board of Trustees.

DATED this <u>22nd</u> day of May, 1996.

Vicente C. Camacho, Chairman Board of Trustees/Workers' Compensation Commission

9