

**COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
SAIPAN, TINIAN, ROTA and NORTHERN ISLANDS**



COMMONWEALTH REGISTER

**VOLUME 38
NUMBER 10**

OCTOBER 28, 2016

COMMONWEALTH REGISTER

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NUMBER 10

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**Public Notice of Emergency and Proposed Procurement Regulations of the
Department of Finance**

Notice of Intended Action: The Department of Finance proposes the following regulations pursuant to the Administrative Procedure Act, 1 CMC § 9104(a). If adopted, these regulations will become effective ten days after publication of a Notice of Adoption in the Commonwealth Register. 1 CMC § 9105(b).

Emergency Adoption: The public interest in conducting the 2016 elections requires the Department of Finance to adopt emergency regulations for the purchase of election-related goods and services pursuant to 1 CMC § 9104(b). The following emergency regulations shall be effective for 120 days from the date of signature by the Governor. The Department of Finance proposed to adopt these emergency regulations immediately because it is in the public interest to obtain election-related goods and services before the election begins.

Authority: These amendments are promulgated under the authority of 1 CMC § 2553(j), which grants the Department of Finance the authority to control procurement and supply; 1 CMC § 2557, which grants the Department the authority to adopt rules and regulations.

Terms and Substance: These emergency and proposed regulations provide a regulatory scheme for the expedited purchase of election-related goods and services.

Directions for Filing and Publication: These proposed amendments shall be published in the Commonwealth Register in the section on proposed and newly adopted regulations (1 CMC § 9102(a)(1)) and posted in convenient places in the civic center and in local government offices in each senatorial district, both in English and in the principal vernacular (1 CMC § 9104(a)(1)).

Comments: Interested parties may submit written comments on the proposed regulations to Larissa Larson, Secretary of Finance, via U.S. mail to PO Box 5234, Saipan, MP 96950. Comments, data, views, or arguments are due within 30 days from the date of publication of this notice. 1 CMC § 9104(a)(2).

Submitted by: [Signature]
Larissa Larson, Secretary of Finance

Date: 9/4/16

Emergency Regulation Approved by:
[Signature]
Ralph DLG. Torres, Governor

Date: 9/5/16

Received by: [Signature]
Shirley Camacho-Ogumoro
Special Assistant for Administration

Date: 10/5/16

Filed and Recorded by: [Signature]
Esther SN. Nesbitt
Commonwealth Register

Date: 10⁶/5/16

I certify, pursuant to 1 CMC § 2153(e) and 1 CMC § 9104(a)(3), that I have reviewed and approved these regulations as to form and legal sufficiency.

[Signature]

Date: 10-6-16

Edward Manibusan
Attorney General

NMIAC § 70-30.3-225(a) is amended as follows:

- (a) A contract may be awarded for a supply, service, or construction without competition when
 - (1) The Director determines in writing that there is only one source for the required supply, service, or construction; or
 - (2) For the purpose of procuring equipment and services identified as interoperable for the use of enhancing and protecting the Commonwealth homeland security from suppliers determined capable to deliver such equipment and services for the purpose specified and/or for purposes relating to the needs of agencies designated as homeland providers; or
 - (3) To obtain professional services for the purpose of facilitating the process of obtaining needed critical infrastructure funding in order to harden and enhance the capability of protecting critical infrastructure of the Commonwealth; or
 - (4) To obtain professional services for the purpose of facilitating the establishment of a unit authorized in a federal defense appropriation act; or
 - (5) Solely for the purpose of obtaining expert witnesses for litigation; or
 - (6) For legal services; or
 - (7) For policy consultants of the Governor, Lt. Governor, and presiding officers of the Legislature; or
 - (8) To obtain goods or services related to election management, including, but not limited to, constructing election databases, formatting ballots, tabulating ballots, and servicing voting machines.

NMIAC § 70-30.3-235(a) is amended to read as follows:

- (a) When special circumstances require the expedited procurement of goods or services including professional services for the purpose of facilitating the process of obtaining needed critical infrastructure funding in order to harden and enhance the capability of protecting critical infrastructures of the Commonwealth, or when the official with expenditure authority is procuring goods or services described in NMIAC § 70-30.3-225(a)(8), the official with expenditure authority may request that

the Director approve expedited procurement without the solicitation of bids for proposals.

NMIAC § 70-30.3-235(f) is amended to read as follows:

(f) The total amount of goods or service that may be approved under this section shall not exceed \$25,000 except:

(1) When such goods or services are procured for the purpose of facilitating the process of obtaining needed critical infrastructure funding in order to harden and enhance the capability of protecting critical infrastructures of the Commonwealth including procuring vehicles and equipment specifically designed for chemical, biological, nuclear exposure and bomb detection and critically needed emergency medical supplies as described by the Office of Domestic Preparedness;
or

(2) When the goods or services are procured under NMIAC § 70-30.3-225(a)(8).

NMIAC § 70-30.3-401(b)(iii) is amended to read as follows:

(iii) The official with expenditure authority demonstrates in writing that the advance payment is made pursuant to procurement of goods and services as provided in § 70-30.3-225(a)(2), (a)(3), (a)(4) ~~(a)(8)~~, or § 70-30.3-235(b)(1).



COMMONWEALTH CASINO COMMISSION
 Commonwealth of the Northern Mariana Islands
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Juan M. Sablan, Chairman
 Joseph C. Reyes, Vice Chairman
 Justin S. Manglona, Secretary
 Alvaro A. Santos, Treasurer
 Martin DLG San Nicolas, Public Affairs

**PUBLIC NOTICE OF CERTIFICATION AND ADOPTION
 OF REGULATIONS OF THE COMMONWEALTH CASINO COMMISSION**

PRIOR PUBLICATION IN THE COMMONWEALTH REGISTER
 AS PROPOSED REGULATIONS
 Volume 38, Number 07, pp 038223-038390, of July 28, 2016

ACTION TO ADOPT PROPOSED REGULATIONS: The Commonwealth of the Northern Mariana Islands, (“CNMI”), Commonwealth Casino Commission (“the Commission”), HEREBY ADOPTS AS PERMANENT regulations the Proposed Regulations which were published in the Commonwealth Register at the above-referenced pages, pursuant to the procedures of the Administrative Procedure Act, 1 CMC § 9104(a). The Commission announced that it intended to adopt them as permanent, and now does so. (Id.) A true copy is attached. I also certify by signature below that:

As published, such adopted regulations are a true, complete and correct copy of the referenced Proposed Regulations, and that they are being adopted without modification or amendment, except as stated as follows:

- (1) Minor punctuation changes were made in the headings throughout the Regulations.
- (2) In four (4) places, “Commonwealth Treasurer” was changed to “CNMI Treasurer”

PRIOR PUBLICATION: The prior publication was as stated above. The Commission adopted the regulations as final at its meeting of October 17, 2016.

MODIFICATIONS FROM PROPOSED REGULATIONS, IF ANY:

§ 175-10.1-205 Official Records; Fees for Copies:

(f) All payment of taxes, fees, deposits, and charges which are to be made to the Commonwealth Treasury shall be made by check payable to the order of the CNMI ~~Commonwealth~~ Treasurer and mailed to the Department of Finance with an original receipt delivered to the main office of the Commission or posted by certified mail to the mailing address of the Commission.

(g) All payment of fees, deposits, charges, or payments of any kind which are to be made to the Commonwealth Casino Commission shall be made by check payable to the order of the Commonwealth Casino Commission or the CNMI ~~Commonwealth~~ Treasurer and posted by certified mail to the mailing address of the Commission.

§ 175-10.1-1210 Payment of Fees and Deposits:

(c) The Annual License Fee required by 175-10.1-610 shall be paid by check made payable to the “~~CNMI~~ ~~Commonwealth~~ Treasurer” with a notation in the “Memo” area listing the fee being paid, and mailed to the Commonwealth’s Department of Finance. No check so presented shall be deemed payment until the Commission shall be satisfied that sufficient funds are contained in the account against which it is drawn. An original receipt must be forwarded to the Commission promptly via U.S. Mail. Nothing herein prevents the Commission from receiving payment reports from the Department of Finance; however such reports do not alleviate the payor’s responsibility to forward the original receipt to the Commission.

(d) All other fees shall be paid by check made payable to the “~~CNMI~~ ~~Commonwealth~~ Treasurer” with a notation in the “Memo” area listing the fee being paid, and **mailed** to the Commission. No check so presented shall be deemed payment until the Commission shall be satisfied that sufficient funds are contained in the account against which it is drawn.

§ 175-10.1-1305 Service Provider and Vendor License Requirements:

(e) Casino Vendor Licenses pursuant to subsection (b) are not required for the following persons provided they engage solely in the following transactions:

- (7) Agencies or political subdivisions of the Commonwealth government;
- (8) Regulated public utilities.
- (9) Attorneys providing legal services;
- (10) Accountants providing accountancy services;
- (11) Insurance companies underwriting risk or selling policies of insurance;
- (12) Shipping companies providing transportation of goods;
- (13) Telecommunication companies providing communication service.

§ 175-10.1-1390 Casino Vendor License

- (9) Attorneys providing legal services;
- (10) Accountants providing accountancy services;
- (11) Insurance companies underwriting risk or selling policies of insurance;
- (12) Shipping companies providing transportation of goods;
- (13) Telecommunication companies providing communication service.

§ 175-10.1-590 Compliance Committee:

(b) The Committee must have at least one (1) independent person, acceptable to the Commission, not employed by the Company, (but who may be an paid outside consultant to the Company), who must have knowledge of applicable gaming laws and regulations. Notwithstanding the non-employee status of the independent member(s), the Executive Director may require the independent member(s) to secure licensure as if they were casino key employees or vendors.

§ 175-10.1-2510 Definitions. As used in this Part, unless the context plainly requires a different definition: (a) “offense” means a violation of any: federal, state or Commonwealth law; federal, state or Commonwealth Regulation; any order issued by the Commission; any Internal Control Standard approved by the Commission; or any Minimum Internal Control Standard ordered by the Commission. (b) “Person” means a person or

business entity who is or who must be licensed, regulated or registered by the Commission, or who holds or is the beneficiary of a license issued by the Commission.

§ 175-10.1-2530 Self-reporting Determination. (a) The Commission, the Executive Director, or the Hearing Examiner, as the case may be, shall determine whether the licensee immediately, promptly or belatedly self-reported the offense (and the facts giving rise thereto) to the Commission, or whether the licensee failed to report the offense in a timely manner or at all.

§ 175-10.1-2635 Methods, Procedures and Forms:

(c) Every Junket Operator must provide to the Executive Director an exact copy of every tax or other document, form, or return filed with or provided to the Commonwealth's Secretary of Finance, the Department of Finance, or the Division of Revenue & Taxation within three (3) days of such filing or provision, without regard as to whether the document, form or return was filed or provided by the Junket Operator or on behalf of the operator by an agent or third party..

§ 175-10.1-2305 Persons Ineligible for Employment:

(b) The casino licensed under the Act must certify to the Commission yearly in a document signed by the Casino's chief executive or operating officer and chief financial officer that no financial consideration or payment has been made to any prohibited person in violation of this regulation

§ 175-10.1-2730 Surveillance Room Access and Control. (a) Unless otherwise specifically authorized by CCC, access to the surveillance room is restricted to Surveillance and CCC personnel. Management higher than the Vice President for Surveillance and/or Vice President for Security may enter the room if accompanied by a CCC agent and their access shall be recorded on a Surveillance Ingress/Egress Log.

§ 175-10.1-2310 Commission Ineligible for Employment.

(a) No member, employee, or agent of the Commission shall knowingly be an employee of or have any business or financial association with or interest in any casino or casino service provider or vendor licensee under this title or any business reasonably related to such license.

(b) Cool off period. No member or employee of the Commission, except clerical employees of the Commission, shall work for or be a consultant to the casino licensee or any poker, pachinko or electronic gaming facility in the Commonwealth, which is regulated by the Commission for a period of one (1) year after separation from the Commission.

§ 175-10.1-1910 Temporary Licensure; Provisional Licensure:

(g) If the applicant withdraws his application for a Casino ~~Service Provider~~ Key Employee License required by § 175-10.1-1905, the Provisional License issued by the Executive Director pursuant to § 175-10.1-1910(e) shall immediately expire.

§ 175-10.1-905 Casino Service Provider Licenses:

(a) No casino service provider or vendor license shall be issued unless the individual qualification of each of the following persons shall have first been established to the satisfaction of the Commission: Each such casino service provider enterprise, its owners, its management personnel, its supervisory personnel, and its principal employees.

§ 175-10.1-310 Licenses Generally Required:

(e) An application for renewal as a casino key employee or a casino employee shall be accompanied by an offer for continued employment by the Casino Gaming Licensee. The ~~Casino Key Employee License and the~~ Casino Employee license shall be valid for the remainder of the fiscal year in which it was applied for and renewed before every third October 1 thereafter, unless the license is sooner suspended or revoked, the licensee's authorization to work in the United States expires, is terminated or revoked, or the licensee's employment with the Casino Gaming Licensee has ended. The ~~Casino Key Employee License and the Casino Employee license~~ shall be valid for the remainder of the fiscal year in which it was applied for and renewed before every other October 1 thereafter, unless the license is sooner suspended or revoked, the licensee's authorization to work in the United States expires, is terminated or revoked, or the licensee's employment with the Casino Gaming Licensee has ended. By way of example, a Casino Key Employee license or casino Employee license applied for on December 31, 2015 is valid through September 30, 2017 and must be renewed ~~on or~~ before October 1, ~~2017~~. Key employee licensees must not begin work until they have been granted a provisional key employee license or a full key employee license by the Commission.

§ 175-10.1-560 Minimum Bankroll Requirements:

(d) The casino licensee shall maintain an unencumbered irrevocable letter of credit from a financial institution acceptable to the Commission in the amount of Fifteen Million Dollars (\$15,000,000.00), or some other higher amount required by the Commission, to ensure payment to winning players. (b) The casino licensee shall not accept any wager for which it does not have funds readily available to pay.

(e) The casino licensee shall not accept any wager for which it does not have funds readily available to pay.

AUTHORITY: The Commission has the authority to adopt rules and regulations in furtherance of its duties and responsibilities pursuant to Section 2314 of Public Law 18-56.

EFFECTIVE DATE: Pursuant to the APA, 1 CMC sec. 9105(b), these adopted regulations are effective 10 days after compliance with the APA, 1 CMC §§ 9102 and 9104(a) or (b), which, in this instance, is 10 days after this publication in the Commonwealth Register.

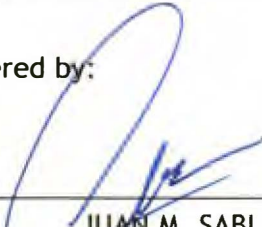
COMMENTS AND AGENCY CONCISE STATEMENT: Pursuant to the APA, 1 CMC sec. 9104(a)(2), the agency has considered fully all written and oral submissions respecting the proposed regulations. Upon this adoption of the regulations, the agency, if requested to do so by an interested person, either prior to adoption or within 30 days thereafter, will

issue a concise statement of the principal reasons for and against its adoption, incorporating therein its reasons for overruling the considerations urged against its adoption. Please see the following pages for this agency's concise statement, if there are any, in response to filed comments.

I **DECLARE** under penalty of perjury that the foregoing is true and correct and that this declaration was executed on the 21st day of October 2016, at Saipan, Commonwealth of the Northern Mariana Islands.

Certified and ordered by:

Submitted by:

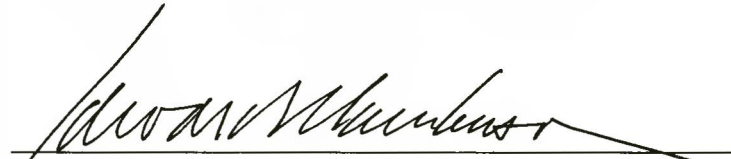


JUAN M. SABLAN
Chairman of the Commission

Oct. 21, 2016
Date

Pursuant to 1 CMC § 2153(e) and 1 CMC § 9104(a)(3), the certified final regulations, modified as indicated above from the cited proposed regulations, have been reviewed and approved as to form and legal sufficiency by the CNMI Attorney General, and shall be published pursuant 1 CMC § 2153(f).

Dated the 25 day of October, 2016.



Hon. EDWARD MANIBUSAN
Attorney General

Filed and Recorded by:



ESTHER SN NESBITT
Commonwealth Register

10.28.2016
Date

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS



COMMONWEALTH CASINO COMMISSION

RULES AND REGULATIONS



October 2016

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COMMONWEALTH CASINO COMMISSION

Chapter 175-10 Commonwealth Casino Commission
Subchapter 175-10.1 Commonwealth Casino Commission Rules and Regulations
Subchapter 175-10.2 Code of Ethics

CHAPTER 175-10
COMMONWEALTH CASINO COMMISSION

SUBCHAPTER 175-10.1
COMMONWEALTH CASINO COMMISSION RULES AND REGULATIONS

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§ 175-10.1-001 Promulgation, Amendment, Modification and Repeal. The following regulations are issued pursuant to Public Law 18-56, in accordance with procedures promulgated by the Administrative Procedure Act, 1 CMC §9101 et seq. The Commission will, from time to time, promulgate, amend and repeal such regulations, consistent with the policy, objects and purposes of Public Law 18-56, as the Commission may deem necessary or desirable in carrying out the policy and provisions of the laws of the Commonwealth. These regulations supersede any other regulations previously promulgated.

§ 175-10.1-005 Construction:

(a) Nothing contained in these regulations shall be construed as to conflict with any provision of the Act.

(b) These rules and regulations shall be interpreted in accordance with generally accepted principles of statutory construction. (c) These rules and regulations shall be liberally construed to permit the Commission to effectively carry out its statutory functions and to secure a just and expeditious determination of issues properly presented to the Commission.

§ 175-10.1-010 Severability. If any clause, sentence, subparagraph, paragraph, subsection, section, chapter, or other portion of these entire rules and regulations or the application thereof to any person or circumstance shall be held to be invalid, such holding shall not affect, impair, or invalidate the remainder of these rules and regulations or the application of such portion held invalid to any other person or circumstances, but shall be confined in its operation to the clause, sentence, subparagraph, paragraph, subsection, section, chapter, or other portion thereof directly involved in such holding or to the person or circumstance therein involved.

§ 175-10.1-015 Preemption. The Commission shall have exclusive jurisdiction

over all matters delegated to it or within the scope of its power under the provisions of the Act and these Regulations. These Regulations supersede any bylaws of the Commission.

§ 175-10.1-020 Practice where Regulations Do Not Govern. In any matter not governed by these Regulations, the Commission shall exercise its discretion so as to carry out the purposes of the Act.

§ 175-10.1-025 Suspension of Regulations. On its own or a party's motion, the Commission may – to expedite its decision or for other good cause – suspend any provision of these Regulations in a particular matter and order proceedings as it directs, except the Commission may not contradict any explicit requirement of the Act.

§ 175-10.1-030 Definitions, Words and Terms; Tense, Number and Gender. In interpreting these regulations, except when otherwise plainly declared or clearly apparent from the context: Words in the present tense include the future tense; The singular includes the plural and the plural includes the singular; and words of one gender include the other genders.

§ 175-10.1-035 Headings. The heading of a title, subtitle, chapter, subchapter, part, subpart, section or subsection does not limit or expand the meaning of a regulation.

§ 175-10.1-040 Definitions. In this Subchapter 175-10.1, the following words have the following meanings, unless some contrary meaning is required:

- (a) "Act" means Public Law 18-56 as it may be amended or supplemented by subsequent legislation.
- (b) "Ante" means a player's initial wager or predetermined contribution to the pot prior to the dealing of the first hand.
- (c) "Automated Teller Machine" or "ATM" means an automated bank teller machine capable of dispensing or receiving cash.
- (d) "Authorized Personnel" means any member or designee of the Commonwealth Casino Commission.
- (e) "Book" means a race book or sports pool licensed and approved pursuant to these Regulations.
- (f) "Business Year" means the annual period used by a licensee for internal accounting purposes.
- (g) "Call": A wager made in an amount equal to the immediately preceding wager.
- (h) "Card Game" means a game in which the licensee is not party to wagers and from which the licensee receives compensation in the form of a rake-off, a time buy-in, or other fee or payment from a player for the privilege of playing, and includes but is not limited to the following: Poker, bridge, whist, solo and panguingui.

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- (i) "Card Room Bank": An imprest fund which is a part of and accountable to the licensee's casino cage or bankroll but which is maintained in the card room exclusively for the purposes set forth in 175-10.1-2115(a).
- (j) "Card Table Bank": An imprest inventory of cash and chips physically located in the table tray on the card table and controlled by the licensee through accountability established with the card room bank. The card table bank shall be used only for the purposes set forth in Regulation 175-10.1-2115(b)
- (k) "Cashable Credits" means wagering credits that are redeemable for cash or any other thing of value.
- (l) "Casino" means a place, area, structure, vessel, communication channel, or other thing, tangible or intangible, subject to licensing pursuant to this chapter for the conduct and playing of one or more games, or the acceptance of bets and wagers, including all associated activities of gaming and wagering, including but not limited to any bar, cocktail lounge or other facilities housed therein such as money counting, surveillance, accounting, and storage, related to such conduct and playing, provided, that such term shall not include areas of a resort complex or other facility exclusively devoted to other activities, such as a hotel, golf course, etc., in which no game is conducted or played and no wagering occurs.
- (m) "Casino Employees" means any natural person employed by the licensed casino who carries out or conducts casino gaming activities as part of the business of the exclusive casino licensee, which person shall be eighteen years of age or older and hold a license granted by the Commission. Persons deemed to be casino employees shall include:
 - 1. Table games personnel who attend to or conduct gaming activities, including dealers, floor people, pit mangers and shift managers.
 - 2. Cage and count room personnel who support gaming activities within the casino, including cashiers, supervisors and shift managers.
 - 3. Security personnel who work within the casino gaming areas, including guards, supervisors and shift managers.
 - 4. Surveillance personnel who work within the casino gaming areas, including operators, supervisors and shift managers.
 - 5. Marketing personnel who attend to or support gaming activities within the casino gaming areas, including hosts, marketing representatives, supervisors and shift managers.
 - 6. Slot machines personnel who attend to or support gaming activities within the casino, including attendants, technicians, supervisors and shift managers.
 - 7. Accounting personnel who work directly with financial information relating to gaming activities, including revenue auditors staff accountants and supervisors.
 - 8. Information technology personnel who attend to or support gaming activities within the casino, including technicians, engineers and supervisors.
 - 9. Members of the management team who are manager level and above and who oversee or supervise or have responsibilities over any of the above operations.

10. Executive directors of the casino licensee.

- (n) "Casino Gaming Activities" means all games of chance and other games played in major casino establishments in the United States and other games approved by the Commission, and further includes the operation of a sports book approved by the Commission to accept bets and wagers on sporting and other events which rely on events which occur within and without the casino.
- (o) "Casino Gaming Licensee" or "Casino Licensee" means the holder of the license issued by the Commonwealth Lottery Commission pursuant to the Act to operate casino gaming at the casino gaming facilities.
- (p) "Casino Gross Gaming Revenue" means the total sums actually received from casino gaming activities, including credit card payments received and checks received whether collected or not, less the total amount paid out as winnings, provided that any sum received in payment for credit extended by a casino or operator for purposes of casino gaming activities or for the issue of a chip or chips for casino gaming activities shall be included as a sum received from gaming, and provided further that no allowance shall be permitted for any credit card fee or discount.
- (q) "Casino Key Employee" means an individual who is employed in the operation of a casino and who supervises other individuals employed in the casino and includes:
 - (1) A manager, an assistant manager, a floor person, a pit boss, a shift boss, a credit manager, and a count room manager; and,
 - (2) A supervisor of security employees, surveillance employees, accounting and auditing employees, and cashiers or count room employees; and
 - (3) Any employee whatsoever of a casino licensee so designated by the Commission.
- (r) "Casino Non-gaming-Related Supplier" means a person who provides for the playing of games of chance in a casino, gaming equipment that is not mentioned in the definition of casino Service Provider in this section, or goods or services that relate to the construction, furnishing, repair, maintenance, or business of a casino, but that are not directly related to the playing of games of chance.
- (s) "Casino Security Service" means any non-governmental enterprise providing surveillance and/or security services to a casino, a casino licensee, to an approved hotel, or to any premises located with a casino hotel complex.
- (t) "Casino Service Provider" means a person subject to licensing pursuant to this chapter that offers goods or services directly related to casino gaming activities, including such persons as gaming equipment manufacturers, importers, distributors, or repairers; and casino security services; and any other service provider or entity the Commonwealth Casino Commission requires to be licensed.
- (u) "Chairman" means the chairman of the Commission appointed, confirmed and elected pursuant to the Act or his designee.
- (v) "Check" means a monetary instrument commanding a bank to pay a sum of money. In card games, it means to waive the right to initiate the wagering, but to retain the right to call after all the other players have either wagered or folded.

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- (w) "Chip" means a non-metal or partly metal representative of value issued by a licensee for use at table games or counter games at the licensee's gaming establishment.
- (x) "CMC" means the Commonwealth Marianas Code.
- (y) "CNMI" means the Commonwealth of the Northern Mariana Islands.
- (z) "Commission" means the Commonwealth Casino Commission established by the Act.

§ 175-10.1-045 Further Definitions. In this Subchapter 175-10.1, the following words have the following meanings, unless some contrary meaning is required:

- (a) "Commissioner" means the commission member of the Commission appointed and confirmed pursuant to the Act.
- (b) "Commonwealth" means the Commonwealth of the Northern Mariana Islands.
- (c) "Confidential Information" means any information or data, furnished to or obtained by the Commission from a source, which is considered confidential pursuant to the applicable statutory provision, judicial decision, or rule of court.
- (d) "Convention Center" is a place, combining the requirements of a Hotel, for a formal assembly or meeting of members, representatives, or delegates of a group, such as a political party, fraternity, union, business, government or religious entity.
- (e) "Counter Game" means a game in which the licensee is party to wagers and wherein the licensee documents all wagering activity. The term includes, but is not limited to bingo, keno, race books, and sports pools. The term does not include table games, card games and slot machines.
- (f) "Counter Games Pay-out" means the total amount of money, chips, tokens, wagering vouchers, payout receipts, and electronic money transfers made from a counter game through the use of a cashless wagering system, that are distributed to a patron as the result of a legitimate wager.
- (g) "Counter Games Write" means the total amount of money, guaranteed drafts, chips, tokens, wagering vouchers, unpaid winning tickets, and electronic money transfers made to a counter game through the use of a cashless wagering system, that are accepted from a patron as a legitimate wager.
- (h) "Debit Instrument" means a card, code or other device with which a person may initiate an electronic funds transfer or a wagering account transfer. The term includes, without limitation, a prepaid access instrument
- (i) "Dollar" means the money unit employed as legal tender of the United States of America of the value of one hundred (100) cents.
- (j) "Drop" means:
 - 1. For table games, the total amount of money, guaranteed drafts, chips, tokens, and wagering vouchers contained in the drop boxes and any electronic money transfers made to the game through the use of a cashless wagering system.
 - 2. For slot machines, the total amount of money, tokens and wagering vouchers contained in the drop box, and any electronic money transfers made to the slot machine through the use of a cashless wagering system.
- (k) "Drop Box" means:

1. For table games, a locked container permanently marked with the game, shift, and a number corresponding to a permanent number on the table. All markings must be clearly visible from a distance of at least twenty (20) feet. The container must be locked to the table, separately keyed from the container itself. All currency exchanged for chips or tokens or credit instruments at the table and all other items or documents pertaining to transactions at the table must be put into the container.
 2. For slot machines, a container in a locked portion of the machine or its cabinet used to collect the money and tokens retained by the machine that is not used to make automatic payouts from the machine.
- (l) "Electronic Money Transfer" means the transfer to or from a game or gaming device of a patron's cashable credits, through the use of a cashless wagering system, that have either been provided to the patron by the licensee, or for which the licensee or its affiliates have received cash through a wagering account. The term also includes electronic funds transferred from a financial institution to a game or gaming device as a result of an electronic funds transfer through a cashless wagering system.
- (m) "Enrollee" or "Enrolled Person" means any attorney, certified public accountant, or agent who is authorized to appear or practice before the Commission as provided in Part 1000.
- (n) "Establishment" means any premises where business is conducted, and includes all buildings, improvements, equipment and facilities used or maintained in connection with such business.
- (o) "Executive Director" means the Executive Director of the Commission appointed pursuant to the Act or his designee.
- (p) "Fiscal Year" means the period commencing on October 1 and ending the subsequent September 30.
- (q) "Funds" means money or any other thing of value.
- (r) "Game" means any activity that includes elements of prize, consideration, and chance, or any "game" that is approved by the Commission for the casino's purposes.
- (s) "Gaming" means the playing of any game;
- (t) "Gaming Equipment" means any mechanical, electrical, or electronic contrivance or machine used in connection with gaming or any game and includes, without limitation, roulette wheels, roulette tables, big six wheels, craps tables, tables for card games, layouts, slot machines, cards, dice, chips, plaques, card dealing shoes, drop boxes, and other devices, machines, equipment, items, or articles determined by the Commission to be so utilized in gaming as to require licensing of the manufacturers, distributors, or services or as to require Commission approval in order to contribute to the integrity of the gaming industry.
- (u) "Guaranteed Draft" means a draft or check accepted by a licensee for gaming purposes whose drawer is a patron and whose drawee unconditionally guarantees payment provided that all required issuance and acceptance procedures are adhered to by the drawee and the licensee. The term includes, but is not limited to, traveler's checks. The term does not include personal checks.

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- (v) "Hand": One game in a series, one deal in a card game, or the cards held by a player.
- (w) "Hotel" means a commercial establishment that provides lodging and usually meals, entertainment, and various personal services for the public for a fee. To be considered a hotel, it must be built to the standards and contain amenities required in the Casino License Agreement entered into between the Commonwealth Lottery Commission and the Casino Gaming Licensee.
- (x) "Independent Accountant" means a certified public accountant licensed by the Commonwealth or another state or territory of the United States, who is qualified to practice public accounting in the Commonwealth under the provisions of 4 CMC 3401 et. seq.
- (y) "Jackpot Pay-out" means money, tokens, payout receipts, wagering vouchers, electronic money transfers made from a slot machine through the use of a cashless wagering system and the actual cost to the licensee of personal property, other than travel expenses, food, refreshments, lodging or services distributed to a slot machine player as a result of a legitimate wager.
- (z) "Junket" means a casino junket, as the term is generally used in the industry in all its forms, where gamblers traditionally are flown to an area where legalized gambling is available and booked into a hotel/casino at a discount provided by a junket promoter or operator who engages in junket activity, which includes but is not limited to the provision of transportation, accommodation, food and drinks, discounts, rebates or entertainment with the purpose of promoting wagering in exchange for receiving commissions or other compensation paid by a casino operator.

§ 175-10.1-050 Further Definitions. In this Subchapter 175-10.1, the following words have the following meanings, unless some contrary meaning is required;

- (a) "Licensee" means a holder of a license issued by the Commission
- (b) "Meeting" means the convening of the full membership of the Commission, for which notice and a quorum is required in order to make a decision or to deliberate toward a decision upon a matter over which the Commission, has supervision, control, jurisdiction, or advisory power. It includes, but is not limited to, the consideration of license applications, transfers of interest, claims for tax refunds, petitions for redetermination, disciplinary proceedings, and exclusion list proceedings.
- (c) "Members" mean the Commissioners of the Commonwealth Casino Commission.
- (d) "Operator" means any person that actually provides the overall management of the operations of a casino, whether by ownership, lease, contract, agreement, or otherwise.
- (e) "Payout Receipt" means an instrument that is redeemable for cash and is either issued by a game or gaming device, or as a result of a communication from a game or gaming device to associated equipment, that cannot be used for wagering purposes.
- (f) "Person" includes a natural person, as well as a partnership, corporation, association, joint venture, or other business entity.

- (g) "Pot" The total amount anted and wagered by players during a hand.
- (h) "Premises" means land together with all buildings, improvements and personal property located thereon.
- (i) "Prepaid Access Instrument" means a card, code, electronic serial number, mobile identification number, personal identification number or similar device that allows patron access to funds that have been paid in advance and can be retrieved or transferred at some point in the future through such a device. To transfer funds for gaming purposes, a prepaid access instrument must be used in conjunction with an approved cashless wagering system, race book or sports pool wagering account, or interactive gaming account.
- (j) "Promotional Chip" means a chip- or token-like object issued by a licensee for use in promotions or tournaments at the licensee's gaming establishment.
- (k) "Proposition Player": A person paid a fixed sum by the licensee for the specific purpose of playing in a card game who uses his own funds and who retains his winnings and absorbs his losses.
- (l) "Raise": A wager made in an amount greater than the immediately preceding wager.
- (m) "Rake-off" means a percentage of the total amount anted and wagered by players during a hand in a card game which may be taken by the licensee for maintaining or dealing the game.
- (n) "Registration" means a final order of the Commission which finds a partnership, limited partnership, association, trust, corporation or other legal entity except an individual suitable to be a holding company with respect to a licensee.
- (o) "Regulations" (sometimes abbreviated as "Regs.") means regulations adopted by the Commission.
- (p) "Resort" means a place, such as a hotel with no fewer than five hundred (500) rooms and a meeting hall, convention center or other large event space capable of accommodating one thousand (1,000) attendees, that is frequented by people for relaxation or recreation. To be considered a Resort, it be built the standards and contain amenities required in the Casino License Agreement entered into between the Commonwealth Lottery Commission and the Casino Gaming Licensee.
- (q) "Rim Credit" means all extensions of credit in exchange for chips not evidenced by the immediate preparation of a credit instrument.
- (r) "Sales Representative" means any person owning an interest in, employed by, or representing a casino service industry enterprise licensed, who solicits the goods and services or business thereof.
- (s) "Secretary" means the secretary of the Commission appointed, confirmed and elected pursuant to the Act or his designee.
- (t) "Secure Storage Facility" means any area, room, furniture, equipment, machinery, or other device used by the Commission for the storage of confidential information access to which is limited to authorized personnel at all times by lock or other appropriate security precaution.
- (u) "Shill" or "Card Game Shill" means an employee engaged and financed by the licensee as a player for the purpose of starting and/or maintaining a sufficient number of players in a card game.

- (v) "Slot Machine" means a machine used for gambling that starts when you put coins, dollars, chips, tokens, or credits into it and pull a handle or press a button. It includes but is not limited to video poker machines, electronic gaming machines and all similar machines as determined by the Commission, which can be used, for the playing of games or wagering in any fashion.
- (w) "Stake" means the funds with which a player enters a game.
- (x) "Stakes Player" A person financed by the licensee to participate in a game under an arrangement or understanding where by such person is entitled to retain all or any portion of his winnings.
- (y) "Statements on Auditing Standards" means the auditing standards and procedures published by the American Institute of Certified Public Accountants.
- (z) "Statistical Drop" means the dollar amount of cash wagered by a patron that is placed in the drop box plus the dollar amount of chips or tokens issued at a table to a patron for currency, credit instruments or rim credit.

§ 175-10.1-050 Further Definitions. In this Subchapter 175-10.1, the following words have the following meanings, unless some contrary meaning is required:

- (a) "Statistical Win" means the dollar amount won by the licensee through play.
- (b) "Table Game Bankroll" means the inventory of:
 - 1. Chips, tokens and coinage at a table game that is used to make change, extend credit and pay winning wagers; and
 - 2. Unpaid credit at a table game, including credit instruments not yet transferred to the cage and outstanding rim credit.
- (c) "Table Tray" means a receptacle used to hold the card table bank.
- (d) "Time Buy-in" A charge to a player, determined on a time basis, by the licensee for the right to participate in a game.
- (e) "Token" means a metal representative of value issued by a licensee for use in slot machines and at table games or counter games at the licensee's gaming establishment.
- (f) "Treasurer" means the treasurer of the Commission appointed, confirmed and elected pursuant to the Act or his designee.
- (g) "Vice Chairman" means the vice chairman of the Commission appointed, confirmed and elected pursuant to the Act or his designee.
- (h) "Wager" or "Wagering" means a contract in which two or more parties agree that a sum of money or other thing, tangible or intangible, shall be paid or delivered to one of them or that shall gain or lose on the happening of an uncertain event or upon the ascertainment of a fact in dispute.
- (i) "Wagering Voucher" means a printed wagering instrument, used in a cashless wagering system, that has a fixed dollar wagering value and is redeemable for cash or cash equivalents.

PART 100. COMMONWEALTH CASINO COMMISSION: ORGANIZATION AND ADMINISTRATION

TITLE 175: COMMONWEALTH CASINO COMMISSION REGULATIONS

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§ 175-10.1-101 Commonwealth Casino Commission:

(a) The Commission is an autonomous public agency of the government of the Commonwealth of the Northern Mariana Islands and shall consist of five (5) Commissioners:

- (1) The Governor shall appoint from the Third Senatorial District three (3) members to the Commission, subject to the advice and consent of the Saipan and Northern Islands Legislative Delegation.
- (2) The Mayor of Rota shall appoint from the First Senatorial District one (1) member to the Commission, subject to the advice and consent of the Rota Legislative Delegation.
- (3) The Mayor of Tinian and Aguiguan shall appoint from the Second Senatorial District one (1) member to the Commission, subject to the advice and consent of the Tinian and Aguiguan Legislative Delegation.
- (4) Each member shall serve a term of six (6) years, except that of the members first appointed, two (2) shall serve a term of four (4) years, and three (3) shall serve a term of six (6) years, however, each member shall serve one (1) term. A term of a member is defined as the time a member serves as a Commissioner regardless of duration.
- (5) The terms of all the members first appointed shall begin from May 1, 2014, regardless of the actual date of appointment.

(b) Any vacancy shall be filled in the same manner as the original appointment and for the unexpired term thereof. A member removed from the Commission for cause shall not be re-appointed to the Commission.

(c) Qualifications of Commissioners:

- (1) Each member shall be a citizen or national of the United States and shall be a resident of and registered to vote in the Senatorial District from which they

were appointed.

- (2) A Commission member must be an adult, and possess a good moral character, a bachelor's degree in any field of study from a postsecondary educational institution accredited in the United States or must have at least five (5) years of work experience in the following areas: business management, government management, or financial management.
- (3) No person may be appointed who has been convicted of a crime, excepting traffic offenses, in any jurisdiction of the United States, the Commonwealth or any foreign country carrying a maximum sentence of more than six (6) months, or any crime or offense involving moral turpitude unless a full pardon has been granted.
- (4) No member shall serve in any other positions established by this chapter or shall be an employee or official of the Commonwealth, or of a municipality, agency, corporation, or other instrumentality or branch of the Commonwealth, or of any agency of local government of the Commonwealth, except that a member may serve without additional compensation on a task force or other temporary body the work of which is related to the work of the Commission.
- (5) No individual may serve as a member of the Commission, if such individual, or a parent or child of such individual, holds or is an applicant for any license under this title or holds any direct or indirect financial interest in any person or entity that holds or is an applicant for any license under this title.
- (6) The gender and ethnicity requirements of 1 CMC § 2901 shall not apply to the Commission.

(d) Removal of Commissioner for Cause Only. The Governor may, for cause only, suspend or remove any Commission member, without regard to who appointed said member, subject to judicial review by the Superior Court, which may stay such removal or suspension pending such review.

(e) Membership on the Commission shall be automatically forfeited upon violation of subsection (c) of this section, upon conviction of a felony, or upon conviction of any crime or offense involving moral turpitude.

(f) The Commission shall not be considered an agency of local government for purposes of Article VI, Section 8, of the Constitution.

(g) Compensation. Members of the Commission shall each be compensated pursuant to law. The members of the Commission are not employees of the Commission or the Commonwealth government.

(h) The members of the Commission shall elect their chairman, vice chairman, secretary and treasurer for terms of one (1) year, beginning from the effective date of their term.

(i) Quorum. The minimum number of Members needed to constitute a quorum for the conduct of Commission business shall be three (3) Members. A Member who appears at a Meeting telephonically or via videoconference shall be deemed present to

constitute a quorum.

§ 175-10.1-105 Powers and Duties. The Commission shall have all the powers and authority necessary to carry out the purposes of the Act, including, without limitation, the responsibility:

(a) To conduct hearings pertaining to the violation of the Act or regulations promulgated thereto; including hearings for the purpose of approving casino licenses and other business allowed under the Act.

(b) To promulgate such rules and regulations, as may be necessary to fulfill the intent, policies and purposes of the Act. The Commission may use such rules and regulations to interpret, enlarge upon, except provisions defining the authority and powers of the Commission, or define, any provision of the Act to the extent that such provision is not specifically defined by the Act. The rules and regulations shall, at a minimum, provide for the following:

- (1) A code of ethics for the members of the Commission and its officers and employees;
- (2) Supervision, monitoring and investigation or other means to ensure the suitability and compliance with the legal, statutory and contractual obligations of owners, operators, and employees of casinos and other persons licensed under this chapter;
- (3) The examination, supervision and monitoring of the continuing fiscal and financial capability of casino owners, operators, concessionaires and other parties with any direct or indirect relation to the sole casino operator licensee and to protect the public in the event that such capability is significantly diminished;
- (4) To collaborate in the definition, coordination and execution of the economic policies for the operations of the casino games of fortune and other ways of gaming, pari-mutuels, wagering and casino gaming activities offered to the public;
- (5) To authorize and certify all the equipment and utensils used by the operations of the concessionaires approved in the respective concessions;
- (6) To issue licenses for "junket" promoters of casino games of fortune or other casino gaming activities and charge fees therefore;
- (7) To examine, supervise and monitor the eligibility of the single or collective junket promoter(s), their partners and principal employees;
- (8) To examine, supervise and monitor the activities and promotions of the junket promoters in relation to their compliance with legal, statutory, and contractual obligations, and other responsibilities stipulated in the applicable legislation and contracts;
- (9) To investigate and penalize any administrative infractions practiced according to the appropriate substantial and procedural legislations;
- (10) To ensure that the relationship of the licensed gaming operators with the government and the public is in compliance with the Commission's regulations and provides the highest interest to Commonwealth;

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- (11) The exclusion and removal of undesirable persons from the sole casino operator licensee's facilities.
- (12) Civil penalties for the violation of provisions or regulations imposed under the Act;
- (13) Penalties for the late payment of applicable fines, or fees;
- (14) Means to exclude from the gaming areas of a casino individuals under twenty one (21) years of age, except such lawful employees of the casino or of a resort complex or other facility of which the casino forms a part as the Commission determines by regulation may be present in such areas; and
- (15) Provisions to attempt to identify and refuse service to gambling addicts and problem gamblers as they may be defined by the Commission.

(c) To levy fines and penalties for the violation of provisions of the Act and the regulation promulgated by the Commission.

(d) To require and demand access to and inspect, examine, photocopy, and audit all papers, books and records of the casino operator on its premises or elsewhere as practical, including inspecting the gross income produced by the casino operators, gaming business and verification of their income, and all other matters affecting the enforcement of the Commission's policy or as required pursuant to the Act.

(e) To determine the types of gaming and games to be covered by the casino license and their structure.

(f) To regulate sports betting, pari-mutuel betting, and other wagering, which relies on events occurring within or without the casinos, regulated by the Commission.

(g) The Commission shall not have the authority to issue license to the sole casino operator licensee. The power to issue such license lies with the Commonwealth Lottery Commission.

(h) To require and demand access to and inspect, examine, photocopy, and audit all papers, books and records of any casino service provider on its premises or elsewhere as practical, including inspecting the gross income produced by the provider's business and verification of their income, and all other matters affecting the enforcement of the Commission's policy or as required pursuant to this chapter.

(i) To conduct investigative hearings with public notice which may be conducted by one or more members with the concurrence of a majority of the Commission, or by a hearing examiner appointed by the Commission, with or without public notice, at such times and places, within the Commonwealth, as may be convenient.

(j) To withhold from public inspection, copying or disclosure:

- (1) all information and data required by the commission to be furnished pursuant to this chapter or the regulations promulgated hereunder, or which may otherwise be obtained, relative to the internal controls or to the earnings or revenue of any

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applicant or licensee except in the course of the necessary administration of this act, or upon the lawful order of a court of competent jurisdiction, or, with the approval of the Attorney General, to a duly authorized law enforcement agency;

(2) All information and data pertaining to an applicant's criminal record, family, and background furnished to or obtained by the division or the commission from any source shall be considered confidential and shall be withheld in whole or in part, except that any information shall be released upon the lawful order of a court of competent jurisdiction or, with the approval of the Attorney General, to a duly authorized law enforcement agency.

(3) All things permitted to be exempt pursuant to the Open Government Act.

The following information to be reported periodically to the commission by a casino licensee shall not be considered confidential and shall be made available for public inspection:

(A) A licensee's gross revenue from all authorized casino gaming activities as defined in this chapter, and the licensee's gross revenue from simulcast wagering;

(B) (i) The dollar amount of patron checks initially accepted by a licensee, (ii) the dollar amount of patron checks deposited to the licensee's bank account, (iii) the dollar amount of such checks initially dishonored by the bank and returned to the licensee as uncollected, and (iv) the dollar amount ultimately uncollected after all reasonable efforts;

(C) The amount of gross revenue tax or investment alternative tax actually paid and the amount of investment, if any, required and allowed, pursuant to Commonwealth law;

(D) A list of the premises and the nature of improvements, costs thereof and the payees for all such improvements, which were the subject of an investment required and allowed pursuant to Commonwealth law;

(E) A list of the premises, nature of improvements and costs thereof which constitute the cumulative investments by which a licensee has recaptured profits pursuant to Commonwealth law;

(F) All quarterly and annual financial statements presenting historical data which are submitted to the commission, including all annual financial statements which have been audited by an independent certified public accountant licensed to practice in the CNMI; and

(G) The identity and nature of services provided by any person or firm receiving payment in any form whatsoever for professional services in connection with the authorization or conduct of games conducted at a casino establishment.

(k) Notice of the contents of any information or data released, except to a duly authorized law enforcement agency pursuant to paragraph (1) or (2) of this subsection, shall be given to any applicant or licensee in a manner prescribed by the rules and regulations adopted by the Commission

(l) To have the sole authority to amend or revoke the license granted to the casino operator by the Commonwealth Lottery Commission for operating in an unsuitable manner due to violations of law, breaches of the license or violations of the Regulations promulgated by the Commission, as well as any other reason for revocation or termination stated in the License. If the Commission revokes the license issued by the Commonwealth Lottery Commission, the Commonwealth Casino Commission shall have the sole authority to re-issue a new casino gaming license. At least three (3) affirmative votes by Commission members shall be required to issue a new casino license.

(m) [RESERVED]

(n) [RESERVED]

(o) The Commonwealth Casino Commission shall have all oversight, responsibility, and authority necessary to assure compliance with this chapter, including but not limited to authority over: timelines for construction, the commencement of operations, and achieving the minimum initial investment requirements. The Commission shall approve the casino operator licensee's set number of games, such as slot machines or gaming tables, either in total or by category, or by location.

(p) To impose reasonable charges and fees for all costs incidental to the review, redaction and copying by the Commission of documents subject to public inspection without regard to whether the document is merely inspected by the requestor or whether copies are requested.

(q) To summarily seize and remove from all premises wherein gaming is conducted or gambling devices or equipment is manufactured, sold, or distributed, and impound any equipment, supplies, documents or records for the purpose of examination and inspection.

(r) The Commission or any of its members has full power and authority to issue subpoenas and compel the attendance of witnesses at any place within the Commonwealth, to administer oaths, receive evidence, and to require testimony under oath. The Commission or any member thereof may appoint hearing examiners who may issue subpoenas, administer oaths, and receive evidence and testimony under oath.

(s) The Commission may pay transportation and other expenses of witnesses as it may deem reasonable and proper. The Commission may require any licensee or applicant which is the subject of the hearing to pay for all costs and expenses of said hearing, including the expenses of any witness.

(t) The Commission shall initiate regulatory proceedings or actions appropriate to enforce the provisions of the gaming laws of the Commonwealth and the regulations promulgated thereto, when appropriate shall, in conjunction with the Attorney General, sue civilly to enforce the provisions of the gaming laws of the Commonwealth and the

regulations promulgated thereto, and may request that the Attorney General prosecute any public offense committed in violation of any provision of the gaming laws of the Commonwealth.

(u) To have sole jurisdiction to resolve disputes between patrons of a licensed casino and the licensee wherein the patron is attempting to collect a payout or other gaming debt. The Commission shall provide by regulation the procedures by which disputes are to be resolved and may impose charges and fees therefore. Notwithstanding any other law to the contrary, the Commission's decisions on patron disputes may be reviewed by the Commonwealth Superior Court which may affirm the decision and order of the Commission or the hearing examiner, or it may remand the case for further proceedings, or reverse the decision only if the substantial rights of the petitioner have been prejudiced because the decision is:

- (1) In violation of constitutional provisions;
- (2) In excess of the statutory authority or jurisdiction of the Commission or the hearing examiner; or
- (3) Unsupported by any evidence whatsoever.

(v) To have sole jurisdiction to determine whether a person or entity requires licensure or a finding of suitability in order to own, be employed by, receive revenue or profits (whether directly or indirectly) from, or do business with, a licensed casino. Further, the Commission shall have sole jurisdiction to determine whether a person or entity remains suitable in order to continue to own, be employed by, receive revenue or profits (whether directly or indirectly) from, or continue to do business with, a licensed casino. The Commission's decisions on licensure or finding of suitability may be reviewed by the Commonwealth Superior Court which may affirm the decision and order of the Commission or the hearing examiner, or it may remand the case for further proceedings, or reverse the decision only if the substantial rights of the petitioner, applicant or license holder have been prejudiced because the decision is:

- (1) In violation of constitutional provisions;
- (2) In excess of the statutory authority or jurisdiction of the Commission or the hearing examiner; or
- (3) Unsupported by any evidence whatsoever.

(w) The Commission shall have concurrent authority to determine the suitability of any location proposed for any portion of the operations of the casino operator licensee's operations in the Commonwealth. The Commission shall have the authority to require of developers, owners or financiers completion bonds in any amount agreeable to the Commission prior to or during the construction of any facility that requires, or once completed will require, a license from the Commission. The Commission shall have the authority to require the casino licensee to obtain completion bonds in any amount deemed reasonable to the Commission and of such quality satisfactory to the Commission to ensure the completion of construction for any construction project built by, for, or in relation to the casino licensee's operations in the Commonwealth. The Commission may but need not regulate the interior design, security, cleanliness or sanitation of any portion of the operations of the casino operator licensee's operations in

the Commonwealth or any facility which requires or has a license issued by the Commission regardless of the location of such facility.

(x) Final action shall occur in an open meeting after appropriate notice has been given the public.

(y) To approve the construction of the various phases of development of the operations of the casino operator licensee's operations in the Commonwealth and to allow gaming to commence at any time, and in such locations in Saipan, as the Commission deems appropriate. Notwithstanding the foregoing, the Commission shall regulate one (1) live training facility of temporary duration and all permanent facilities as are consistent with the provisions of the Casino License Agreement granted to the exclusive casino licensee and together shall be operated by the exclusive casino licensee.

(z) The Commission may exercise any proper power and authority necessary to perform the duties assigned to it by the Legislature, and is not limited by any enumeration of powers in this section.

§ 175-10.1-110 Limitation on Powers and Duties:

(a) The Commission shall not regulate betting or wagering associated with cockfighting.

(b) The Commission shall not have the authority to issue the original license to the sole casino operator licensee pursuant to the Act. The power to issue such sole casino operator license lies with the Commonwealth Lottery Commission pursuant to the Act.

§ 175-10.1-115 Executive Director:

(a) The Commission shall hire an Executive Director who will be responsible for the overall administration of the Commission and the supervision of the casino operator licensee and others pursuant to the Act.

(b) Qualification of the Executive Director. The Executive Director shall possess the following minimum qualification:

(1) A bachelor's degree from a United States accredited educational institution or equivalent; and

(2) Five (5) years work experience in professional, administrative or management in government or private sectors; and

(3) Good ethical and moral character; and

(4) The Commission shall not hire any person for the Executive Director's position who has been convicted of a crime in any jurisdiction of the United States, or any foreign country carrying a minimum sentence of imprisonment of more than six (6) months, excepting traffic offenses.

(5) The Executive Director shall not have any interest, directly or indirectly, in any business under the jurisdiction of the Commission.

(c) The Executive Director shall be the head of the administration of the Commission, and subject to the general oversight and direction of the Commission, shall organize the work of the Commission in a manner that will ensure its efficient and effective operation and, subject to the budgetary authority, the Executive Director may hire and terminate such staff including a legal counsel and other professionals, necessary to carry out the purpose of the Commission. Such staff shall be exempt from the civil service. The Executive Director shall obtain such equipment, rent or build such additional office space, and generally make such regular office expenditure and acquisitions as necessary to establish and maintain a working office suitable for the Commission to effectively function pursuant to the Act.

(d) The Executive Director shall have such other duties as may be assigned or delegated by the Commission.

(e) The Executive Director serves at the pleasure of the Commission.

(f) The Executive Director's annual salary shall be established by the Commission. The Executive Director shall be reimbursed for actual, necessary, and reasonable expenses incurred in the performance of his or her duties as allowed by the Commission, but in any event not to exceed Twenty-Five Thousand Dollars (\$25,000.00) in reimbursements per calendar year. All travel will be subject to 1 CMC §7407.

§ 175-10.1-120 Delegation to Chairman:

(a) The Commission hereby delegates to the Chairman the authority to issue preliminary rulings on scheduling, procedural, and evidentiary matters, and other matters provided by these Regulations, that may be presented to the Commission during the course of conducting a meeting, or that may arise when the Commission is not meeting.

(b) The Commission may, upon a majority vote in a specific case, temporarily abrogate the general delegation granted pursuant to subsection (a) of this section.

(c) Any specific ruling or decision of the Chairman pursuant to subsection (a) of this section is subject to consideration by the entire Commission upon the request of any Commissioner, or upon timely motion of a person affected by the ruling or decision.

(d) The Commission shall be deemed to have ratified an action of the Chairman taken pursuant to subsection (a), under the following circumstances:

(1) If the Chairman's action occurred during a Commission meeting, the Chairman's action is ratified if the Commission does not overturn or address the action at that meeting.

(2) If the Chairman's action occurred at a time other than during a meeting, if the Commission does not overturn or address the Chairman's action at the next meeting concerning that particular matter.

- (e) The Chairman may sign all orders on behalf of the Commission.
- (f) Where the Commission is a party to civil litigation, the Chairman may give guidance regarding the course of the litigation to the attorney for the Commission.

§ 175-10.1-125 Commission Meetings:

- (a) Regular meetings of the Commission shall be held at least once per month in Saipan, CNMI, on such dates and at such times as the Commission shall establish.
- (b) Special meetings of the Commission will be held from time to time on such dates and at such times and places as the Commission may deem convenient.
- (c) Except as otherwise specifically provided by these regulations, any member of the Commission may place an item on a Commission agenda for consideration by the entire Commission.
- (d) The Chairman may alter the order in which matters on the Commission agenda are heard.
- (e) Requests for special meetings will be granted only upon a showing of exceptional circumstances. The Commission may require that a person requesting a special meeting pay the costs associated with such meeting, in addition to those costs usually assessed against an applicant.
- (f) In the absence or incapacity of the Chairman, the Vice-chairman may call a special meeting. In the absence or incapacity of both, any two (2) members of the Commission may call a special meeting.
- (g) Unless otherwise ordered by the Chairman, requests for continuances of any matter on the Commission agenda must be in writing, must set forth in detail the reasons a continuance is necessary, and must be received by the Secretary no later than two (2) calendar days before the meeting.
- (h) Unless otherwise ordered by the Chairman, the original of any documentation supplementing an application as required by the Commission must be received by the Secretary no later than eight (8) calendar days before the meeting. Documentation not timely received will not be considered by the Commission unless the Commission, in its discretion, otherwise consents.
- (i) The Chairman may defer to another meeting any matter with respect to which documentation has not been timely submitted. The applicant and its enrolled attorney or agent, if any, must appear at the meeting to which the matter is deferred, unless the Chairman waives their appearances.

§ 175-10.1-130 Resolutions and Minutes:

(a) The records of the Commission shall include a minute book and a resolution book. The vote on any matter before the Commission shall be set forth in the minutes in substantial compliance with requirements of (b) below, unless the Chairman or the Commission determines otherwise. If the Commission determines to memorialize the vote on a particular matter by the preparation of a formal resolution, the resolution shall be prepared in substantial compliance with the requirements of (c) below and shall be recorded in the resolution book.

(b) Every vote of the Commission recorded in the minutes shall include the following information:

- (1) The substance of the matter considered;
- (2) The vote of the Commission, including the names of any Commissioner dissenting or abstaining;
- (3) If appropriate, reference to the existence of a formal resolution concerning the matter; and,
- (4) Certification by the Secretary of the Commission.

(c) Every formal resolution of the Commission shall include the following information:

- (1) A concise statement of the issues presented and the relevant procedural history;
- (2) The statutory authority for the action taken;
- (3) A precise statement of the action taken by the Commission, including any terms or conditions attached thereof; and,
- (4) Certification by the Secretary of the Commission.

(d) The failure to substantially comply with the requirements of (a), (b) or (c) above shall not invalidate the vote of the Commission.

§ 175-10.1-135 Appearances:

(a) Except as provided in subsection (b) or unless an appearance is waived by the Chairman, all persons, and their enrolled attorneys and agents, if any, must appear at the Commission meeting at which their matter is to be heard. Requests for waivers of appearances must be in writing, must be received by the Secretary no later than eight (8) business days before the meeting, and must explain in detail the reasons for requesting the waiver. If at the time of its meeting the Commission has any questions of an applicant who has been granted a waiver and is not present, the matter may be deferred to another meeting of the Commission.

(b) Unless the Commission otherwise instructs, the following persons, and their enrolled attorneys and agents, are hereby granted a waiver of appearance for the Commission meeting: (1) Applicants who have received a unanimous recommendation of approval from the Commission; (2) Licensees and Commission counsel on stipulations between the licensees and the Commission, where the stipulations fully

resolve petitions for redeterminations, claims for refunds or other issues.

(c) Where the Commission is to consider a stipulation between the Executive Director and a licensee settling a disciplinary action and revoking, suspending or conditioning a license, the licensee shall be prepared to respond on the record to questions regarding the terms of the stipulation and the licensee's voluntariness in entering into the stipulation.

§ 175-10.1-140 Recessed Meetings. Any meeting of the Commission may be recessed to consider matters which were duly noticed as items on the agenda of that meeting, to such time and place as the Commission may designate. Notice of a recessed meeting to consider matters which were duly noticed as items on the agenda may be given by announcement at the meeting, but where any other matters are to be considered at a recessed meeting, such matters must be duly noticed as required by these Regulations or as otherwise required by statute.

§ 175-10.1-145 Investigative Hearings. Investigative hearings may be conducted by one (1) or more members of the Commission with the concurrence of a majority of the Commission at such times and places, within the Commonwealth, as the member or members may deem convenient.

§ 175-10.1-150 Appointment of Committees. The Chairman may at his discretion appoint committees to study and report to the Commission any matter appropriate to the Commission's administration of the Act or these regulations.

§ 175-10.1-155 Service of Notices in General:

(a) Each licensee and applicant shall provide an electronic mail address to the Commission for the purpose of sending notices and other communications from the Commission. Each licensee and applicant shall update this electronic mail address immediately as often as is otherwise necessary. The original provision and subsequent updates of electronic mail addresses shall be made to the Commission's custodian of records by means designated by the Chairman.

(b) Except as otherwise provided by law or in these regulations, notices and other communications may be sent to an applicant or licensee by electronic mail at the electronic mail address of the establishment as provided to the Commission for the purpose of sending notices and other communications. Except as otherwise provided by law or in these regulations, notices and other communications sent by electronic mail shall satisfy any requirement to mail a notice or other communication.

(c) Notices shall be deemed to have been served on the date the Commission sent such notices to the electronic mail address provided to the Commission by a licensee or applicant, and the time specified in any such notice shall commence to run from the date of such mailing.

(d) Any applicant or licensee who desires to have notices or other communications mailed to a physical address shall file with the Commission a specific request for that purpose, and notices and other communications will, in such case, be sent to the applicant or licensee at such address, but the Commission may charge a fee therefore.

(e) An applicant or licensee will be addressed under the name or style designated in the application or license, and separate notices or communications will not be sent to individuals named in such application or license unless a specific request for that purpose is filed with the Commission. In the absence of such specific request, a notice addressed under the name or style designated in the application or license shall be deemed to be notice to all individuals named in such application or license.

§ 175-10.1-160 Subpoenas. The Commission hereby delegates to the Secretary the authority to issue subpoenas and subpoenas and subpoenas duces tecum as provided by these regulations. In the absence of the Secretary, the Chairman may designate another person to issue such subpoenas.

§ 175-10.1-165 Employment and Termination of Commission Employees. The Executive Director shall be responsible for the employment and termination of Commission employees. Members of the Commission are responsible only for the employment of the Executive Director and shall not interfere with the Executive Director's employment decisions. The Executive Director shall create, and from time to time, update, an employee handbook or manual which reflect the Commission's personnel policies. At a minimum, the handbook or manual shall provide for the hiring, discipline (up to and including termination), and appeal processes governing employment with the Commission.

§ 175-10.1-170 Procedure for Control of Evidence and Destruction of Cheating Devices:

(a) When an agent of the Commission seizes any article of property, the custodian of evidence for the Commission shall place the evidence in a secure facility and enter in a suitable system sufficient information to establish a chain of custody. A failure to comply with this subsection shall not render evidence inadmissible in any proceeding before the Commission or otherwise.

(b) Any article of property which constitutes a cheating device shall not be returned to a claimant. All cheating devices shall become the property of the Commission upon their seizure and may periodically be disposed of by the Commission. When disposing of a cheating device, the Commission shall document the date and manner of its disposal.

(c) The Commission shall notify by first class mail each known claimant of a cheating device that he or she has sixty (60) days from the mailing of notice within which to file a written claim to contest its classification as a cheating device.

(d) Failure to timely file a written claim as provided in subsection (c) constitutes an admission by all claimants that the article of property is subject to destruction. The Chairman of the Commission shall have complete and absolute authority to rule on a claim filed pursuant to subsection (c).

(e) After expiration of the sixty (60) day period, the Commission may retain or dispose of the cheating device in any reasonable manner.

Part 200 INFORMATION AND FILINGS:

- § 175-10.1-201 Office Mailing Address and Hours
- § 175-10.1-205 Official Records; Fees for Copies
- § 175-10.1-210 Communications/ Notices to Commission
- § 175-10.1-215 Public Information Office
- § 175-10.1-220 Filing of Petitions and Applications
- § 175-10.1-225 Petitions for Rule-making

§ 175-10.1-201 Office Mailing Address and Hours:

(a) The main mailing address of the Commission is:

Commonwealth Casino Commission
P.O. Box 500237
Saipan, MP 96950

(b) The normal office hours of the Commission are from 8:00 A.M. to 5:00 P.M., Monday through Friday, unless otherwise authorized by the Commission. The office of the Commission is closed to the public on legal holidays authorized by the CNMI government.

(c) The Commission may maintain work schedules for Commission employees during any hour of any day.

§ 175-10.1-205 Official Records; Fees for Copies:

(a) No original official record of the Commission shall be released from the custody of the Commission unless upon the express direction of the Chairman or Executive Director or upon the order of a court of competent jurisdiction.

(b) Copies of the official records of the Commission which are required by law to be made available for public inspection will be made available during the hours provided for in section 175-10.1-201, and upon the payment of appropriate fees.

(c) No person shall, directly or indirectly, procure or attempt to procure from the

records of the Commission or from other sources, information of any kind which is not made available by proper authority.

(d) No application, petition, notice, report, document, or other paper will be accepted for filing by the Commission and no request for copies of any forms, pamphlets, records, documents, or other papers will be granted by the Commission, unless such papers or request are accompanied by the required fees, charges, or deposits.

(e) The cost of copies of official records of the Commission which are required by law to be made available for public inspection where copies are provided shall be One Dollar (\$1.00) per page. Where copies are not provided, the cost for the mere inspection of documents is seventy cents (\$0.70) per minute of the Commission's legal counsel's time reviewing, redacting and copying the inspected documents.

(f) All payment of taxes, fees, deposits, and charges which are to be made to the Commonwealth Treasury shall be made by check payable to the order of the CNMI Treasurer and mailed to the Department of Finance with an original receipt delivered to the main office of the Commission or posted by certified mail to the mailing address of the Commission.

(g) All payment of fees, deposits, charges, or payments of any kind which are to be made to the Commonwealth Casino Commission shall be made by check payable to the order of the Commonwealth Casino Commission or the CNMI Treasurer and posted by certified mail to the mailing address of the Commission.

(h) The Commission may provide for payment by wire transfer.

§ 175-10.1-210 Communications/Notices to Commission:

(a) Except as otherwise provided, all papers, process, or correspondence other than fees deposits or charges, relating to the Commission should be addressed to or served upon the Commonwealth Casino Commission at the Commission's main office.

(b) All such papers, process, or correspondence shall be deemed to have been received or served when delivered to the main office of the Commission but a Commissioner or such individual members of the Commission's staff as the Chairman may designate, may in his or her discretion receive papers or correspondence or accept service of process.

(c) Notwithstanding any other regulation to the contrary, at least one (1) copy of the Casino Gaming Licensee's annual audited financial statements must be delivered to the Commission via US Mail. Six (6) additional copies hard must be delivered to the Commission and may be hand delivered to the Commission's main office in Saipan. One (1) electronic copy shall be emailed to the Commission.

§ 175-10.1-215 Public Information Office. Requests for information regarding the

Commission may be sent to:

Commonwealth Casino Commission
Attn: Executive Director
P.O. Box 500237
Saipan, MP 96950

§ 175-10.1-220 Filing of Petitions and Applications. Petitions for formal action by the Commission shall be addressed to the Chairman of the Commission and should be certified mailed or delivered to:

Commonwealth Casino Commission
Attn: Chairman
P.O. Box 500237
Saipan, MP 96950

§ 175-10.1-225 Petitions for Rule-making:

(a) Any interested person may file a petition with the Commission for the adoption, amendment, or repeal of any rule, pursuant to Commission regulation. Such petition shall be in writing, be signed by the petitioner, and include the following information:

- (1) The name and address of the petitioner;
- (2) The substance or nature of the requested rulemaking;
- (3) The reasons for the request;
- (4) The specific legal rights, duties, obligations, privileges, benefits, or other specific legal relations of the interested person which are affected by the requested rulemaking; and
- (5) Reference to the statutory authority under which the Commission may take the requested action; and

(b) A petition for rulemaking shall be scheduled for consideration at a public meeting of the Commission. The petitioner shall be given an opportunity to make a statement in support of the requested rulemaking.

(c) Within thirty (30) days of receipt of a petition which is in compliance with this section, the Commission shall mail to the petitioner a notice of action on the petition, which shall include the nature or substance of the Commission's action upon the petition and a brief statement of reasons for the Commission's actions.

(d) Commission action on a petition for rulemaking may include:

- (1) Approval or denial of the petition;
- (2) Filing a notice of proposed rule; or
- (3) Referral of the matter for further deliberations, the nature of which will be specified and which will conclude upon a specified date. The results of these further deliberations shall be mailed to the petitioner.

Part 300 LICENSE AND REGISTRATION REQUIREMENTS:

- § 175-10.1-301 Casino License
- § 175-10.1-305 Casino Service Provider Licenses
- § 175-10.1-310 Licenses Generally Required
- § 175-10.1-320 Training Courses of Employees
- § 175-10.1-325 Mandatory License Requirements

§ 175-10.1-301 Casino License. The Casino License shall be granted pursuant to the Act by the Commonwealth Lottery Commission.

§ 175-10.1-305 Casino Service Provider Licenses. (a) No person shall provide any goods or services to or conduct any business whatsoever with a casino, a casino licensee, its employees or agents, whether or not said goods, services, or business directly relates to casino or gaming activity, unless a casino service provider license authorizing the particular casino service business shall have first been issued to the enterprise pursuant to Part 1300 of these Regulations if such licensure has been required by the Commission. (b) The Casino Licensee shall not procure in any fashion goods or services from or conduct any business whatsoever with a person or entity, its employees or agents, whether or not said goods, services, or business directly relates to casino or gaming activity, unless a casino service provider license authorizing the particular casino service business shall have first been issued to the enterprise pursuant to these Regulations if such licensure has been required by the Commission.

§ 175-10.1-310 Licenses Generally Required:

(a) Every casino service provider, casino vendor, casino key employee and casino employee, except those approved by the Chairman, shall wear in a conspicuous manner their license credential issued by the Commission at all times while on duty in the casino area which includes without limitation the casino floor, cashier's cage, countrooms, the Surveillance rooms; the Security Rooms, and any area of the premises not accessible to the general public. The license credential shall at a minimum contain the name of the hotel/casino complex, a photograph of the employee, the employee position and title, and shall be numerically controlled.

(b) Neither the Casino Gaming Licensee nor any casino key employee licensee shall permit any person who should be licensed as a casino service provider, a casino vendor, a casino key employee or casino employee, except those approved by the Executive Director, to work in the casino area (as defined above) or any area not accessible to the general public without such person obtaining licensure from the CCC. Neither the Casino Gaming Licensee nor any casino Key employee licensee shall permit any casino service provider, casino vendor, casino key employee or casino employee, except those approved by the Chairman, to work in the casino area (as defined above) without wearing their license credential in a conspicuous manner. Neither the Casino Gaming Licensee nor any casino Key employee licensee shall permit any casino service provider, casino vendor, casino key employee or casino

employee to be present in the cashier's cage, countrooms, the Surveillance rooms; the Security Rooms, and any area of the premises not accessible to the general public if the employee is not working.

(c) The Casino Gaming Licensee shall provide each such employee with a holder for the Commission license credential which shall permit the permanent display of the information contained on the license credential. Thirty (30) days prior to the use of any such holder, a Casino Gaming Licensee shall submit a prototype to the Commission along with a narrative description of the proposed manner in which the employee will be required to wear such holder.

(d) In those situations where a license credential is lost or destroyed, a casino key employee or casino employee may be authorized to enter the casino area to perform employment duties so long as:

- (1) The loss or destruction of the license is promptly reported in writing to the Commission;
- (2) The employee applies for a new license credential prior to working without the credential and pays the fee for obtaining a replacement license; and
- (3) Permission is received from a duly authorized Commission representative to do so.

(e) An application for renewal as a casino key employee or a casino employee shall be accompanied by an offer for continued employment by the Casino Gaming Licensee. The Casino Employee license shall be valid for the remainder of the fiscal year in which it was applied for and renewed before every third October 1 thereafter, unless the license is sooner suspended or revoked, the licensee's authorization to work in the United States expires, is terminated or revoked, or the licensee's employment with the Casino Gaming Licensee has ended. The Casino Key Employee License shall be valid for the remainder of the fiscal year in which it was applied for and renewed before every other October 1 thereafter, unless the license is sooner suspended or revoked, the licensee's authorization to work in the United States expires, is terminated or revoked, or the licensee's employment with the Casino Gaming Licensee has ended. By way of example, a Casino Key Employee license or casino Employee license applied for on December 31, 2015 is valid through September 30, 2017 and must be renewed before October 1, 2017. Key employee licensees must not begin work until they have been granted a provisional key employee license or a full key employee license by the Commission.

(f) All suppliers of the Casino Gaming Licensee while conducting business within the premise shall wear in plain view an identification card that identifies the supplier. Supplier identification cards shall be issued by the Commission. No supplier shall be permitted to be in the casino area which includes without limitation the casino floor, cashier's cage, countrooms, the Surveillance rooms; the Security Rooms, and any area of the premises not accessible to the general public without displaying the Commission-issued identification card.

(g) All licenses and identification cards issued by the Commission remain at all times property of the Commission and must be surrendered to the Commission immediately upon request by any Commission member, agent or the Executive Director.

(h) Neither the Casino Gaming Licensee nor any casino Key employee licensee or casino licensee shall permit any person who is not a holder of a gaming license issued by the Commission access to:

- (1) any player tracking software or database;
- (2) any software or database used in any manner whatsoever for the conduct of casino gaming or casino accounting;
- (3) Any computer or network settings, configurations or passwords if such computer or network settings, configurations or passwords are used in any manner whatsoever for the conduct of casino gaming or casino accounting;
- (4) any information or data of any kind whatsoever stored in or collected by any software listed in (1) or (2) above;
unless such person is enrolled pursuant to Part 1000 or has been granted permission to obtain access by the Executive Director.

§ 175-10.1-315 Application for Employee License. An application for a casino employee license or casino key employee license shall be made pursuant to Part 1900. The casino licensee shall not employ any person unless the requirements of Part 1900 and these Regulations have been met.

§ 175-10.1-320 Training Courses of Employees:

(a) The Casino Gaming Licensee shall provide for person(s) employed or to be employed in a casino, training courses relating to the playing of games, the conduct of games and associated activities in connection with the operations.

(b) All training courses shall be:

- (1) Conducted by the casino operator or, with the approval of the Commission, by the nominee of the casino operator; and
- (2) Of such content, format, and duration as approved by the Commission.
- (3) Offered, to the extent possible by the casino licensee, to prospective applicants of the Commonwealth on a periodic basis as approved by the Commission.

(c) The successful completion of an approved training course is a prerequisite for:

- (1) The issuance of casino key employee license or a casino employee license; or
- (2) the approval of the Commission to making of an amendment (and such amendment being made) in a licensee in respect to the type of work performed or to be performed by the licensee and for employment of the licensee in the type of work specified in the license, either in the first instance pursuant to the amendment, unless the licensee is qualified by

the experience, satisfactory to the Commission, appropriate to the type of work to be performed by him as a licensee.

(d) A casino operator may conduct gaming on a simulated basis for the purpose of training employees, testing gaming equipment, and gaming procedures and demonstrating the conduct and playing of games provided:

- (1) it has obtained the prior approval of the Commission;
- (2) is monitored by the Commission; and,
- (3) has paid all required fees as determined by the Commission.

§ 175-10.1-325 Mandatory License Requirements: A condition of a casino license or any casino service provider or casino vendor license, the Commission or its authorized representatives may inspect and monitor, at any time and with or without notice, any part of the licensed casino, its gaming operations, equipment, records, and related activities and any similar area or activity of the licensed casino service provider or casino vendor, and that a law enforcement officer may enter any such area as requested by the Commission. The Executive Director may authorize representatives of the Commission.

Part 400 APPLICATION PROCEDURE:

§ 175-10.1-401	Receipt
§ 175-10.1-405	Filing
§ 175-10.1-410	Processing
§ 175-10.1-415	Public Inspection of Information
§ 175-10.1-420	Amendment
§ 175-10.1-425	Withdrawal
§ 175-10.1-540	Reapplication by Natural Person after Denial or Revocation

§ 175-10.1-401 Receipt. All application papers, unless otherwise directed by the Commission or these Regulations, shall initially be submitted to and received by the Executive Director, or such members of the Commission staff as the Executive Director may designate.

§ 175-10.1-405 Filing.

(a) The Executive Director, or such members of the Commission staff as the Executive Director may designate, shall determine the date of filing as to each application received and shall issue cause to be endorsed thereon the date of such filing. No application shall deem filed until the applicant satisfies all appropriate requirements, to wit:

- (1) That all papers presented conform to all requirements relating to format,

- signature, oath or affirmation, attorney certification, and copies;
- (2) That all appropriate application, business entity disclosure forms, personal history disclosure forms, and supplemental to personal history disclosure forms have been properly completed and presented;
 - (3) That all required consents, waivers, fingerprint impressions, photographs, and handwriting exemplars have been properly presented;
 - (4) That all other information, documentation, assurances, and other materials required or requested at that preliminary stage pertaining to qualifications have been properly presented; and
 - (5) That all required fees have been properly paid and all required bonds have been properly furnished.

(b) Notwithstanding the foregoing, until April 1, 2016, the Executive Director may accept an application which lacks the required fingerprint impressions or handwriting exemplar provided that the applicant supplies the missing material within thirty (30) days of Commission's receipt of the application.

§ 175-10.1-410 Processing. Upon a determination that all prerequisites for filing have been met, the Executive Director, or such members of the Commission staff as the Executive Director shall designate may:

- (a) Accept the application for filing and cause same to be docketed by the Executive Director.
- (b) Notify the applicant or his attorney, if any, in writing, of the fact that the application has been accepted for filing and docketed, the date of such acceptance for filing and the docket number thereof. The Executive Director shall also give notice that such acceptance and docketing shall constitute no evidence whatsoever that any requirement of the act or the regulations of the Commission have been satisfied.
- (c) Direct the staffs of the Commission to analyze, obtain, and evaluate such information of either a factual nature or otherwise as may be necessary to determine the qualifications of the applicant and any other matter relating to the application.

§ 175-10.1-415 Public Inspection of Information. No information in the possession of the Commission relating to any application shall be made available for public inspection prior to the time that the said application shall be accepted for filing and docketed in accordance with the rules and regulations. Thereafter, the Commission may release information to the public on its own initiative or upon proper request as may be required by law.

§ 175-10.1-420 Amendment. It shall be the duty of each applicant to promptly file with the Commission, or such members of the Commission staff as the Executive Director shall designate, a written amendment to the application explaining any changed facts or circumstances whenever any material or significant change of facts or circumstances shall occur with respect to any matter set forth in the application or other

papers relating thereto. Any applicant may be permitted by the Executive Director or designee to file any other amendment to the application at any time prior to final action made by the Commission.

§ 175-10.1-425 Withdrawal.

(a) Except as otherwise provided in (b) below, a written notice of withdrawal of application may be filed by any applicant at any time prior to final Commission action. No application shall be permitted to be withdrawn, however, unless the applicant shall have first established to the satisfaction of the Commission that withdrawal of the application would be consistent with the public interest and the policies of the Act. Unless the Commission shall otherwise direct, no fee or other payment relating to any application shall become refundable in whole or in part by reason of withdrawal of the application. The Commission shall not direct the refunding, in whole or in part, of any fee or other payment relating to any application unless the Commission determines that the refunding of the fee is in the best interest of the Commonwealth.

(b) Where a hearing on an application has been requested by a party or directed by the Commission, the Commission shall not permit withdrawal of said application after:

- (1) The application matter has been assigned to any other hearing examiner authorized by law or these Regulations to hear such matter; or
- (2) The Commission has made a determination to hear the application matter directly.

(c) Notwithstanding the foregoing, the Commission may accept and consider written notice of withdrawal after the time specified herein if extraordinary circumstances so warrant.

§ 175-10.1-430 Reapplication by Natural Person after Denial or Revocation.

(a) Any natural person required to be licensed, qualified, registered or approved under the provisions of the Act or regulations of the Commission whose licensure, qualifications, registration or approval is either denied or revoked by the Commission on the basis of that person's failure to satisfy the affirmative qualification criteria, or due to a Commission finding that such person is disqualified under the criteria, or both, may reapply for licensure, qualification, registration or approval provided the applicant complies with the requirements of (b) below.

(b) Any natural person whose licensure, qualification, registration or approval is denied or revoked by the Commission on the basis of any of the following enumerated provisions of the Act or regulations of the Commission may reapply, in accordance with the procedure set forth in (c) below, for licensure, qualification, registration or approval upon satisfaction of the conditions specified herein:

- (1) Lack of financial stability: Reapplication is permitted upon said person achieving status of financial stability;

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- (2) Lack of business ability and casino experience: reapplication is permitted upon said person acquiring the requisite business ability and casino experience;
- (3) Failure to satisfy age requirement: Reapplication is permitted upon said person attaining the requisite age or upon a Commission finding that such age will be attained prior to the completion of the processing of said reapplication;
- (4) Conviction of statutory disqualifier or inimical offenses: Reapplication is permitted after the lapsed of five years from the date of denial or upon the issuance of a judicial order of expungement, whichever occurs first;
- (5) Prosecution or pending charges related to statutory disqualifier: reapplication is permitted upon the disposition of the prosecution or pending charges against such person.

(c) If the licensure, qualification, registration or approval of any natural person has been denied or revoked on the basis of two (2) or more statutory or regulatory provisions, reapplication shall only be permitted upon compliance with the requirements of this regulation as to each statutory or regulatory provision which the Commission found to be a basis for such denial or revocation.

(d) This regulation applies with equal force and effect to the denial of any application by a natural person for licensure, qualifications, or approval, and to any denial of any reapplication for licensure, qualification, registration or approval permitted under the provisions of this regulation.

Part 500 ACCOUNTING REGULATIONS

§ 175-10.1-501	Commission Divisions
§ 175-10.1-505	Commission Audit Procedures
§ 175-10.1-510	Procedure for Reporting and Paying Gaming Taxes and Fees
§ 175-10.1-515	Accounting Records
§ 175-10.1-520	On-line Slot Metering Systems
§ 175-10.1-525	Records of Ownership
§ 175-10.1-530	Record Retention; Noncompliance
§ 175-10.1-535	Audited Financial Statements
§ 175-10.1-540	Financial Statements: Other Licensees
§ 175-10.1-545	Internal Control for Casino Licensees
§ 175-10.1-550	Gross Revenue Computations
§ 175-10.1-555	Uncollected Baccarat Commissions
§ 175-10.1-560	Minimum Bankroll Requirements
§ 175-10.1-565	Treatment of Credit for Purposes of Computing Gross Revenue
§ 175-10.1-570	Handling of Cash
§ 175-10.1-575	Mandatory Count Procedure
§ 175-10.1-580	Petitions for Redetermination; Procedures
§ 175-10.1-585	Claims for Refunds; Procedures
§ 175-10.1-590	Compliance Committee

§ 175-10.1-501 Commission Divisions. The Commission shall organize and maintain a Division of Administration, a Division of Enforcement & Investigations, and a Division of Audit and a Division of Compliance.

§ 175-10.1-505 Commission Audit Procedures.

(a) The Division of Audit and the Division of Compliance will have the authority, among other tasks assigned by the Executive Director to:

- (1) conduct periodic audits or reviews of the books and records of licensees on an as-needed basis, in the discretion of the Executive Director;
- (2) review the accounting methods and procedures used by licensees;
- (3) review and observe methods and procedures used by licensees to count and handle cash, chips, tokens, negotiable instruments, and credit instruments;
- (4) examine the licensees' records and procedures in extending credit, and to confirm with gaming patrons the existence of an amount of debt and any settlement thereof;
- (5) examine and review licensees' internal control procedures;
- (6) examine all accounting and bookkeeping records and ledger accounts of the licensee or a person controlling, controlled by, or under common control with the licensee;
- (7) examine the books and records of any licensee when conditions indicate the need for such action or upon the request of the Chairman or the Commission; and,
- (8) investigate each licensee's compliance with the Act and the Regulations of the Commission.

(b) The Division of Audit and the Division of Compliance shall at the request of the Executive Director conduct each audit in conformity with the statements on auditing standards. The divisions of Audit and Compliance shall prepare an appropriate report at the conclusion of each audit and shall submit a copy of the report to the Commission.

(c) At the conclusion of each audit or review, the Divisions of Audit and Compliance or other applicable division shall confer with and go over the results of the audit or review with the licensee. The licensee may, within ten (10) days of the conference, submit written reasons why the results of the audit or review should not be accepted. The Commission shall consider the submission prior to its determination.

(d) When the Divisions of Audit and Compliance or any other division finds that the licensee is required to pay additional fees or taxes or finds that the licensee is entitled to a refund of fees or taxes, it shall report its findings, and the legal basis upon which the findings are made, to the Commission and to the licensee in sufficient detail to enable the Commission to determine if an assessment or refund is required.

(e) Ordinarily, the Casino Gaming licensee will not pay the costs of the audit. If

the Executive Director determines that the audit will require excessive costs, such excessive costs shall be paid by the Casino Gaming licensee. If the audit reveals and the Executive Director determines that amounts were deliberately misreported, underreported or mischaracterized, the Casino Gaming licensee shall, in addition to any penalty which may be imposed, pay the costs of the audit and investigation.

(f) The Commission may require that a Casino Service Provider pay the costs of the audit.

§ 175-10.1-510 Procedure for Reporting and Paying Gaming Taxes and Fees.

(a) Unless the Commission establishes another procedure, taxes and, fees which are to be paid to the Treasurer, and all reports relating thereto which are required under the Act and the Regulations must be received by the Commonwealth Treasurer with an original receipt provided to the Commission not later than the due date specified by law or regulation, except that the taxes and reports shall be deemed to be timely filed if the Casino Gaming Licensee or Casino Service Provider demonstrates to the satisfaction of the Commission that they were deposited in a United States post office or mailbox, with first-class postage prepaid, and properly addressed to the Commonwealth Treasurer, within the time allowed for payment of the taxes. The original receipt must be promptly forwarded to the Commission.

(b) Unless the Commission establishes another procedure, fees which are to be paid to the Commission and all reports relating thereto must be received by the Commission not later than the due date specified by law or regulation, except that the fees and reports shall be deemed to be timely filed if the Casino Gaming Licensee or Casino Service Provider demonstrates to the satisfaction of the Commission that they were deposited in a United States post office or mailbox, with first-class postage prepaid, and properly addressed to the Commission, as the case may be, within the time allowed for payment of the taxes.

(c) The Casino Gaming Licensee or Casino Service Provider licensee may elect to report and pay its fees, and file all reports relating thereto, via check or pursuant to an electronic transfer procedure approved by the Commission.

§ 175-10.1-515 Accounting Records.

(a) The Casino Gaming Licensee, and each other licensee, in such manner as the Chairman may approve or require, shall keep accurate, complete, legible, and permanent records of all transactions pertaining to revenue that is taxable or subject to fees under the Commonwealth Code and these Regulations. Each licensee that keeps permanent records in a computerized or microfiche fashion shall provide the Divisions of Audit and Compliance, or the Department of Finance's applicable tax and license

division, upon request, with a detailed index to the microfiche or computer record that is indexed by department and date.

(b) The Casino Gaming Licensee shall keep general accounting records on a double entry system of accounting, maintaining detailed, supporting, subsidiary records, including:

1. Detailed records identifying all revenues, all expenses, all assets, all liabilities, and equity for each establishment;
2. Detailed records of all markers, IOU's, returned checks, hold checks, or other similar credit instruments accepted by the licensee;
3. Individual and statistical game records to reflect statistical drop, statistical win, and the percentage of statistical win to statistical drop by table for each table game, and to reflect statistical drop, statistical win, and the percentage of statistical win to statistical drop for each type of table game, either by each shift or other accounting period approved by the Commission, and individual and statistical game records reflecting similar information for all other games;
4. Slot analysis reports which, by each machine, compare actual hold percentages to theoretical hold percentages;
5. Journal entries prepared by the licensee and its independent accountant;
6. All information pertaining to any promotional, discount, or VIP service type programs;
7. All information pertaining to any junket or junket-type operators or programs including, but not limited to all contracts and agreements of any kind, all money schedules, settlement sheets, and reports or written communications of any kind between the licensee and any junket operator, junket player or junket patron of any type.
8. Any other records that the Commission specifically requires to be maintained.

(c) The Casino Gaming Licensee shall create and maintain records sufficient to accurately reflect gross income and expenses relating to its operations which are subject of these Regulations. Every other licensee shall create and maintain records sufficient to accurately reflect gross income and expenses relating to its operations which are subject of these Regulations.

(d) If the Casino Gaming Licensee fails to keep the records used by it to calculate gross gaming revenue, the Commission may compute and determine the amount of taxable revenue upon the basis of an audit conducted by the Divisions of Audit and Compliance, or any other division, upon the basis of any information within the Commission's possession, or upon statistical analysis.

(e) Casino Employee or Casino Key Employee licensees must maintain such revenue and tax records as the Commission requires be maintained, in addition to any records required by the Department of Finance.

§ 175-10.1-520 On-line Slot Metering Systems. The Casino Gaming Licensee shall install and thereafter maintain an automated or on-line slot metering system meeting the

specifications determined by the Commission, as applicable to its operation, unless a specification is waived by the Commission.

§ 175-10.1-525 Records of Ownership.

(a) Each corporate licensee or corporate owner of a Casino Gaming Licensee shall keep on the premises of the Casino Gaming Licensee, or shall provide to the Divisions of Audit and Compliance, the Division of Enforcement & Investigations, or the Division of Administration, upon request, the following documents pertaining to the corporation:

- (1) A certified copy of the articles of incorporation and any amendments;
- (2) A copy of the bylaws and any amendments;
- (3) A copy of the license issued by the Commonwealth Secretary of Finance authorizing the corporation to transact business in the Commonwealth
- (4) A list of all current and former officers and directors;
- (5) Minutes of all meetings of the stockholders which pertain to the Casino Gaming Licensee;
- (6) Minutes of all meetings of the directors which pertain to the Casino Gaming Licensee;
- (7) A list of all stockholders listing each stockholder's name, address, the number of shares held, and the date the shares were acquired;
- (8) The stock certificate ledger;
- (9) A record of all transfers of the corporation's stock; and
- (10) A record of amounts paid to the corporation for issuance of stock and other capital contributions.

(b) Each partnership licensee shall keep on the premises of its gaming establishment, or provide to the Divisions of Audit and Compliance, the Division of Enforcement & Investigations, or the Division of Administration, upon request, the following documents pertaining to the partnership:

- (1) A copy of the partnership agreement and, if applicable, the certificate of limited partnership;
- (2) A list of the partners, including their names, addresses, the percentage of interest held by each, the amount and date of each capital contribution of each partner, the date the interest was acquired, and the salary paid by the partnership; and
- (3) A record of all withdrawals of partnership funds or assets.

(c) Each Casino Gaming Licensee which is a LLC licensee shall keep on the premises of its establishment, or shall provide to the Divisions of Audit and Compliance, the Division of Enforcement & Investigations, or the Division of Administration, upon request, the following documents pertaining to the LLC:

- (1) A certified copy of the articles of organization and any amendments;
- (2) A copy of the operating agreement and any amendments;

- (3) A copy of the license issued by the Commonwealth Secretary of Commerce authorizing the LLC to transact business in the Commonwealth
- (4) A list of all current and former Members and Managers;
- (5) Minutes of all meetings of the Members;
- (6) Minutes of all meetings of the LLC;
- (7) A list of all persons with any distributional interest in the LLC listing each person's name, address, the percentage of distributional interest owned or controlled by the person, and the date the interest was acquired;
- (8) The stock certificate ledger;
- (9) A record of all transfers of any beneficial interest in the LLC; and
- (10) A record of amounts paid to the LLC as capital contributions.

(d) The operating agreement of any limited liability company which has been granted a casino gaming license, must be in writing and shall include any language required by the Commonwealth Casino Commission by Order as well as language substantially as follows:

- (1) Notwithstanding anything to the contrary expressed or implied in the articles or this agreement, the sale, assignment, transfer, pledge or other disposition of any interest in the limited-liability company is ineffective unless approved in advance by the Commonwealth Casino Commission. If at any time the Commission finds that a member which owns any such interest is unsuitable to hold that interest, the Commission shall immediately notify the limited-liability company of that fact. The limited-liability company shall, within ten (10) days from the date that it receives the notice from the Commission, return to the unsuitable member the amount of his capital account as reflected on the books of the limited-liability company. Beginning on the date when the Commission serves notice of a determination of unsuitability, pursuant to the preceding sentence, upon the limited-liability company, it is unlawful for the unsuitable member: (A) To receive any share of the distribution of profits or cash or any other property of, or payments upon dissolution of, the limited-liability company, other than a return of capital as required above; (B) To exercise directly or through a trustee or nominee, any voting right conferred by such interest; (C) To participate in the management of the business and affairs of the limited-liability company; or (D) To receive any remuneration in any form from the limited-liability company, for services rendered or otherwise.
- (2) Any member that is found unsuitable by the Commission shall return all evidence of any ownership in the limited-liability company to the limited-liability company, at which time the limited-liability company shall within ten (10) days, after the limited-liability company receives notice from the Commission, return to the member in cash, the amount of his capital account as reflected on the books of the limited-liability company, and the unsuitable member shall no longer have any direct or indirect interest in the limited-liability company."

§ 175-10.1-530 Record Retention; Noncompliance. Each licensee shall provide the Divisions of Audit and Compliance, the Division of Enforcement & Investigations, or the Division of Administration, upon request, with the records required to be maintained by these Regulations. Unless the Commission approves or requires otherwise in writing, each licensee shall retain all such records within the Commonwealth for at least five (5) years after they are made. Failure to keep and provide such records is an unsuitable method of operation.

§ 175-10.1-535 Audited Financial Statements Casino Licensees.

(a) The Casino Gaming Licensee shall prepare in such manner and using such forms as the Commission may approve or require, a financial statement covering all financial activities of the licensee's establishments for each fiscal year. If the Casino Gaming Licensee or a person controlling, controlled by, or under common control with the Casino Gaming Licensee owns or operates room, food, or beverage facilities at the establishments, the financial statement must cover those operations as well as gaming operations. Each Casino Gaming Licensee shall engage an independent certified public accountant who shall audit the licensee's financial statements in accordance with generally accepted auditing standards promulgated by the American Institute of Certified Public Accountants (AICPA).

(b) The Commission shall receive the statements not later than ninety (90) days after the last day of the licensee's business year. The Commission may share such statements with any government agency upon request. The Commission may post such statements, in whole or in part, on its website in its sole and absolute discretion.

(c) Consolidated financial statements may be filed by commonly owned or operated establishments, but the consolidated financial statements must include consolidating financial information or consolidating schedules presenting separate financial statements for each establishment. The independent accountant shall express an opinion on the consolidated financial statements as a whole and shall subject the accompanying consolidating financial information to the auditing procedures applied in the audit of the consolidated financial statements.

(d) Each Casino Gaming Licensee shall submit to the Commission five (5) paper copies of its audited or reviewed financial statements and shall transmit electronically one copy.

(e) Unless the Commission approves otherwise in writing, in the event of a license termination, change in business entity, or a change in the percentage of ownership of more than ten percent (10%), the casino licensee or former casino licensee shall, not later than ninety (90) days after the event, submit to the Commission five (5) paper copies of audited or reviewed financial statements covering the period since the period covered by the previous financial statement and one (1) electronic copy of the same. If a license termination, change in business entity, or a change in the percentage of ownership of more than ten percent (10%) occurs within ninety (90) days after the end

of a business year for which a financial statement has not been submitted, the licensee may submit financial statements covering both the business year and the final period of business.

(f) If a licensee changes its business year, the licensee shall prepare and submit to the Commission audited or reviewed financial statements covering the "stub" period from the end of the previous business year to the beginning of the new business year not later than ninety (90) days after the end of the stub period or incorporate the financial results of the stub period in the financial statements for the new business year.

(g) Reports that communicate the results of the audit or review, including management advisory letters or activities not related to the gaming operation, must be submitted within ninety (90) days after the end of the licensee's business year.

(h) The Commission may request additional information and documents from either the licensee or the licensee's independent accountant, through the licensee, regarding the financial statements or the services performed by the accountant. Failure to submit the requested information or documents is an unsuitable method of operation.

§ 175-10.1-540 Financial Statements: Other Licensees. The Commission may require financial statements, audited or otherwise, from other licensees as the Commission deems appropriate.

§ 175-10.1-545 Internal Control for Casino Licensees. As used in this section, "licensee" means the Casino Gaming Licensee and "chairman" means the chairman or other member of the Commission.

(a) The licensee shall establish administrative and accounting procedures for the purpose of determining the licensee's liability for taxes and fees under the Commonwealth Code and these Regulations and for the purpose of exercising effective control over the licensee's internal fiscal affairs. The procedures must be designed to reasonably ensure that:

1. Assets are safeguarded;
2. Financial records are accurate and reliable;
3. Transactions are performed only in accordance with management's general or specific authorization;
4. Transactions are recorded adequately to permit proper reporting of gaming revenue and of fees and taxes, and to maintain accountability for assets;
5. Access to assets is permitted only in accordance with management's specific authorization;
6. Recorded accountability for assets is compared with actual assets at reasonable intervals and appropriate action is taken with respect to any discrepancies; and,

7 Functions, duties, and responsibilities are appropriately segregated and performed in accordance with sound practices by competent and qualified personnel.

(b) The licensee shall describe, in such manner and as often as the chairman may approve or require, its administrative and accounting procedures in detail in a written system of internal control. Each licensee shall submit a copy of its written system to the Commission. Each written system must include:

1. An organizational chart depicting each position within the company;
2. A description of the duties and responsibilities and procedures to be followed by each position shown on the organizational chart;
3. A detailed, narrative description of the administrative and accounting procedures designed to satisfy the requirements of subsection (a);
4. A written statement signed by the licensee's chief financial officer and either the licensee's chief executive officer or a licensed owner attesting that the system satisfies the requirements of this section;
5. If the written system is submitted by an applicant, a letter from an independent accountant stating that the applicant's written system has been reviewed by the accountant and complies with the requirements of this section; and
6. Such other items as the Commission may require.

(c) The Commission may adopt and order minimum standards for internal control procedures that in the Commission's opinion satisfy subsections (a) and (b). Topics for the Commission's minimum standards for internal control may include any subject the Commission deems necessary including, but not limited to: Key Controls, Rules of the Game, Table Games, Electronic Gaming Devices, Poker Rooms, Drops and Counts, Casino Cashiering And Credit, Casino Accounting, Admissions and Ticketing, Currency Transaction Reporting, Internal Audits, Surveillance, Security, Purchasing and Contract Administration, Excluded Persons, Self-Excluded Persons, Forms, Management Information Systems (MIS), and Tips. The licensee may not implement a system of internal control procedures that does not satisfy the minimum standards.

(d) The licensee shall require the independent accountant engaged by the licensee to examine the financial statements or to review the licensee's financial statements to submit to the licensee two (2) copies of a written report of the compliance of the procedures and written system with the minimum internal control standards. Using the criteria established by the Commission, the independent accountant shall report each event and procedure discovered by or brought to the accountant's attention that the accountant believes does not satisfy the minimum standards or variations from the standards that have been approved by the Commission pursuant to subsection (c). Not later than ninety (90) days after the end of the licensee's business year, the licensee shall submit a copy of the accountant's report or any other correspondence directly relating to the licensee's systems of internal control to the Commission accompanied by the licensee's statement addressing each item of noncompliance noted by the

accountant and describing the corrective measures taken. Unless the chairman approves otherwise in writing, in the event of a license termination, change in business entity, or a change in the percentage of ownership of more than ten percent (10%), the licensee or former licensee shall, not later than ninety (90) days after the event, submit a copy of the accountant's report or any other correspondence directly relating to the licensee's systems of internal control to the Commission accompanied by the licensee's statement addressing each item of noncompliance noted by the accountant and describing the corrective measures taken covering the period since the period covered by the previous report. If a license termination, change in business entity, or a change in the percentage of ownership of more than ten percent (10%) occurs within ninety (90) days after the end of a business year for which a report has not been submitted, the licensee may submit a report covering both the business year and the final period of business.

(e) Before adding or eliminating a counter game; eliminating a table game; adding a table game; adding any computerized system that affects the proper reporting of gross revenue; adding any computerized system of betting at a race book or sports pool; or adding any computerized system for monitoring slot machines or other games, or any other computerized associated equipment, the licensee must:

1. Amend its accounting and administrative procedures and its written system of internal control to comply with the minimum standards;
2. Submit to the Commission a copy of the written system as amended, and a written description of the amendments signed by the licensee's chief financial officer and either the licensee's chief executive officer or a licensed owner;
3. Comply with any written requirements imposed by the Commission regarding administrative approval of computerized associated equipment; and
4. After subsections (1) through (3) have been complied with, implement the procedures and written system as amended.

(f) The licensee shall annually report any amendments to the licensee's procedures and written system that have been made since the previous annual report. The report must include either a copy of the written system as amended or a copy of each amended page of the written system, and a written description of the amendments signed by the licensee's chief financial officer.

(g) If the Commission determines that the licensee's administrative or accounting procedures or its written system does not comply with the requirements of this section, the Commission shall so notify the licensee in writing. Within thirty (30) days after receiving the notification, the licensee shall amend its procedures and written system accordingly, and shall submit a copy of the written system as amended and a description of any other remedial measures taken.

(h) The licensee shall comply with its written system of internal control submitted pursuant to subsection (b) as it relates to compliance with the minimum standards, and any required equipment approvals.

- (i) Failure to comply with 175-10.1-545 is an unsuitable method of operation.
- (j) Using guidelines, checklists, and other criteria established by the Executive Director, the licensee's internal auditor shall perform observations, document examinations, and inquiries of employees to determine compliance with applicable statutes, regulations, and minimum internal control standards. Two (2) copies of the internal auditor's report summarizing all instances of noncompliance and management responses must be submitted to the Commission within ninety (90) days after the end of the first six (6) months of the licensee's business year and must include all work required to be performed during that six (6) months period along with any additional procedures that were performed. Noncompliance noted in the second half of the business year must be submitted to the Commission within ninety (90) days after the end of the business year.
- (k) The licensee shall develop an Anti-Money Laundering (AML) Compliance Program, approved by the Chairman or Executive Director, sufficient to ensure compliance with all federal anti-money laundering statutes, all other federal statutes, and all Commonwealth laws and regulations regarding the handling and transfer of money. The licensee shall develop written policies to ensure the implementation of the AML Compliance Program.

§ 175-10.1-550 Gross Revenue Computations.

- (a) For each table game, gross revenue equals the closing table game bankroll plus credit slips for cash, chips, tokens, or personal/payroll checks returned to the casino cage, plus drop, less opening table game bankroll, fills to the table, money transfers issued from the game through the use of a cashless wagering system.
- (b) For each slot machine, gross revenue equals drop less fills to the machine and jackpot payouts. Additionally, the initial hopper load is not a fill and does not affect gross revenue. The difference between the initial hopper load and the total amount that is in the hopper at the end of the licensee's fiscal year must be adjusted accordingly as an addition to or subtraction from the drop for that year. If a Casino Gaming Licensee does not make such adjustments, or makes inaccurate adjustments, the Divisions of Audit and Compliance may compute an estimated total amount in the slot machine hoppers and may make reasonable adjustments to gross revenue during the course of an audit.
- (c) For each counter game, gross revenue equals:
 - 1. The counter games write on events or games that occur during the month or will occur in subsequent months, less counter games payout during the month ("cash basis"); or
 - 2. Counter games write on events or games that occur during the counter games write plus money, not previously included in gross revenue that was accepted by the licensee in previous months on events or games occurring

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during the month, less counter games payouts during the month ("modified accrual basis") to patrons on winning wagers.

(d) For each card game and any other game in which the licensee is not a party to a wager, gross revenue equals all money received by the Casino Gaming Licensee as compensation for conducting the game.

(e) In computing gross revenue for a slot machines, keno and bingo, the actual cost to the Casino Gaming Licensee, its agent or employee, or a person controlling, controlled by, or under common control with the licensee, of any personal property distributed as losses to patrons may be deducted from winnings (other than costs of travel, lodging, services, food, and beverages) if the licensee maintains detailed documents supporting the deduction.

(f) If the Casino Gaming Licensee provides periodic payments to satisfy a payout resulting from a wager, the initial installment payment when paid and the actual cost of a payment plan approved by the Commission and funded by the licensee may be deducted from winnings. For any funding method which merely guarantees the licensee's performance and under which the licensee makes payments directly out of cash flow (e.g., irrevocable letters of credits, surety bonds, or other similar methods), the licensee may only deduct such payments when paid to the patron.

(g) The Casino Gaming Licensee shall not exclude money paid out on wagers that are knowingly accepted by the licensee in violation of the Commonwealth Code or these regulations from gross revenue.

(h) If in any month the amount of Casino Gross gaming Revenue is less than zero dollars (\$0.00), the licensee may deduct the excess in the succeeding months, until the loss is fully offset against Casino Gross Gaming Revenue.

(i) Payout receipts and wagering vouchers issued at a game or gaming device, shall be deducted from gross revenue as jackpot payouts in the month the receipts or vouchers are issued by the game or gaming device. Payout receipts and wagering vouchers deducted from gross revenue that are not redeemed within sixty (60) days of issuance shall be included in gross revenue. An unredeemed payout receipt or wagering voucher previously included in gross revenue may be deducted from gross revenue in the month redeemed. For purposes of this section, the term "slot machine" means a gaming device for which gross revenue is calculated pursuant to the method described under section (b) above. Such receipts and wagering vouchers shall be deemed expired if not redeemed on or before the expiration date printed on the payout receipt or wagering voucher or within one hundred eighty (180) days of issuance, whichever period is less. Licensees may redeem expired receipts and wagering vouchers in their sole discretion but may not deduct amounts paid out from gross revenue.

(j) A record of all expired payout receipts and wagering vouchers shall be created

and maintained in accordance with the record keeping requirements set forth by the Commission.

(j) Any amounts paid or rebated to players or patrons in the form of "comps", commissions or the like are a cost of doing business and shall not be deducted from gross revenue.

§ 175-10.1-555 Uncollected Baccarat Commissions.

(a) If the Casino Gaming Licensee does not collect baccarat commissions due from a patron at the conclusion of play and elects to waive payment, such action must be authorized and documented in accordance with subsection (b) hereof. The uncollected baccarat commission must still be included in gross revenue computations.

(b) Concurrently with the decision to not collect the baccarat commission, the licensee must record, in such manner and using such preprinted, pre-numbered forms as the Commission has approved:

1. Date, shift and time the licensee determined to not collect the baccarat commission;
2. The amount of the baccarat commission not collected;
3. The baccarat table number;
4. Patron name, if known;
5. The dealer's signature; and
6. A baccarat supervisor's signature.

(c) Such forms shall be sent to the accounting department at least every twenty-four (24) hours and reconciled numerically to account for all forms. A form may be used to record more than one transaction; however each transaction must indicate all of the above required signatures. Descriptions of the forms and procedures utilized must be included in the licensee's submitted system of internal control.

(d) An uncollected baccarat commission that is not waived in accordance with this regulation shall be documented by a credit instrument that clearly indicates it represents an uncollected baccarat commission, and that conforms to all documentation and procedural requirements of the licensee's submitted system of internal control.

(f) Failure to comply with these regulations is an unsuitable method of operation.

§ 175-10.1-560 Minimum Requirements.

(a) The Commission may adopt or revise a bankroll formula that specifies the minimum bankroll requirements applicable to the Casino Gaming Licensee, along with instructions for computing available bankroll. The formula adopted by the Commission may require the licensee to maintain a number of days of cash on hand, utilize a debt-to service ratio, or utilize any other ratio the Commission deems fit.

(b) The Casino Gaming Licensee shall maintain in accordance with the bankroll formula adopted by the Commission pursuant to the requirements of this section, cash or cash equivalents in an amount sufficient to reasonably protect the licensee's patrons against defaults in gaming debts owed by the licensee. If at any time the licensee's available cash or cash equivalents should be less than the amount required by this section, the licensee shall immediately notify the Commission of this deficiency and shall also detail the means by which the licensee shall comply with the minimum bankroll requirements. Failure to maintain the minimum bankroll required by this section or failure to notify the Commission as required by this section, is an unsuitable method of operation.

(c) Records reflecting accurate, monthly computations of bankroll requirements and actual bankroll available shall be maintained by the Casino Gaming Licensee, and mailed to the Commission monthly.

(d) The casino licensee shall maintain an unencumbered irrevocable letter of credit from a financial institution acceptable to the Commission in the amount of Fifteen Million Dollars (\$15,000,000.00), or some other higher amount required by the Commission, to ensure payment to winning players.

(e) The casino licensee shall not accept any wager for which it does not have funds readily available to pay.

§ 175-10.1-565 Treatment of Credit for Purposes of Computing Gross Revenue.

(a) The Casino Gaming Licensee shall:

(1) Document, prior to extending gaming credit, that it:

- (i) Has received information from a bona fide credit-reporting agency that the patron has an established credit history that is not entirely derogatory; or
- (ii) Has received information from a legal business that has extended credit to the patron that the patron has an established credit history that is not entirely derogatory; or
- (iii) Has received information from a financial institution at which the patron maintains an account that the patron has an established credit history that is not entirely derogatory; or
- (iv) Has examined records of its previous credit transactions with the patron showing that the patron has paid substantially all of his credit instruments and otherwise documents that it has a reasonable basis for placing the amount or sum placed at the patron's disposal; or
- (v) Was informed by another licensee that extended gaming credit to the patron that the patron has previously paid substantially all of the debt to the other licensee and the licensee otherwise documents that it has a reasonable basis for placing the amount or sum placed at the patron's disposal; or

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- (vi) If no credit information was available from any of the sources listed in subparagraphs (i) through (v) for a patron who is not a resident of the United States, the licensee has received, in writing, information from an agent or employee of the licensee who has personal knowledge of the patron's credit reputation or financial resources that there is a reasonable basis for extending credit in the amount or sum placed at the patron's disposal;
 - (vii) In the case of personal checks, has examined and has recorded the patron's valid driver's license or, if a driver's license cannot be obtained, some other document normally acceptable as a means of identification when cashing checks, and has recorded a bank check guarantee card number or credit card number or has documented one of the credit checks set forth in subparagraphs (1) through (vi);
 - (viii) In the case of third party checks for which cash, chips, or tokens have been issued to the patron or which were accepted in payment of another credit instrument, has examined and has recorded the patron's valid driver's license, or if a driver's license cannot be obtained, some other document normally acceptable as a means of identification when cashing checks and has, for the check's maker or drawer, performed and documented one of the credit checks set forth in subparagraphs (i) through (vi);
 - (ix) In the case of guaranteed drafts, has complied with the issuance and acceptance procedures promulgated by the issuer.
- (2) Ensure that the patron to whom the credit is extended either signs the credit instrument when credit is extended;
- (3) Obtain and record the patron's address before extending the credit.
- (b) The Casino Gaming Licensee shall, after extending credit, document that it has attempted to collect payment from the patron at least once on or before the ninetieth day from the issuance of credit and thereafter once every thirty (30) days until it is collected.
- (d) The Casino Gaming Licensee shall furnish the credit instrument to the Commission within thirty (30) days after the Commission's request, unless the licensee has independent, written, and reliable verification that the credit instrument is in the possession of a court, governmental agency, or financial institution; has been returned to the patron upon partial payment of the instrument; has been returned to the patron upon the licensee's good faith belief that it had entered into a valid settlement and the licensee provides a copy of the original credit instrument and a document created contemporaneously with the settlement that contains the information required by this section; has been stolen and the licensee has made a written report of the theft to an appropriate law enforcement agency, other than the Commission having jurisdiction to investigate the theft; or the chairman waives the

requirements of the subsection because the credit instrument cannot be produced because of any other circumstances beyond the licensee's control.

- (1) Theft reports made pursuant to this paragraph must be made within thirty (30) days of the licensee's discovery of the theft and must include general information about the alleged crime, the amount of financial loss sustained, the date of the alleged theft, and the names of employees or agents of the licensee who may be contacted for further information. The licensee shall furnish to the Divisions of Audit and Compliance a copy of theft reports made pursuant to this paragraph within thirty (30) days of its request.
- (2) If the licensee has returned a credit instrument upon partial payment, consolidation, or redemption of the debt, it shall issue a new "substituted" credit instrument in place of the original and shall furnish the substituted credit instrument to the Commission within thirty (30) days of its request, unless the licensee has independent, written, and reliable verification that the substituted credit instrument cannot be produced because it is in the possession of a court, governmental agency, or financial institution; has been stolen and the licensee has made a written report of the theft to an appropriate law enforcement agency, other than the Commission, having jurisdiction to investigate the theft; or the Commission waives the requirements of this subparagraph because the substituted credit instrument cannot be produced because of any other circumstances beyond the licensee's control.

(d) The Casino Gaming Licensee shall submit a written report of a forgery, if any, of the patron's signature on the instrument to an appropriate law enforcement agency, other than the Commission, having jurisdiction to investigate the forgery. The report must include general information about the alleged crime, the amount of financial loss sustained, the date of the alleged forgery, and identification of employees or agents of the licensee who may be contacted for further information. The licensee shall furnish a copy of forgery reports made pursuant to this paragraph to the Divisions of Audit and Compliance and the Division of Enforcement & Investigations within thirty (30) days of its request.

(e) The Casino Gaming Licensee shall permit the Commission within thirty (30) days of its request to confirm in writing with the patron the existence of the debt, the amount of the original credit instrument, and the unpaid balance, if any.

(f) The Casino Gaming Licensee shall retain all documents showing, and otherwise make detailed records of, compliance with this subsection, and furnish them to the Divisions of Audit and Compliance within thirty (30) days after its request.

(g) The Casino Gaming Licensee shall include in gross revenue all or any portion of any paid balance on any credit instrument.

(h) The Casino Gaming Licensee shall include in gross revenue all of an unpaid balance on any credit instrument unless the Commission determines that, with respect

to that credit instrument, the licensee has complied with the requirements of this Part and these Regulations and that the public interest will be served if the unpaid balance is not included in gross revenue.

§ 175-10.1-570 Handling of Cash. Each gaming employee, owner, or licensee who receives currency of the United States (other than permitted tips or gratuities) from a patron in the gaming area of a gaming establishment shall promptly place the currency in the locked box in the table or, in the case of a cashier, in the appropriate place in the cashier's cage, or on those games which do not have a locked box or on card game tables, in an appropriate place on the table, in the cash register, or other repository approved by the Commission.

§ 175-10.1-575 Mandatory Count Procedure.

(a) The Casino Gaming Licensee shall report annually to the Commission, on or before July 1st, the time or times when drop boxes will be removed and the times the contents will be counted. All drop boxes must be removed and counted at the time or times previously designated to the Commission. Removal and counting of drop box contents at other than the designated times is prohibited unless the licensee provides twenty-four (24) hours advance written notice to the Commission of a change in times or the Commission requires a change of authorized times.

(b) On the tenth (10th) of each month, the Casino Gaming Licensee shall submit to the Commission a list of employees authorized to participate in the count and those employees who are authorized to be in the count room during the count ("count personnel list") for the remainder of the month and for the first ten (10) days of the next month. The count personnel list shall indicate those persons, if any, who hold an interest in the Casino Gaming License and shall indicate what relationship by blood or marriage, if any, exists between any person on such list or any interest holder or employee of the gaming establishment. The count personnel list shall also indicate the license number of each count employee and the job position held by each count employee. No person who is not properly identified on the count personnel list shall be allowed to participate in the count or be in the count room during the count without Commission approval.

(e) Any person other than a Commission member or Commission employee who accesses the count room shall record their name, CCC-issued license number and the date and time of their ingress and egress on a Countroom Ingress/Egress Log immediately upon ingress and immediately prior to egress.

§ 175-10.1-580 Petitions for Redetermination; Procedures.

(a) A licensee filing a petition for redetermination with the Commission shall serve a copy of the petition on the Executive Director, the Secretary of Finance and the Attorney General, and pay the Petition fee listed in § 175-10.1-1225(e)(2).

- (b) A licensee shall, within thirty (30) days after the petition is filed:
1. Pay all taxes, fees, penalties, or interest not disputed in the petition and submit a schedule to the Divisions of Audit and Compliance that contains its calculation of the interest due on non-disputed assessments;
 2. File with the Commission a memorandum of points and authorities in support of a redetermination, and serve a copy of the memorandum on the Executive Director, the Secretary of Finance and the Attorney General; and
 3. File with the Commission a certification that it has complied with the requirements of paragraphs (a) and (b).
- (c) The Executive Director shall, within thirty (30) days after service of the licensee's memorandum, file a memorandum of points and authorities in opposition to the licensee's petition and shall serve a copy on the licensee. The licensee may, within fifteen (15) days after service of the Executive Director's memorandum, file a reply memorandum.
- (d) The Executive Director and the licensee may stipulate to extend the time periods specified in this section if their stipulation to that effect is filed with the Commission before the expiration of the pertinent time period. The Commission may extend the time periods specified in this section upon motion and for good cause shown.
- (e) The Commission may, at its discretion, deny a petition for redetermination if the licensee fails to comply with the requirements of this section or these Regulations.

§ 175-10.1-585 Claims for Refunds; Procedures.

- (a) A licensee filing a claim for refund with the Commission shall serve a copy of the claim on the Executive Director, the Secretary of Finance and the Attorney General.
- (b) A licensee shall, within thirty (30) days after the claim is filed, file with the Commission a memorandum of points and authorities in support of the claim, setting forth the legal basis and the licensee's calculations of the amount of the refund and any interest due thereon, and serve a copy of the memorandum on the Executive Director, the Secretary of Finance and the Attorney General, and file with the Commission a certification that it has complied with the requirements of this paragraph.
- (c) The Executive Director shall, within thirty (30) days after service of the licensee's memorandum, file a memorandum of points and authorities in opposition to the licensee's claim and shall serve a copy on the licensee. The licensee may, within fifteen (15) days after service of the Executive Director's memorandum, file a reply memorandum.
- (d) The Executive Director and the licensee may stipulate to extend the time periods specified in this section if their stipulation to that effect is filed with the Commission

before the expiration of the pertinent time period. The commission may extend the time periods specified in this section upon motion and for good cause shown.

§ 175-10.1-590 Compliance Committee.

(a) The Licensee shall develop and maintain a Compliance Committee to ensure compliance with the Bank Secrecy Act (BSA), all applicable Internal Revenue Service laws and policies, all federal and Commonwealth laws and regulations, the Minimum Internal Control Standards, and the licensee's Internal Controls. The Compliance Committee shall report to the Chief Executive Officer of the licensee.

(b) The Committee must have at least one (1) independent person, acceptable to the Commission, not employed by the Company, (but who may be a paid outside consultant to the Company), who must have knowledge of applicable gaming laws and regulations. Notwithstanding the non-employee status of the independent member(s), the Executive Director may require the independent member(s) to secure licensure as if they were casino key employees or vendors.

(c) The Committee shall report to the Commission the finding of any violation of any applicable law, regulation, or internal control standard as well as the action recommended by the Committee and action taken by the licensee to correct the violation.

Part 600

CASINO LICENSE

§ 175-10.1-601	Commission Authority over the Casino License
§ 175-10.1-605	Term of the Casino License
§ 175-10.1-610	Annual License Fee
§ 175-10.1-615	Pre-payments of Annual License Fee
§ 175-10.1-620	Licensee Assurances
§ 175-10.1-625	Development Sites
§ 175-10.1-630	Integrated Resort (Phase One)
§ 175-10.1-635	Initial Gaming Facility
§ 175-10.1-640	Development Requirements (Phase One)
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§ 175-10.1-650	Liquidated Damages
§ 175-10.1-655	Local Training and Hiring Requirement
§ 175-10.1-660	Requirement for Compliance with Applicable Laws
§ 175-10.1-665	Transfer Assignment or Encumbrance Prohibited
§ 175-10.1-670	License Suspension or Revocation

§ 175-10.1-601 Commission Authority over the Casino License. The Commission has the authority for the approval of all casino operations and gaming activities conducted under the casino license granted by the Lottery Commission including, but not limited to the establishment of gaming rules and regulations. The authority of the Commission includes the ability to suspend or revoke the Casino License for violation of the Regulations or the Act.

§ 175-10.1-605 Term of the Casino License.

- (a) The Casino License is valid for an initial term of twenty-five (25) years starting on the License Issuance Date of August 12, 2014 and ending at 11:59 p.m. on August 11, 2039.
- (b) The casino licensee has an option to extend the initial term for an additional consecutive period of fifteen (15) years prior to the expiration of the initial term.

§ 175-10.1-610 Annual License Fee.

- (a) The Annual License Fee for The Casino License shall be Fifteen Million Dollars (\$15,000,000.00).
- (b) The Annual License Fee shall be paid every year to the Commonwealth Treasurer each August 12th for the entire term of The Casino License, except for any pre-payments of the Annual License Fee for any particular year as required by law or other agreement, in which case payment for such particular year will not be required.
- (c) The Annual License Fee amount shall be adjusted every five (5) years based on the cumulative change in the Consumer Price Index announced by the Commonwealth Department of Commerce for the island of Saipan since the License Issuance Date.

§ 175-10.1-615 Pre-payments of Annual License Fee.

- (a) Pursuant to Public Law 18-56, the Licensee has prepaid Thirty Million Dollars (\$30,000,000.00) of The Annual License fees reflecting payments of year one (1) and prepayment of year five (5) of the license term.
- (b) Licensee shall pay Five Million Dollars (\$5,000,000.00) of the Annual License Fee for the second year within fifteen (15) days after the Commission authorizes the Temporary Live Training Facility and the remaining Ten Million Dollars (\$10,000,000.00) of the Annual License Fee for the second year within fifteen (15) days of the execution of the public land lease between the Department of Public Lands and Licensee for the area commonly known as the Samoan Housing in Garapan for construction of the Initial Gaming Facility referred to in 175-10.1-635. Both payments shall be made prior to August 12, 2015 and shall comprise full payment for the second year of the Annual License Fee.
- (c) Additionally, the Licensee agrees to make a pre-payment of the Annual License Fee for the eighth year of the License Term, being a minimum of Fifteen Million Dollars (\$15,000,000.00) within sixty (60) days from the opening of the Initial Gaming Facility referred to in § 175-10.1-635.
- (d) In every case of pre-payment of the Annual License Fee for any particular year,

there will be no requirement for payment of the Annual License Fee for such particular year except for any adjustment based on the change in the Consumer Price Index referred to in § 175-10.1-610(c).

§ 175-10.1-620 Licensee Assurances.

(a) The award of the Casino License to Imperial Pacific International (CNMI) LLC as a Licensee was based on the information and assurances provided by the Licensee in: (1) the casino resort developer application that was submitted by the Licensee in April 2014; (2) the subsequent business plan that was submitted in May 2014 ("Business Plan"), and information provided to Commonwealth Consultants (collectively "Licensee Proposal and Assurances"). The Commonwealth has relied on the accuracy and trustworthiness of the Licensee Proposal and Assurances in the awarding of The Casino License and they were incorporated as a material element of the Casino License Agreement.

(b) All of the terms, promises and assurances provided in the Licensee Proposal and Assurances are binding on Imperial Pacific International (CNMI) LLC, as the Casino Gaming Licensee. These terms, promises and assurances include, but are not limited to the following specific proposed new construction development requirements:

- (1) 2,004 hotel guest rooms;
- (2) 17,000 square meters of total gaming floor area;
- (3) 13,532 square meters of food and beverage outlets (at least 23 outlets);
- (4) 15,000 square meters of retail space;
- (5) 600 seat theatre;
- (6) 9,094 square meters of meeting space including ballroom;
- (7) wedding chapel;
- (8) 200 villas;
- (9) 1,050 square meters of fitness area;
- (10) \$100 million themed entertainment facility; and
- (11) 1,900 square meters of spa facility,

(collectively "Licensee Development Proposal Requirements" or "Proposal Requirements").

(c) The Casino Gaming Licensee is solely responsible for obtaining all required government approvals, permits and licenses required to honor its obligation to construct the Proposal Requirements.

(d) Nothing in this Part prohibits the Casino Gaming Licensee from developing beyond the requirements of the Licensee Development Proposal Requirements ("Licensee Additions").

§ 175-10.1-625 Development Sites.

(a) The Casino Gaming Licensee is authorized to use up to a total of three Development Sites to obtain the required land necessary for the full development of the Initial Gaming Site, Licensee Development Proposal Requirements, and any Licensee Additions.

(b) All gaming activities authorized under the Casino License are strictly limited to the approved Development Sites and the Temporary Facility referred to in Part 800.

(c) All development at these three (3) Development Sites is to be done in a manner that balances the need for protection of island culture environment and the need for economic development. Development shall be done in a manner that preserves, enhances, and is consistent with maintaining a serene island culture environment.

(d) The term Development Site is defined as a single parcel of property or a grouping of adjoining connected parcels that presents a unified uninterrupted parcel that is under the control of the Licensee. Individual parcels controlled by the Licensee that are separated only by a public right of way shall be considered as a single Development Site.

§ 175-10.1-630 Integrated Resort (Phase One).

(a) The Casino Licensee shall build an Integrated Resort as phase one ("Phase-One") of the Licensee Development Proposal Requirements. For purposes of this License Agreement, the term "Integrated Resort" is defined as a large commercial endeavor in which multiple functions of: accommodations, entertainment, retail, service providers, and casino facilities are integrated at a single development site. The total area where actual gaming takes place shall be no more than twenty percent (20%) of the gross floor area of the Integrated Resort.

(b) All structures and associated elements of the Integrated Resort required herein are to be of a uniformly high luxury standard. All guest rooms shall be of similar quality as established by Triple AAA lodging criteria standards for four or five star developments, with associated guest services of similar quality.

§ 175-10.1-635 Initial Gaming Facility.

(a) The Casino Licensee shall construct or refurbish an Initial Gaming Facility which is a structure with guest rooms and services of five star quality.

(b) The Initial Gaming Facility shall have a minimum of 250 rooms.

(c) The structures associated with the Initial Gaming Facility shall be considered as one of the allowed Development Sites referred to in § 175-10.1-625.

(d) The Initial Gaming Facility must be fully constructed and operations must begin within twenty-four (24) months of land acquisition but not later than August 12, 2017.

§ 175-10.1-640 Development Requirements (Phase One).

(a) Phase One shall result in the establishment of a fully functional Integrated Resort and include at a minimum the following elements and associated support

components at a single Development Site:

- (1) An 800 room four or five star luxury hotel;
- (2) A \$100,000,000 themed entertainment facility with amphitheater;
- (3) 5,372 square meters of food and beverage outlets;
- (4) 2,500 square meters of meeting space (including indoor seating space for 600 persons);
- (5) 5,000 square meters of retail shops;
- (6) wedding chapel;
- (7) 500 square meter spa/fitness area;
- (8) 10,000 square meters of gaming area (which includes back-of-house areas); and
- (9) Associated parking, site improvements, landscaping, furnishings, fixtures, utilities and infrastructure.

(b) The Casino Licensee shall complete Phase One within thirty-six (36) months of land acquisition but not later than January 12, 2018.

(c) Phase One must include the construction of a One Hundred Million Dollar (\$100,000,000.00) Themed Entertainment Facility which may include show elements. The Themed Facility shall be an integral part of the unifying design of Phase One which shall be reflected throughout the Integrated Resort. The Themed Facility shall provide family entertainment that complements the proposed integrated resort as an iconic development. The Themed Facility shall reflect the high end luxury style required in Phase One of the Integrated Resort.

(d) Failing to complete Phase One when required is an unsuitable method of operation. The Commission may take into account Force Majeure conditions outside the Casino Gaming Licensee's control.

§ 175-10.1-645 Development Proposal Requirements (Phase Two).

(a) All the components of the Licensee Development Proposal Requirements that were not completed in Phase One shall be completed by August 12, 2022.

(b) Failing to complete Phase Two when required is an unsuitable method of operation. The Commission may take into account Force Majeure conditions outside the Casino Gaming Licensee's control.

§ 175-10.1-650 Liquidated Damages.

(a) The Casino Gaming Licensee will pay a liquidated damage charge of One Hundred Thousand Dollars (\$100,000.00) per calendar day for any delay in achieving completion of Phase One or Phase Two of the project.

(b) The Casino Licensee shall pay all assessed Liquidated Damages within ten (10)

business days of imposition and receipt of notice from the Commonwealth.

- (c) The Casino Licensee agrees that the liquidated damages are not fines or penalties.
- (d) Failing to complete either Phase as required by the license agreement and these Regulations is an unsuitable method of operation; failing to pay any liquidated damage when due is an unsuitable method of operation. The Commission may take into account Force Majeure conditions outside the Casino Gaming Licensee's control.

§ 175-10.1-655 Local Training and Hiring Requirement.

- (a) The Casino Gaming Licensee shall promote training and hiring of permanent United States residents in a proactive endeavor to achieve an objective of having citizens of the United States and permanent United States residents comprise at least sixty-five (65%) percent of all employees ("Resident Employment Objective").
- (b) In furtherance of this requirement, the Casino Gaming Licensee shall work with the Commonwealth Department of Labor to develop an annual plan ("Annual Plan") evaluating: employment needs, local condition and challenges, current residency status of employees, and the provision of a proactive plan to achieve the Resident Employment Objective.
- (c) This plan to achieve the Resident Employment Objective shall include the funding by the Casino Gaming Licensee of necessary training through local educational and trade institutions to provide required skills.
- (d) The Casino Gaming Licensee will provide quarterly reports to the Commission and the Department of Labor on progress in meeting the Resident Employment Objective.
- (e) Failing to file a report when due is an unsuitable method of operation.
- (f) Failing to abide by the Annual Plan is an unsuitable method of operation.

§ 175-10.1-660 Community Benefit Fund.

- (a) Within sixty (60) days of commencing construction work on the first hotel in the Integrated Resort, the Licensee shall contribute Twenty Million Dollars (\$20,000,000.00) towards its community benefits programs to benefit: education, scholarships, public infrastructure, health care, and government employee retirement benefits, as may be determined in consultation with the Governor.
- (b) Thereafter, upon the first full year of operation of the Casino Gaming Licensee's first hotel in the Integrated Resort, Licensee shall annually contribute Twenty Million Dollars (\$20,000,000.00) to be used for community benefit programs to benefit: education, scholarships, public infrastructure, health care, and government employee retirement benefits, as may be determined in consultation with the Governor.

(c) All funds contributed by the Casino Gaming Licensee to the Community Benefit Contribution shall remain under the possession and control of the Casino Gaming Licensee until distributed to selected programs or recipients.

§ 175-10.1-665 Requirement for Compliance with Applicable Laws.

(a) The continuing validity of this casino gaming license is conditional upon the Casino Gaming Licensee's compliance with applicable laws, rules, and regulations of the Commonwealth and the United States.

(b) The failure to comply with an applicable law, rule, or regulation of the Commonwealth or the United States or a minimum internal control standard or an internal control standard is an unsuitable method of operation; each noncompliant action or omission is a distinct violation subject to penalty.

(c) The casino gaming license shall be interpreted under the laws of the Commonwealth of the Northern Mariana Islands and the exclusive jurisdiction of the courts hereof.

§ 175-10.1-670 Transfer Assignment or Encumbrance Prohibited.

(a) Neither The Casino Gaming License nor the duties entailed may be transferred, encumbered, assigned, pledged, or otherwise alienated without the express written authorization of the Commission (collectively "License Transfer") except in the case of encumbrances related to the Casino Gaming Licensee financing by financing parties, agencies and institutions as may permitted by the Commission.

(b) In instances where the casino gaming License is to be encumbered in relation to financing, confidential notice shall be provided to the Commission. Encumbrance of this License for purposes of financing shall have no effect on authority of the Commission to suspend or revoke this License nor shall it provide an encumbering party the right to operate the associated facilities without specific Commission approval.

(c) Any attempted transfer or assignment without such consent and approval shall be void.

(d) Any such proposed License Transfer shall be subject to thorough review to determine that it is not inconsistent with the intent of the Act or the Regulations.

(e) Any change in ownership of the Casino Gaming Licensee shall be considered a License Transfer except where the change of ownership or common control is that of a publicly held corporation that is traded on an established exchange, provided the increase in ownership or common control of an individual or entity is less than, or does not provide, ten percent (10%) of total equity, control or shares of the Licensee.

(f) Subject to the preceding requirements, any transfer of the casino gaming license shall

bind the transferees to all terms and conditions of the transferor.

(g) Nothing in this section shall prevent the Casino Gaming Licensee from contracting with independent agencies to perform designated functions subject to any required review and licensing requirements.

(h) The Commission may deem any person who owns or controls any percentage of the Casino Gaming Licensee, or owns or controls any percentage of any entity which owns or controls the Casino Gaming Licensee, unsuitable and suspend operations of the Casino Gaming Licensee until such time as all persons who own or control the Casino Gaming Licensee or any entity which owns or controls the Casino Gaming Licensee are deemed suitable.

§ 175-10.1-675 License Suspension or Revocation.

(a) The Casino Gaming Licensee is bound to comply with all terms and conditions of The Casino License and a violation of its requirements shall be considered a breach thereof. A material breach thereof is grounds for suspension or revocation of The Casino License. Unless otherwise indicated in the License Agreement, the procedures established by the Commonwealth Administrative Procedure Act shall apply to proceedings for suspension or revocation of the Casino License.

(b) Any one or more of the following events shall constitute material breach of the License Agreement ("Material Breach") and grounds for Casino Gaming License revocation or suspension as the Commission sees fit:

- (1) Failure to pay any amount due and payable hereunder upon the date when such payment is due;
- (2) Failure to materially comply with Licensee Development Proposal Requirements or the associated implementation Schedules.
- (3) Material violation of the laws of the Commonwealth or the United States;
- (4) Failure to observe or perform any material obligation or covenant under the Casino License Agreement;
- (5) Violation of material elements of the Regulations established by the Commonwealth Casino Commission;
- (6) Unauthorized transfer of the Casino Gaming License;
- (7) The appointment of a receiver to take possession of all or substantially all of the Casino Gaming Licensee's assets, or the filing of a voluntary or involuntary bankruptcy petition in bankruptcy by the Casino Gaming Licensee or its creditors, if such appointment, assignment, or petition remains undischarged for a period of thirty (30) days.
- (8) The appointment of a receiver to take possession of all or substantially all of the assets of the owner of the Casino Gaming Licensee, or the filing of a voluntary or involuntary bankruptcy petition in bankruptcy by the owner of the Casino Gaming Licensee or its creditors, if such appointment, assignment, or petition remains undischarged for a period of thirty (30) days.

(c) Upon the occurrence of a Material Breach, the Commission may, but shall not be required to: (1) suspend or revoke the Casino License Agreement and some or all of the licenses granted pursuant to the Act and the Regulations and or cancel all associated duties and obligations; or (2) pursue any other remedy available at law or in equity.

(d) The Commission may impose civil penalties for the violation of any provision of the Act or any regulation or order issued pursuant to the Act. No penalty may exceed Fifty Thousand Dollars (\$50,000.00). The range of lesser penalties for minor, intermediate violations and major violations is in Part 2500. The Commission may suspend, reduce, or rescind any penalty imposed pursuant to this section and according to any and all due process protections.

(e) Notwithstanding the foregoing, the Commission shall not revoke or suspend this License Agreement unless written notice to the Licensee has been provided of the intention and the Licensee has been provided an adequate and reasonable period to cure the issue identified.

(f) In the event of Casino License revocation, any prepayment of the annual License Fee shall be forfeited to the Commonwealth.

(g) In the event of Casino License revocation, the Commonwealth may institute any and all legal proceedings it deems appropriate in courts of its choosing to assert any and all claims against the former Licensee and other parties.

Part 700 CASINO FACILITIES.

§ 175-10.1-701	Impact of the Facilities
§ 175-10.1-705	The Casino
§ 175-10.1-710	Duty to Maintain and Operate a Superior Quality Facility
§ 175-10.1-715	Mortgage and Assignment of Casino License, Etc.

§ 175-10.1-701 Impact of the Facilities. The Casino Gaming Licensee shall comply with the minimum investment requirements as set forth in the Act, the License granted by the Lottery Commission and these Regulations.

§ 175-10.1-705 The Casino. Every casino on an approved Development Site shall:

(a) Contain closed circuit surveillance systems and security as approved by the Commission;

(b) Contain specifically designated and secure areas for the inspection, repair, and storage of gaming equipment as approved by the Commission;

(c) Contain a countroom and such other secure facilities as approved by the Commission for the inspection, counting and storage of cash, coins, tokens, checks,

dice, cards, chips, and other representatives of value;

(d) Contain such facilities in the ceiling of the casino room commonly referred to as an "eye-in-the-sky" appropriate to permit direct overhead visual surveillance of all gaming therein as approved by the Commission; provided, however, that the Commission may exempt from its requirements any casino room in any building if its satisfied that same contains an acceptable approved alternative and that such exemption would not be inimical to Commission;

(e) Contain a specially designated office, located on the casino floor, for the exclusive use by the Commission for administrative, enforcement and regulatory purposes as approved by the Commission. Such dedicated surveillance office shall include the use of such desks, chairs, monitors, camera controls, electronic video and audio recording devices, other reasonable accommodations and access to the approved surveillance system deemed necessary by the CCC for the CCC to properly enforce the applicable federal and Commonwealth laws and these Regulations. The desks, chairs, monitors, camera controls, electronic video and audio recording devices, other reasonable accommodations and access to the approved surveillance system deemed necessary by the CCC provided to the CCC by the licensee for official use by the CCC remain at all times property of the licensee.

§ 175-10.1-710 Duty to Maintain and Operate a Superior Quality Facility. The Casino Licensee shall have a continuing duty to maintain and operate its entire casino complex of a superior quality as approved by the Commission, to submit the said complex to inspection by the Commission upon demand at the request of the Commission, and to promptly comply with all the requirements and the directives of the Commission relating to the maintenance and operation of the said complex.

§ 175-10.1-715 Mortgage and Assignment of Casino License, Etc.

(a) The Casino Gaming Licensee shall not mortgage, charge, or otherwise encumber: a casino license, a casino complex to which the casino license is related, the rights and benefits under the agreement in question without, or any gaming equipment without the consent of the Commission.

(b) Where the mortgagee wishes to enforce his security under the mortgage, charge, or other encumbrance pursuant to his rights thereunder;

(1) The casino gaming license and the rights, benefits, and obligations under the relevant agreement, shall be assigned only to the person approved by the Commission;

(2) Any receiver and manager appointed shall be a person approved by the Commission.

(c) As a condition precedent to the approval by the Commission, the Commission may require that the further agreement in writing be entered into between:

(1) The Executive Director for and on behalf of the Commission and the

- proposed assignee; or
- (2) The Executive Director for and on behalf of the Commission and some other person whom the Commission considers to be appropriate person to be a party to the agreement with a view to the assignment of the casino license to the proposed assignee containing such terms and conditions with respect to the assignment and the proposed assignee as the Commission thinks fit;

(d) Any such further agreement shall have no force or effect unless and until approved by the Commission.

(e) Prior to any approval by the Commission, the Executive Director shall cause to be undertaken such investigation as are necessary in the discretion of the Commission. The Commission shall also require the proposed person and all persons not associated or connected or to be associated or connected in the opinion of the Executive Director, with the ownership, administration, or management of the operations or business of the proposed person to satisfy the Commission that such proposed persons and such persons are suitable persons to be associated or connected with the management and operations of a casino complex or casino. The cooperation and assistance of the Federal Bureau of Investigation, Interpol, and other jurisdictions investigative agencies may be sought as appropriate as determined by the Executive Director.

(f) A decision by the Commission to approve or not to approve of a transfer pursuant to the Regulations is final and conclusive but may be reviewed pursuant to the Administrative Procedure Act.

Part 800 TEMPORARY LIVE TRAINING FACILITY

§ 175-10.1-801	Temporary Live Training Facility Authorized
§ 175-10.1-805	Applicability of Regulations
§ 175-10.1-810	Development Plan Requirements
§ 175-10.1-815	Cessation of Live Training Facility

§ 175-10.1-801 Temporary Live Training Facility Authorized. Prior to the opening of the Initial Gaming Facility, the licensee may establish and operate a Temporary Live Training Facility on the first floor of the T Galleria, Garapan.

§ 175-10.1-805 Applicability of Regulations.

(a) The casino licensee may not begin operation of the Temporary Live Training Facility authorized by §175-10.1-801 until the Commission has promulgated all regulations necessary for the proper regulation of the Temporary Live Training Facility, and the Commission has informed the licensee, in writing, that it may proceed with live operations.

(b) Employees of the Temporary Live Training Facility must receive a license as if they were an employee of the Casino Gaming Licensee pursuant to the regulations found in §175-10.1-1901 et. seq. All regulations, restrictions and obligations which apply to Casino Employees and Casino Key Employees apply to Employees and Key Employees of the Temporary Live Training Facility.

(c) Service Providers of the Temporary Live Training Facility must receive a license as if they were a Service Provider of a casino licensee pursuant to the regulations found in §175-10.1-1301 et. Seq. All regulations, restrictions and obligations which apply to Casino Service Providers apply to Service Providers of the Temporary Live Training Facility.

(d) All Regulations dealing with the Casino Gaming Licensee and the operation of gaming by the Casino Gaming Licensee apply to the operation of the Temporary Live Training Facility.

§ 175-10.1-810 Development Plan Requirements. The Temporary Live Training Facility shall not be considered in evaluating the Licensee's efforts towards meeting the Licensee Development Proposal Requirements or as one of the allowed Development Sites as identified in Section 8 of the license granted by the Lottery Commission. The Casino Licensee is not required to submit the plan for the Temporary Live Training Facility to the Development Plan Advisory Committee. The Casino Gaming Licensee must submit a final plan for the Temporary Live Training Facility to the Commission before commencing operations at the Temporary Live Training Facility for a determination as to whether the plan is consistent with the applicable Regulations.

§ 175-10.1-815 Cessation of Live Training Facility. The casino licensee shall cease operations at the Temporary Live Training Facility prior to the opening of the Initial Gaming Facility. In no event shall the Licensee operate the Temporary Live Training Facility beyond April 30, 2017. The Commission may extend this date for good cause shown.

Part 900 PERSONS REQUIRED TO BE QUALIFIED

§175-10.1-901	Casino Licenses
§175-10.1-905	Casino Service Provider Licenses
§175-10.1-910	Employee Licenses
§175-10.1-915	Scope
§175-10.1-920	Licensee Standards
§175-10.1-925	Licensee, Certificate or Permittee Standards (Child Support)
§175-10.1-930	Casino Vendor Licensee

§ 175-10.1-901 Casino Licenses. The Lottery Commission has already determined the qualifications of the Casino Gaming Licensee. The Commonwealth Casino Commission shall have sole jurisdiction to determine whether the Casino gaming Licensee remains suitable. The Commonwealth Casino Commission shall have

sole jurisdiction to determine whether a person or entity remains suitable in order to continue to own (whether directly or indirectly), receive revenue or profits (whether directly or indirectly) from, or continue to be in any way associated with, the Casino Gaming Licensee.

§ 175-10.1-905 Casino Service Provider Licenses.

(a) No casino service provider or vendor license shall be issued unless the individual qualification of each of the following persons shall have first been established to the satisfaction of the Commission: Each such casino service provider enterprise, its owners, its management personnel, its supervisory personnel, and its principal employees.

(b) Each person in (a) must be qualified in accordance with the standards for casino employees found in 175-10.1-920.

§ 175-10.1-910 Employee Licenses. No employee license or key employee license shall be issued unless, the individual qualifications of the natural person applying thereof, shall have first been established in accordance with the standards of the Act and of these Regulations to the satisfaction of the Commission.

§ 175-10.1-915 Scope. A license may be issued to any person qualified in accordance with the standards applicable to the said person as set forth in the Act and Regulations.

§ 175-10.1-920 Licensee Standards.

(a) General and Affirmative Criteria:

- (1) It shall be the affirmative responsibility of each applicant for any license, certificate, finding, registration, or permit available under these Regulations, or renewal thereof, and licensee to establish to the satisfaction of the Commission by clear and convincing evidence his individual qualifications;
- (2) Any applicant or licensee shall truthfully and completely provide all information required and satisfy all requests for information pertaining to qualification;
- (3) All applicants and licensees shall have the continuing obligation to provide any assistance or information required and to cooperate in any inquiry or investigation conducted by the Commission;
- (4) Each applicant shall produce such information, documentation, and assurances concerning financial background and resources as may be required to establish by clear and convincing evidence the financial stability and integrity of the applicant including but not limited to bank references, business and personal income, tax returns, and other reports filed with governmental agencies;
- (5) Each applicant shall produce such information, documentation, and

assurances as may be necessary to establish by clear and convincing evidence the integrity of all financial backers, investors, mortgagees, bondholders and holders of indentures, notes or other evidence of indebtedness either proposed or in effect. The integrity of financial sources shall be judged upon the same standards as the applicant. The applicant shall produce whatever information documentation and assurances as may be required to establish the adequacy of financial resources to be entrusted with the privilege of conducting gaming in the Commonwealth;

- (6) Each applicant shall produce such information, documentation, and assurances as may be required to establish by clear and convincing evidence the applicant's good character, honesty, and integrity. Such information shall include but not be limited to family, habits, character, reputation, criminal and arrest record, business activities, financial affairs, personal, professional and business associates covering a five year period immediately preceding the filing of the application;
- (7) Each applicant shall produce such information, documentation, and assurances to establish by clear and convincing evidence that the applicant has sufficient business ability and casino experience to establish the likelihood of the ability to abide by the Act and Regulations; and
- (8) Each applicant shall complete the form concerning child support promulgated pursuant to § 175-10.1-925.

(b) **Disqualification Criteria.** The Commission shall deny any license, certificate finding, registration, permit or renewal thereof, including but not limited to a Casino Key Employee License or Casino Employee License to any applicant who is disqualified on the basis of any of the following:

- (1) Failure of the application to prove by clear and convincing evidence that the applicant is qualified in accordance with the provisions of the Act and the Regulations to the satisfaction of the Commission.
- (2) Failure of the applicant to provide truthful and complete information, documentation, or assurances requested by the Commission or failure of the applicant to reveal any fact material to qualification or the supplying of information which is untrue or misleading as to any material fact.
- (3) Conviction of the applicant or any person required to be qualified, of any offenses in any jurisdiction which would be the same or similar as:
 - (i) 6 CMC 1101 Murder or 6 CMC 1102 Manslaughter;
 - (ii) 6 CMC 1203 Aggravated Assault or Battery and 6 CMC 1203 Assault with A Dangerous Weapon;
 - (iii) 6 CMC 1301 Sexual Assault in the First Degree, 6 CMC 1302 Sexual Assault in the Second Degree or 6 CMC 1303 Sexual Assault in the Third Degree;
 - (iv) 6 CMC 1306 Sexual Assault of a Minor in the First Degree, 6 CMC 1307 Sexual Assault of a Minor in the Second Degree or 6 CMC 1308 Sexual Assault of a Minor in the Third Degree
 - (v) 6 CMC 1314 Unlawful Exploitation of a Minor;
 - (vi) 6 CMC 1323 Child pornography;

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- (vii) 6 CMC 1411 Robbery;
 - (viii) 6 CMC 1421 Kidnapping;
 - (ix) 6 CMC 1471 Stalking in the First Degree;
 - (x) 6 CMC 1501 et. seq. Anti-Trafficking Act (any count);
 - (xi) 6 CMC 1601 et. seq. Theft (any count punishable by 1601(b)(1) or (b)(2));
 - (xii) 6 CMC 1609 Theft of Utility Services (any count punishable by 1609(d)(1)-(3));
 - (xiii) 6 CMC 1701 et. seq. Forgery and Related Offenses (any count §§1701-1707);
 - (xiv) 6 CMC 1722 Identity Theft and 6 CMC 1722 Aggravated Identity Theft;
 - (xv) 6 CMC 1801 Burglary
 - (xvi) 6 CMC 1802 Arson and related offenses
 - (xvii) 6 CMC 2141 Drug Trafficking punishable by 2141 (b) (except THC or marijuana)
 - (xviii) 6 CMC 1142 Drug Possession punishable by 2141(b) (excludes marijuana)
 - (xix) 6 CMC 2103 Importation of Contraband
 - (xx) 6 CMC 3113 Terroristic Threatening
 - (xxi) 6 CMC 2141(a) and (b)(1) Offenses and penalties for illegal drug use
 - (xxii) 6 CMC 2143 Commercial offenses-drugs offenses
 - (xxiii) 6 CMC 3155 Gambling offenses prohibited
 - (xxiv) 6 CMC 3201 Bribery
 - (xxv) 6 CMC 3302 Obstructing justice
 - (xxvi) 6 CMC 3303 Obstructing justice-interference of services
 - (xxvii) 6 CMC 3304 Tampering with judicial records or process
 - (xxviii) 6 CMC 3305 Tampering with jury
 - (xxix) 6 CMC 3366 Perjury
 - (xxx) 6 CMC 3501 et. seq. Terrorism (any charge)
- (4) Any other offenses under CNMI law, federal law, or any other jurisdiction which indicates that licensure of the applicant would be inimical to the policy of the Commission and to casino operations; however, that the automatic disqualification provisions of this subsection (b) shall not apply with regard to any conviction which did not occur within the five (5) year period immediately preceding the application for licensure or any conviction which has been the subject of an executive pardon or judicial order of expungement. The five (5) year period is calculated beginning from the day after the convict's last day of post-conviction supervision (including probation or parole or required registry as a sex offender under federal, Commonwealth, territorial, state or tribal law). Convictions which occurred outside the five (5) year period immediately preceding the application for licensure, convictions which were pardoned, and convictions that were expunged may still be considered by the

- Commission as evidence of unsuitability for licensure.
- (5) Current prosecution or pending charges in any jurisdiction of the applicant or of any person who is required to be qualified under this regulation for any of the offenses enumerated above; provided, however that at the request of the applicant or person charged, the Commission shall defer discussion upon such application during the pendency of such charge.
 - (6) (i) The identification of the applicant or any person who is required to be qualified under this regulation as a career offender or a member of a career offender cartel or an associate of a career offender or career offender cartel in such a manner which creates a reasonable belief that the association is of such a nature as to be inimical to the policies of the rules and regulations and a casino operations.
(ii) For purposes of this section, career offender shall be defined as any person whose behavior is pursued in an occupational manner or context for the purpose of economic gain, utilizing such methods as are deemed criminal of the public policy of the Commonwealth. A career offender cartel shall be defined as any group of persons who operate together.
 - (7) The applicant or any person who is required to be qualified under the rules and regulations as a condition of a gaming license may be denied for commission of any act or acts which would constitute any offense under subsections (b)(3) or (b)(4) above, even if such conduct has not or may not be prosecuted under the criminal laws of the CNMI.

§ 175-10.1-925 Licensee, Certificate or Permittee Standards (Child Support).

- (a) The Executive Director shall promulgate a form which provides the applicant for any license, certificate or permit available under the Act or these Regulations, or renewal thereof, with an opportunity to indicate, under penalty of perjury, that:
 - (1) The applicant is not subject to a court order for the support of a child;
 - (2) The applicant is subject to a court order for the support of one or more children and is in compliance with the order or is in compliance with a plan approved by the Attorney General or his designee or other public agency enforcing the order for the repayment of the amount owed pursuant to the order; or
 - (3) The applicant is subject to a court order for the support of one or more children and is not in compliance with the order or a plan approved by the Attorney General or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.
- (b) The form referred to in (a) shall include: (1) an explanation that "court order" includes any court of competent jurisdiction and not just the courts of the Commonwealth; (2) a statement that the application for the issuance or renewal of the license, certificate or permit will be denied if the applicant does not indicate on the statement which of the provisions of paragraph (a)(1)-(3) applies to the applicant; and

(3) a space for the signature of the applicant. The failure of the form to strictly comply with this requirement does not invalidate the form used by the Executive Director or release the applicant from the requirement of providing truthful and complete information.

(c) **Disqualification Criteria: Child Support.** The Commission shall deny any license, certificate, finding or permit available pursuant to these Regulations or any renewal thereof, including but not limited to Casino Key Employee Licenses or Casino Employee Licenses to any applicant who (1) Fails to submit the statement required pursuant to subsection § 175-10.1-920 (a)(8); or (2) Indicates on the statement submitted pursuant to subsection (a)(8) that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the Attorney General or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

(d) The Executive Director shall object to the licensure of, or seek the revocation of any license, certificate, finding, registration, or permit available under these Regulations of any person found to have provided incomplete or untruthful information on the statement required by § 175-10.1-920 (a)(8).

§ 175-10.1-930 Casino Vendor Licensee. The Commission may, by Order, provide for the licensing of other types of individuals (other than patrons) who the Commission determines should be licensed because of their association with or presence in the casino, and set and charge fees therefore. Such licensees shall be held to the standards of § 175-10.1-920.

Part 1000

ENROLLMENT OF ATTORNEYS AND AGENTS

§ 175-10.1-1001	Eligibility to Practice
§ 175-10.1-1005	Scope of Practice
§ 175-10.1-1010	Qualifications for Enrollment
§ 175-10.1-1015	Procedures for Enrollment
§ 175-10.1-1020	Enrollment for a Particular Matter
§ 175-10.1-1025	Roster of Enrolled Agents
§ 175-10.1-1030	Suspension and Revocation of Enrollment
§ 175-10.1-1035	Reinstatement
§ 175-10.1-1040	Proof of Authority
§ 175-10.1-1045	Effect of Representation
§ 175-10.1-1050	Obligations of Truthfulness and Diligence
§ 175-10.1-1055	Knowledge of Client's Omission
§ 175-10.1-1060	Certification of Documents
§ 175-10.1-1065	Duty of Enrollees Concerning Violations
§ 175-10.1-1070	Professional Conduct

§ 175-10.1-1001 Eligibility to Practice. No person shall be eligible to practice before the Commission unless such person is enrolled in accordance with these

regulations, except that any individual may appear, without enrollment, on his own behalf.

§ 175-10.1-1005 Scope of Practice. Practice before the Commission shall be deemed to include all matters relating to the presentation of a client's matter to the Commission, including the preparation and filing of applications, reports, systems of internal controls, financial statements, or other documents submitted to the Commission on behalf of such client.

§ 175-10.1-1010 Qualifications for Enrollment.

- (a) The following persons may be admitted to practice before the Commission as attorneys or accountants:
 - (1) Attorneys at law admitted to practice before the Supreme Court of the Commonwealth and who are lawfully engaged in the active practice of their profession.
 - (2) Certified public accountants and public accountants qualified to practice under Commonwealth law and who are lawfully engaged in active practice as such.

(b) Other individuals may, upon motion of an enrolled person, be admitted to practice as agents upon presentation of satisfactory proof of their good character and integrity, professional qualifications and experience, comprehensive knowledge of the Act and regulations, and such other information or references as the Commission may require. Unless the Commission provides otherwise, all agents shall only be admitted to practice before the Commission for the purposes of a particular case or matter.

§ 175-10.1-1015 Procedures for Enrollment.

- (a) An attorney or accountant meeting the qualifications described in Regulation 175-10.1-1010(a) (1) or (2) shall be deemed automatically enrolled at the time the attorney or accountant first appears for or performs any act of representation on behalf of a client in any matter before the Commission.
- (b) Other individuals must submit an application for enrollment to the Commission together with proof of eligibility for enrollment. The Commission will consider the application at a public meeting, and may either grant or deny the application, or request additional information from the applicant. Only natural persons may enroll to practice before the Commission.
- (c) Prior to enrollment, any person other than one described in (a)(1) or (a)(2) above must pay an Enrollment Application fee of Five Hundred Dollars (\$500) and Two Hundred Fifty Dollars on every October 1 thereafter.

§ 175-10.1-1020 Enrollment for a Particular Matter.

(a) The following persons may, upon motion of an enrolled person, be admitted to practice before the Commission for the purposes of a particular case or matter:

- (1) Attorneys at law who have been admitted to practice before the courts of any state or territory or the District of Columbia and who are in good standing with the court by which they are licensed.
- (2) Certified public accountants or public accountants who have duly qualified to practice as such in their own names, under the laws and regulations of any state or territory or the District of Columbia, and who are in good standing with the entity by which they are licensed.

(b) No person enrolled pursuant to this section may practice before the Commission except in association with the enrolled person who sponsored his enrollment.

No person enrolled pursuant to this section may practice before the Commission in any manner that violates the rules of the Commonwealth Supreme Court or any other branch, agency or board having authority over the respective profession.

§ 175-10.1-1025 Roster of Enrolled Agents. The Commission will keep on file a roster of persons who are enrolled as agents, and will furnish, upon request, information as to whether any individual is enrolled.

§ 175-10.1-1030 Suspension and Revocation of Enrollment.

(a) A person's enrollment to practice before the Commission shall be suspended automatically without a hearing under the following circumstances:

- (1) Where the person is an attorney or an accountant, if his professional license is suspended or revoked;
- (2) Where the person is an agent, if he has been convicted of any felony, regardless of whether an appeal is pending or could be taken.

(b) Any person enrolled to practice before the Commission as an agent may have his enrollment to practice suspended or revoked if, after a hearing, the Commission finds that:

- (1) The agent made a materially false or misleading statement with regard to his application for enrollment;
- (2) The agent willfully failed to exercise diligence in the preparation or presentation of any application, report, or other document filed with the Commission, or knowingly misrepresented any material fact to the Commission; or
- (3) The agent does not possess the requisite qualifications or expertise to represent others before the Commission, lacks character or integrity, or has engaged in unethical or improper conduct.

§ 175-10.1-1035 Reinstatement.

- (a) Any attorney or accountant whose enrollment is suspended under § 175-10.1-030(a)(1) shall be deemed automatically reinstated to practice before the Commission at the time he is reinstated to practice law or accounting by the applicable licensing authority.
- (b) Any agent whose enrollment is suspended or revoked under § 175-10.1-030(b) may be reinstated by the Commission, upon application, if the grounds for the suspension or revocation are subsequently removed by a reversal of the conviction, or for other good cause shown. An applicant for reinstatement shall be afforded an opportunity for a hearing before the Commission on the application, and shall pay all reasonable costs of the proceeding and a new enrollment fee of Five Hundred Dollars (\$500.00).

§ 175-10.1-1040 Proof of Authority. The Commission may require all persons seeking to appear before it to disclose the identity of those they represent and to present proof that they are authorized to act on their behalf.

§ 175-10.1-1045 Effect of Representation.

- (a) Any person represented by an attorney, accountant, agent, or other person before the Commission shall be bound by the acts or omissions of such representative to the same extent as if he had acted or failed to act personally.
- (b) In an appearance by an attorney, accountant, agent, or other representative at any hearing or meeting of the Commission, the person represented shall be deemed to have waived all privileges with respect to any information in the possession of such attorney, accountant, agent, or representative, or any testimony by him, except for privileges afforded by the Constitution of this Commonwealth or the United States, where applicable.

§ 175-10.1-1050 Obligations of Truthfulness and Diligence.

- (a) Enrolled persons shall not be intentionally untruthful to the Commission, nor withhold from the Commission any information which the Commission is entitled to receive, nor interfere with any lawful effort by the Commission to obtain such information.
- (b) Enrolled persons shall exercise due diligence in preparing or assisting in the preparation of documents for submission to the Commission.
- (c) Enrolled persons have a continuing responsibility on behalf of their clients to monitor the accuracy and completeness of information submitted to the Commission in any matter pertaining to their clients. Whenever an enrolled persons becomes aware that information furnished to the Commission is no longer accurate and complete in

any material respect, the enrolled person shall promptly furnish the Commission with appropriate supplemental and corrected information.

§ 175-10.1-1055 Knowledge of Client's Omission. An enrolled person who knows that a client has not complied with the Act or the regulations of the commission, or that a client has made a material error in or a material omission from any application, report, or other document submitted to the Commission, shall advise his client promptly of the fact of such noncompliance, error, or omission.

§ 175-10.1-1060 Certification of Documents. Every application, report, affidavit, written argument, brief, statement of fact, or other document prepared or filed on behalf of a client represented by an enrolled person, must be signed by the enrolled person, and the signature shall be deemed to constitute a certification that the document was prepared in conformity with the requirements of the Act and Regulations, that he has read the said paper and that, to the best of his knowledge, information and belief, its contents are true.

§ 175-10.1-1065 Duty of Enrollees Concerning Violations. An enrolled person shall, when requested by the Commission, a Member, or an authorized employee thereof, give to the Commission, or such member, or employee any information that the enrolled person may have concerning violations of the Act or regulations by any person, or of the occurrence of any acts or omissions on the part of an enrollee that would be grounds for suspension or disbarment of such enrollee, unless such information is privileged under applicable law.

§ 175-10.1-1070 Professional Conduct. Each enrolled person shall conduct his practice in an ethical and professional manner. Each enrolled attorney shall observe the rules of admission and professional conduct adopted by the Commonwealth Supreme Court, and each enrolled person who is not an attorney shall observe the rules of professional conduct adopted by the Commonwealth Board of Accountancy.

Part 1100 Information:

- § 175-10.1-1101 Affirmative Responsibility to Establish Qualifications
- § 175-10.1-1105 Duty to Disclose and Cooperate
- § 175-10.1-1110 Disposition of Property of a Casino Applicant or Licensee
- § 175-10.1-1115 Duty to Promptly Furnish Information
- § 175-10.1-1120 Inspection, Monitoring, and Periodic Investigations
- § 175-10.1-1125 Waiver of Liability for Disclosure of Information
- § 175-10.1-1130 Consent to Examination of Accounts and Records
- § 175-10.1-1135 Fingerprinting
- § 175-10.1-1140 Digital Photographs
- § 175-10.1-1145 Handwriting Exemplars
- § 175-10.1-1150 Oath of Affirmation and Attorney Certification
- § 175-10.1-1155 Untrue Information
- § 175-10.1-1160 Signatures
- § 175-10.1-1165 Form of Signature

§ 175-10.1-1175 Numbers of Copies

§ 175-10.1-1101 Affirmative Responsibility to Establish Qualifications. It shall be the affirmative responsibility and continuing duty of each applicant and licensee to produce and update and keep current such information, documentation, and assurances as may be required to establish by clear and convincing evidence his qualifications in accordance with the rules and regulations.

§ 175-10.1-1105 Duty to Disclose and Cooperate. It shall be the affirmative responsibility and continuing duty of each applicant, licensee, and person required to be qualified to provide all information, documentation, and assurances pertaining to qualifications required or requested by the Commission and to cooperate with the Commission in the performance of its duties. Any refusal by any such person to comply with a formal request for information, evidence, or testimony shall be a basis for denial, revocation, or disqualifications.

§ 175-10.1-1110 Disposition of Property of a Casino Applicant or Licensee. It shall be an affirmative responsibility of the Casino Gaming Licensee to submit to the Commission a copy of all agreements regarding the lease or purchase of, or the option to lease or purchase, any real property in Saipan, CNMI, entered into by the Casino Gaming Licensee or any affiliate of the Casino Gaming Licensee.

§ 175-10.1-1115 Duty to Promptly Furnish Information. It shall be the duty of each applicant or licensee to promptly furnish all information, documentation, assurances, consents, waivers, fingerprint impressions, photographs, handwriting exemplars, or other materials required or requested by the Commission. Any request of information by the Commission shall be submitted at a reasonable time determined by the Commission.

§ 175-10.1-1120 Inspection, Monitoring, and Periodic Investigations. The Commission or its authorized representatives may inspect and monitor at any time, the licensed premises of a licensed casino and the premises of any casino service provider or casino vendor licensee. The Commission must investigate, not later than one (1) year after the commencement of operations in a casino or Temporary Live Training Facility, and thereafter at intervals of its choosing the following:

- (a) whether or not the Casino Gaming Licensee is a suitable person to continue to hold a casino license;
- (b) whether or not the Casino Gaming Licensee is complying with these Regulations, the Act and any applicable law or regulation;
- (c) whether or not the Casino Gaming Licensee is complying with the casino license issued by the Lottery Commission;
- (d) whether or not the Casino Gaming Licensee, casino employees or casino service

providers or casino vendor licensee are complying with all agreements which are required under these Regulations and the Act and any subsequent amendments thereto;

(e) whether or not it is in the public interest that the Casino Gaming Licensee or casino service providers or casino vendor licensee should continue in force.

§ 175-10.1-1125 Waiver of Liability for Disclosure of Information. Each applicant, licensee, and person required to be qualified shall, in writing, waive liability of the Commission and its instrumentalities and agents for any damages resulting from any disclosure or publication of any information during any inquiries, investigations, or hearings or public records requests.

§ 175-10.1-1130 Consent to Examination of Accounts and Records:

(a) Each applicant and licensee shall, in writing consent to the examination of all accounts, bank accounts, and records in his possession or under his control and authorize all third parties in possession or with control of such accounts or records to allow such examination thereof as may be deemed necessary by the Commission.

(b) The Casino Gaming Licensee must sign an authorization to inspect its bank account records upon demand of the Commission.

(c) The Casino Gaming Licensee must maintain an account in a bank in the CNMI into which are deposited its revenues from all gaming activities.

(d) The Commission may waive any or all of these requirement as it deems prudent.

§ 175-10.1-1135 Fingerprinting.

(a) Each applicant, licensee, and person required to be qualified shall be fingerprinted in duplicate on fingerprint impression card forms provided by the Commission. One (1) of the said forms shall be filed with the Commission and one (1) shall be filed with the Commonwealth Department of Public Safety.

(b) Each person submitting fingerprints acknowledges that the Commission may provide copies of the fingerprint cards to law enforcement upon request or upon its own initiative.

(c) The Commission may waive this requirement as it deems prudent.

(d) The Commission may charge an additional one-time fee to offset the collection and storage of the submitted fingerprints.

§ 175-10.1-1140 Digital Photographs.

- (a) Each applicant, licensee, and person required to be qualified shall be digitally photographed. One (1) set of the said photographs shall be filed with the Commission and one (1) shall be filed with the Commonwealth Department of Public Safety.
- (b) Each person submitting photographs acknowledges that the Commission may provide copies of the photograph and any associated identifying information to law enforcement upon request or upon its own initiative.
- (c) The Commission may waive this requirement as it deems prudent.
- (d) The Commission may charge an additional fee to offset the collection and storage of the submitted photographs.

§ 175-10.1-1145 Handwriting Exemplars.

- (a) Each applicant, licensee, intermediary company, holding company, and person required to be qualified shall, in writing, consent to the supplying of handwriting exemplars in the form and manner directed upon the request of the Commission.
- (b) Each person submitting handwriting exemplars acknowledges that the Commission may provide copies of the exemplars and any associated identifying information to law enforcement upon request or upon its own initiative.
- (c) The Commission may waive this requirement as it deems prudent.
- (d) The Commission may charge an additional fee to offset the collection and storage of the submitted exemplars.

§ 175-10.1-1150 Oath of Affirmation and Attorney Certification.

- (a) All applicant, registration, business enterprise disclosure, child support information and personal history disclosure forms and all other papers relating thereto submitted to the Commission by or on behalf of an applicant shall be sworn to or affirmed and subscribed and dated by the applicant and, if different, the author of the said form or paper before a person legally competent to take an oath or affirmation, who shall himself subscribe and date the signature of the affiant and indicate the basis of his authority to take oaths or affirmations. The following statement shall immediately precede the signature of the affiant:

“I swear (or affirm) under penalty of perjury that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to loss of licensure and forfeiture of any and all fees paid as well as civil and criminal prosecution and fines and penalties associated therewith.”

The affiant, if requested shall again swear to or affirm and subscribe and date any such paper in the presence of a representative of the Commission.

(b) All such forms and papers shall also be signed by the applicant's chief legal officer or attorney of record, if any.

§ 175-10.1-1155 Untrue Information. The Commission shall deny a license or registration to any applicant who shall supply information to the Commission which is untrue or misleading as to a material fact pertaining to any information sought by the Commission.

§ 175-10.1-1160 Signatures. All application, business enterprise disclosure and personal history disclosure forms shall be signed by each of the following persons:

(a) If a corporation, by its president, its chairman of the board, any other chief executive officer thereof, its secretary, and its treasurer;

(b) If a partnership, by each of its partners; if a limited partnership, only by each of its general partners;

(c) If any other business enterprise, organization or association or of a governmental agency, by its chief executive officer, its secretary, and its treasurer;

(d) If an LLC, by its Manager or Managing Member and all Members; and

(e) If a natural person, by the person himself.

§ 175-10.1-1165 Form of Signature. All signatures shall be signed in blue ink and dated on all original papers, but may be photographed, typed, stamped, or printed on any copies of such papers. The name and address of the signatory shall be typed, stamped, or printed beneath each signature.

§ 175-10.1-1170 Form of Application.

(a) Each applicant, licensee, or person required to be qualified shall provide all information in a form specified by the Commission and shall complete and submit all appropriate application, registration, business enterprise disclosure, and personal history disclosure forms as directed by the Commission or the Executive Director.

(b) The Executive Director is authorized to create any application or form referred to or required by these Regulations, and is further authorized to create any application or form he deems necessary for the expedient conduct of the Commission's business.

§ 175-10.1-1175 Numbers of Copies.

(a) All original applications and other original papers relating thereto submitted to the Commission by the applicant shall be accompanied by one (1) original and six (6) conformed copies.

(b) Additional conformed copies of any such papers shall be supplied upon request by the Commission.

Part 1200

FEES

§ 175-10.1-1201	General Description of Fees and Deposit Policy
§ 175-10.1-1205	License Renewal General Provisions
§ 175-10.1-1210	Payment of Fees and Deposits
§ 175-10.1-1215	Special Fee Assessments for Other Purpose
§ 175-10.1-1220	No Proration of Fees
§ 175-10.1-1225	Schedule of Fees

§ 175-10.1-1201 General Description of Fees and Deposit Policy.

(a) The Commission shall establish, fees for the application issuance and renewal of all licenses pursuant to the Act.

(b) The differing treatment of these license categories reflects a recognition and judgment that casino applicants and licensees benefit directly or indirectly from all aspects of the regulatory process and are best suited to bear the largest share of the costs incurred by the Commission in implementing that process. Moreover, the actual cost of investigation and considering applications for individual employee licenses and casino service provider licenses may exceed the amount which those applicants and licensees may fairly be required to pay as fees. The fee structure established by these rules and regulations is designed to respond to these policies and problems.

(c) To the extent reasonably possible, each applicant or licensee should pay the investigatory or regulatory costs attributable to their application or license.

(d) Unless otherwise specifically exempted by the Commission, all application fees are fully earned when received by the Commonwealth Treasury or the Commission. The withdrawal of the application by the applicant or the denial of the license by the Commission is not grounds for a rebate of any portion of any application fee.

§ 175-10.1-1205 License Renewal General Provisions.

(a) All classes of gaming licenses, except the Casino License issued by the Lottery Commission which remains in force until modified, cancelled, suspended, or surrendered pursuant to the Act or these Regulations, are subject to renewal as provided herein. All classes of gaming licenses, other than the Casino License issued by the Lottery Commission, must be renewed before the expiration of the current license. This requirement does not guarantee renewal and no holder of a license has a property right in the renewal thereof.

(b) Any license, other than a casino license, which is not renewed prior to expiration,

will be considered as forfeited. Reinstatement of such a forfeited license will require processing as a new license application including payment of the proper fees associated with initial license issuance as promulgated herein.

§ 175-10.1-1210 Payment of Fees and Deposits.

(a) No application shall be accepted for filing or processed by the Commission except upon the proper and timely payment of all required fees and deposits in accordance with these Regulations. Any portion of an application fee or deposit which is incurred or determined after the filing of the application or which estimated in accordance with this subchapter shall be payable upon demand made by the Commission. Failure to promptly remit any amount so demanded shall be deemed a failure to timely pay the required fee unless the Commission finds cause to permit an extension of time in which to remit the demanded amount.

(b) Except as otherwise provided in the Act and these Regulations, failure to timely remit fees, or deposits required under this subchapter shall result in suspension of the affected license or application until such time as the full amount of such fee or deposit is paid unless the Commission finds cause to permit extension of time in which to remit the amount due. Except as otherwise provided, failure to remit full amount of a fee or deposit required under this section within thirty calendar days of the date such fee becomes due shall result in permanent forfeiture of the affected license or application unless the licensee or applicant shall show cause for non-forfeiture acceptable to the Commission.

(c) The Annual License Fee required by 175-10.1-610 shall be paid by check made payable to the "CNMI Treasurer" with a notation in the "Memo" area listing the fee being paid, and mailed to the Commonwealth's Department of Finance. No check so presented shall be deemed payment until the Commission shall be satisfied that sufficient funds are contained in the account against which it is drawn. An original receipt must be forwarded to the Commission promptly via U.S. Mail. Nothing herein prevents the Commission from receiving payment reports from the Department of Finance; however such reports do not alleviate the payor's responsibility to forward the original receipt to the Commission.

(d) All other fees shall be paid by check made payable to the "CNMI Treasurer" with a notation in the "Memo" area listing the fee being paid, and mailed to the Commission. No check so presented shall be deemed payment until the Commission shall be satisfied that sufficient funds are contained in the account against which it is drawn.

(e) The Commission may provide for wire transfer of any amount owed pursuant to the Act or these Regulations.

§ 175-10.1-1215 Special Fee Assessments for Other Purpose. All investigation fees required of the casino licensee, persons who have ownership of the entity which owns or controls the casino licensee, potential transferees, service providers, vendors,

junket operators, casino key employees, and casino employee must be shouldered by the applicant or employer of the applicant. In cases where further investigation is warranted, the Commission may require additional funds for the completion of the investigation process. The Commission may impose other additional fees as it deems necessary.

§ 175-10.1-1220 No Proration of Fees. Where fees are to be paid annually (whether by calendar or) the Commission shall not pro-rate any fees for the remainder of the year based on when the fee was incurred.

§ 175-10.1-1225 Schedule of Fees.

(a) Calculation of casino regulatory fee: The casino regulatory fee will be a flat fee at a fixed rate of Three Million Dollars (\$3,000,000.00) annually with a five percent (5%) increase every five (5) years for the following twenty (20) years. After the twentieth year, the maximum Casino Regulatory Fee will be reached and maintained for the remaining duration until the end of the exclusive casino license term, including all extensions of the casino license.

(b) Casino Vendor License. No Casino Vendor License shall be issued or renewed unless the applicant shall have first paid in full a license fee of Two Thousand Dollars (\$2,000.00) for the duration of the current fiscal year and the next two fiscal years thereafter. A renewal fee must be remitted, in full, to the Commission by October 1st of the third fiscal year after the original application and every third October 1st thereafter.

(c) Casino Service Provider License. No casino Service Provider License shall be issued or renewed unless the applicant shall have first paid in full a license fee of Five Thousand Dollars (\$5,000.00) for the duration of the current fiscal year and the next fiscal year thereafter. A biannual renewal fee must be remitted, in full, to the Commission by October 1st of the second fiscal year after the original application and every second October 1st thereafter.

(d) Other Fees:

- (1) Fee for Provisional Service Provider License is Two Thousand Five Hundred Dollars (\$2,500.00).
- (2) License replacement fee is Twenty (\$20.00) Dollars.
- (3) Agent Enrollment fee is Five Hundred Dollars (\$500.00).
- (4) Declaratory Ruling notification list fee is One Hundred Dollars (\$100.00).
- (5) Fee for Provisional casino vendor license is One Thousand Dollars (\$1,000.00).
- (6) Other fees may be assessed by the Commission as deemed appropriate and/or listed in a Supplemental Statement of Fees published by the Commission.

Part 1300

CASINO SERVICE PROVIDERS

TITLE 175: COMMONWEALTH CASINO COMMISSION REGULATIONS

§ 175-10.1-1301	Definitions
§ 175-10.1-1305	Service Provider License Requirements
§ 175-10.1-1310	Standards for Qualifications
§ 175-10.1-1315	Disqualification Criteria
§ 175-10.1-1320	Application; Investigation; Supplementary Information
§ 175-10.1-1325	Renewal of Licenses
§ 175-10.1-1330	Record Keeping
§ 175-10.1-1335	Record of Gaming Equipment Inventory
§ 175-10.1-1340	Equipment Testing Cost
§ 175-10.1-1345	Games of Chance
§ 175-10.1-1350	Hardware Requirements
§ 175-10.1-1355	Software Requirement
§ 175-10.1-1360	Cause for Suspension, Failure to Renew, or Revocation
§ 175-10.1-1365	Fees
§ 175-10.1-1370	Exemption
§ 175-10.1-1375	Casino Service Provider License
§ 175-10.1-1380	Master Vendors List
§ 175-10.1-1385	Provisional Casino Service Provider License
§ 175-10.1-1390	Casino Vendor License
§ 175-10.1-1395	Provisional Casino Vendor License

§ 175-10.1-1301 Definitions. The following words and terms, when used in this part, have the following meaning unless otherwise indicated.

(a) "Gaming equipment" means any mechanical, electrical, or electronic contrivance or machine used in connection with gaming or any game and includes, without limitation, roulette wheels, roulette tables, big six wheels, craps tables, tables for card games, layouts, slot machines, cards, dice, chips, plaques, card dealing shoes, drop boxes, and other devices, machines, equipment, items, or articles determined by the Commission to be so utilized in gaming as to require licensing of the manufacturers, distributors, or services or as to require Commission approval in order to contribute to the integrity of the gaming industry.

(b) "Gaming equipment distributor" means any person who distributes, sells, supplies, or markets gaming equipment.

(c) "Gaming equipment industry" means any gaming equipment manufacturer, and any producers or assemblers of gaming equipment(s).

(d) "Gaming equipment manufacturer" means any person who manufactures gaming equipment.

(e) "Gaming equipment servicer" means any person who maintains, services, or repairs gaming equipment.

(f) "Sales representative" means any person owning an interest in, employed by, or

representing a casino service provider enterprise, who solicits the goods and services or business thereof.

§ 175-10.1-1305 Service Provider and Vendor License Requirements.

(a) Except as otherwise provided for herein, any enterprise that provides goods or services related to, or transacts business related with, casino or gaming activity with the casino licensee, its employees or agents must be licensed by the Commission. The following enterprises must also be licensed as a casino service provider:

- (1) Any form of enterprise which manufactures, supplies or distributes devices, machines, equipment, items, or articles specifically designed for use in the operation of a casino or needed to conduct a game including, but not limited to, roulette wheels, roulette tables, big six wheels, craps tables, tables for card games, layouts, slot machines, cards, dice, gaming chips, gaming plaques, slot tokens, card dealing shoes, and drop boxes; or
- (2) Any form of enterprise which provides maintenance, service, or repair pertaining to devices, machines, equipment, items, or articles specifically designed for use in the operation of a casino or needed to conduct a game; or
- (3) Any form of enterprise which provides service directly related to the operation, regulation, or management of a casino including, but not limited to, gaming schools teaching gaming and either playing or dealing techniques, casino security enterprises, casino credit collection enterprises; or
- (4) Any form of enterprise which provides such other goods or services determined by the Commission to be so utilized in or incidental to gaming or casino activity as to require licensing in order to contribute to the integrity of the gaming industry in the Commonwealth.

(b) The Commission may require licensure as a casino vendor of any other person or entity which provides, or is likely to provide, any gaming or nongaming services of any kind to the Casino Licensee or its affiliated companies in an amount greater than One Hundred Thousand Dollars (\$100,000.00) per fiscal or calendar year.

(c) The casino licensee shall not buy, purchase, rent, lease, or obtain any good or service from any person or entity who must be licensed pursuant to this part if such person is not in possession of a current, valid license. The Casino Gaming Licensee shall immediately terminate its association and business dealings with a person licensed pursuant to this Part upon notification from the Commission that the license of such service provider licensee has been suspended.

(d) The Casino Gaming Licensee shall ensure that all contracts entered into with any vendor include a clause that requires the vendor to apply for a Casino Service Provider or Casino Vendor license upon demand of the Commission, and a clause cancelling and voiding the contract if the provider either does not seek, or seeks but does not receive, a Casino Service Provider or Casino Vendor license if demanded by the

Commission.

(e) Casino Vendor Licenses pursuant to subsection (b) are not required for the following persons provided they engage solely in the following transactions:

- (1) landlords renting to the casino licensee or its affiliated companies;
- (2) Landowners selling real estate to the casino licensee or its affiliated companies;
- (3) Financial companies providing banking services to the casino licensee or its affiliated companies;
- (4) Airlines selling airfare to the casino licensee or its affiliated companies;
- (5) Insurance companies selling insurance policies to the casino licensee or its affiliated companies;
- (6) Hotels renting rooms to the casino licensee or its affiliated companies;
- (7) Agencies or political subdivisions of the Commonwealth government;
- (8) Regulated public utilities;
- (9) Attorneys providing legal services;
- (10) Accountants providing accountancy services;
- (11) Insurance companies underwriting risk or selling policies of insurance;
- (12) Shipping companies providing transportation of goods;
- (13) Telecommunication companies providing communication service.

§ 175-10.1-1310 Standards for Qualifications.

(a) The general rules and regulations relating to standards for qualification set forth in Part 900 and the Regulations are incorporated herein.

(b) Each applicant required to be licensed as a casino licensee, casino service provider, casino employee, casino key employee, or casino vendor in accordance with these Regulations including gaming schools, must, prior to the issuance of any casino service provider license or other license issued by the Commission, produce such information, documentation, and assurances to establish by clear and convincing evidence:

- (1) The financial stability, integrity, and responsibility of the applicant;
- (2) The applicant's good character, honesty, and integrity;
- (3) That the applicant, either himself or through his employees, has sufficient business ability and experience to establish, operate, and maintain his enterprise with reasonable prospects for successful operation;
- (4) That all owners, management and supervisory personnel, principal employees and sales representatives qualify under the standards established for qualification of a casino key employee.
- (5) The integrity of all financial backers, investors, mortgagees, bondholders, and holders of indentures, notes or other evidence of indebtedness, either in effect or proposed, which bears any relationship to the enterprise; and
- (6) The integrity of all officers, directors, and trustees of the applicant.

(c) Each applicant required to be licensed as a casino service provider or casino vendor in accordance with these Regulation shall, prior to the issuance of any casino

service provider or vendor license, produce such information and documentation, including without limitation as to the generality of the foregoing its financial books and records, assurances to establish by clear and convincing evidence its good character, honesty, and integrity.

(d) Any enterprise directed to file an application for a casino service provider or casino vendor license pursuant to these Regulations may request permission from the Commission to submit a modified form of such application. The Commission, in its discretion, may permit such modification if the enterprise can demonstrate to the Commission's satisfaction that securities issued are listed, or are approved for listing upon notice of issuance, on the New York Stock Exchange the NASDAQ, or the American Stock Exchange or any other major foreign Stock Exchange.

(e) Any modifications of a casino service provider or casino vendor license application permitted pursuant to this section may be in any form deemed appropriate by the Commission except that the application for modification must include the following:

- (1) The appropriate Personal History Disclosure Forms for all those individuals required to so file by the Commission; and
- (2) Copies of all filings required by the United States Securities and Exchange Commission including all proxy statements and quarterly reports issued by the applicant during the two immediately preceding fiscal years or reports filed pursuant to the requirements of another regulatory body dealing with securities; and
- (3) Properly executed Consents to Inspections, Waivers of Liability for Disclosures of Information and Consents to Examination of Accounts and Records in forms as promulgated by the Commission; and
- (4) Payment of the fee required by § 175-10.1-1225(d); and
- (5) Any other information or documentation required at any time by the Commission.

§ 175-10.1-1315 Disqualification Criteria. A casino service provider license or a casino vendor license, must be denied to any applicant for a casino service provider license who has failed to prove by clear and convincing evidence that he or any of the persons who must be qualified under 175-10.1-905(a) possesses the qualifications and requirements set forth in sections 175-10.1-920 and 175-10.1-925 and any other section of these Regulations.

§ 175-10.1-1320 Application; Investigation; Supplementary Information.

(a) Each applicant must apply by completing an application package promulgated by the Commission and tendering payment of the amount listed in § 175-10.1-1225.

(b) The Commission may inquire or investigate an applicant, licensee, or any person involved with an applicant or licensee as it deems appropriate either at the time of the initial application and licensure or at any time thereafter. It is the continuing duty of all

applicants and licensees to provide full cooperation to the Commission in the conduct of such inquiry or investigation and to provide any supplementary information requested by the Commission.

§ 175-10.1-1325 Renewal of Licenses.

(a) An application for renewal of a license shall be filed annually no later than thirty days prior to the expiration of its license. The application for renewal of a license must be accompanied by the promulgated fee and needs to contain only that information which represents or reflects changes, deletions, additions, or modifications to the information previously filed with the Commission.

(b) A change in any item that was a condition of the original license or of a license renewal must be approved by the Commission. A change in ownership shall invalidate any approval previously given by the Commission. The proposed new owner is required to submit an application for licensure and evidence that he is qualified for licensure.

§ 175-10.1-1330 Record Keeping.

(a) All Casino service provider or casino vendor licensees must maintain adequate records of business operations which shall be made available to the Commission upon request; the records must be maintained in a place secure from theft, loss, or destruction. Adequate records include:

- (1) All correspondence with the Commission and other governmental agencies on the local, Commonwealth, and national level;
- (2) All correspondence concerning the realty, construction, maintenance, or business of a proposed or existing casino or related facility.
- (3) All copies of promotional material and advertisement;
- (4) All personnel files of each employees or agent of the licensee, including sales representatives; and
- (5) All financial records of all transactions of the enterprise including, but not limited to those concerning the realty, construction, maintenance, or business in any way related to a proposed or existing casino or related facility.

(b) Adequate records as listed in subsection (a) above must be held and remain available for inspection for at least seven years.

§ 175-10.1-1335 Record of Gaming Equipment Inventory.

(a) A manufacturer of all gaming machines/equipment including but not limited to slot machines, keno games, roulette, and big six wheels shall permanently affix an identification plate on each piece of gaming equipment that is clearly visible, showing an identification or serial number, the date of manufacture, and the name of the manufacturer.

(b) A manufacturer of the gaming machine/equipment must maintain a record for all periods of registration that it supplies a casino licensee or operator as a casino gaming-related supplier of gaming equipment.

(c) A casino licensee must maintain a record of each gaming machine/equipment that includes, but not limited to:

- (1) Name of the manufacturer of each piece of gaming machine/equipment;
- (2) Date of manufacture;
- (3) Serial or identification number;
- (4) Date of delivery to the Casino operator;
- (5) Current post-delivery status;
- (6) Disposal date and method; and,
- (7) Name of purchaser at disposal.

§ 175-10.1-1340 Equipment Testing Cost.

(a) All gaming machine/equipment used in the playing of games of chance in the casino will be subject to random testing by the Commission or its agents at times to be determined by the Commission. All costs associated with the testing prior to installation shall be paid or reimbursed to the commission by the equipment manufacturer.

(b) All gaming machine/equipment must pay out a mathematically demonstrable percentage of all amounts wagered subject to the approval of the Commission.

(c) Malfunctioning gaming machine/equipment which have an impact or effect on the performance and/or payout of the game must not be made available for play.

§ 175-10.1-1345 Games of Chance.

(a) The Casino Gaming Licensee must submit to the Commission for approval, a complete listing and description of any game of chance proposed for play in a casino that the operator intends to offer for play.

(b) For each game of chance submitted, the Casino Gaming Licensee must provide the rules of play to the Commission.

§ 175-10.1-1350 Hardware Requirements.

(a) Identification plates.

An unmovable identification plate containing the following information must appear on the exterior of each piece of gaming equipment and visibly identify:

- (1) Manufacturer;
- (2) Serial number; and
- (3) Model number.

- (b) Power interrupts circuit.
 - (1) A power interrupt circuit must be installed in all appropriate gaming equipment.
 - (2) A battery backup device is required that is capable of maintaining accurate required information after power is discontinued.
 - (3) The backup device must be kept within the locked or sealed logic board compartment.

(c) Electromagnetic interference.

Each machine or other gaming equipment shall be designed and constructed so that its operation is not adversely affected by static discharge or other electro-magnetic interference.

(d) The Casino Gaming Licensee must submit its hardware accessories requirements, operational systems, and control systems, to the Commission for consideration and approval prior to use, including, but not limited to:

- (1) Coin and token mechanisms;
- (2) Bill validators;
- (3) Automatic light-alarm;
- (4) Protection of logic boards and memory components;
- (5) Hardware switches;
- (6) Drop bucket; and
- (7) Hopper.

§ 175-10.1-1355 Software Requirement. The Casino Gaming Licensee must provide to the Commission for the Commission's consideration and prior approval all software used in or in conjunction with gaming equipment and any gaming activity or gaming accounting.

§ 175-10.1-1360 Cause for Suspension, Failure to Renew, or Revocation of a License. Any of the following is cause for suspension, refusal to renew, or revocation of a casino service provider license or casino vendor license; refusal to renew or a revocation may be issued for sufficient cause, so as those listed but not limited to:

- (a) Violation of any provision of the Act or these Regulations;
- (b) Conduct which would disqualify the applicant, or any other person required to be qualified, if such person were applying for original licensure;
- (c) Failure to comply with all applicable Commonwealth, federal, state, and local statutes, ordinances, and regulations;
- (d) A material departure from any representation made in the application for licensure;
- (e) Conduct by the licensee which involves issuance or acceptance of political

favors, kickbacks, undue pressure, manipulation or inducement of a public official for political, regulatory, or financial gain;

(f) Any other action or inaction by the licensee which causes the Commission to question the licensee's integrity, honesty, or which, in the Commission's sole judgment tends to discredit the Commonwealth or the Commonwealth's gaming industry.

§ 175-10.1-1365 Fees.

- (a) The fees for a Service Provider License are listed in Part 1200.
- (b) The fees for a Provisional Service Provider License are listed in Part 1200.
- (c) The casino regulatory fee are listed in part 1200.
- (d) The fees for a Casino Vendor License are listed in Part 1200
- (e) The fees for a Provisional Casino Vendor License are listed in Part 1200.

§ 175-10.1-1370 [Reserved]

§ 175-10.1-1375 Casino Service Provider License. No casino service provider or casino vendor license will be issued unless the individual qualifications of each of the following persons have first been established in accordance with all provisions, including those cited, in the Act and of the Regulations:

- (a) The enterprise;
- (b) If the enterprise is, or if it is to become a subsidiary, each holding company and each intermediary company which the Commission deems necessary in order to further the purposes of the Act;
- (c) Each owner of the enterprise who directly or indirectly holds any beneficial interest or ownership in excess of twenty percent (20%) of the enterprise;
- (d) Each owner of a holding company or intermediary company who the Commission determines is necessary in order to further the purposes of the Act;
- (e) Each director of the enterprise except a director who, in the opinion of the Commission is significantly not involved in or connected with the management or ownership of the enterprise shall not be required to qualify;
- (f) Each officer of the enterprise who is significantly involved in or has authority over the conduct of business directly related to casino or gaming activity and each officer whom the Commission may consider appropriate for qualification in order to ensure the good character, honesty, and integrity of the enterprise;

(g) Each officer of a holding company or intermediary company whom the Commission may consider appropriate for qualification in order to ensure the good character, honesty, and integrity of the enterprise;

(h) The management employee supervising the regional or local office which employs the sales representative who will solicit business or deal directly with a casino licensee;

(i) Each employee who will act as a sales representative or otherwise engage in the solicitation of business from casino licensees; and

(j) Any other person whom the Commission may consider appropriate for approval or qualification.

§ 175-10.1-1380 Master Vendors List.

(a) The Casino Gaming Licensee must establish a listing of all vendors, whether gaming or nongaming, with which it conducts business irrespective of the amount of business transacted. This listing must include, at a minimum, the following information:

- (1) Name of the company or individual, if sole proprietor;
- (2) Physical address and email of company or sole proprietor;
- (3) Amount of business for the month;
- (4) If the vendor is a company, then a listing of the owners and managers of the company;
- (5) A listing of the employees of the vendor involved with the casino gaming licensee; and
- (6) Any other information the Commission determines to be necessary to track levels of business and compliance with the Act.

(b) By no later than the tenth of each month, the Casino Gaming Licensee shall file with the Commission its master vendor list with the information set forth in subsection (a) above.

§ 175-10.1-1385 Provisional Casino Service Provider License.

(a) The Executive Director may, in his sole and absolute discretion, issue a Provisional Service Provider License to any person who applies for a license as a Casino Service Provider required by § 175-10.1-1305, provided such applicant also applies for a Provisional License pursuant to this section.

(b) The Provisional Casino Service Provider License shall be valid for such time as the applicant's Casino Service Industry License is pending with the Commission for investigation, consideration, determination of suitability and any other period before the Commission (1) grants the license; or (2) rejects the application.

(c) If the applicant withdraws his application for a Casino Service Provider License required by § 175-10.1-1305, the Provisional License issued by the Executive Director pursuant to § 175-10.1-1385(a) shall immediately expire.

(d) In determining whether to issue a Provisional Service Provider License pursuant to § 175-10.1-1385(a), the Executive Director must consider whether issuing such provisional license will bring disrepute to the Commonwealth or the gaming industry.

(e) The Executive Director shall not issue a Provisional Service Provider License to any provider who is not currently licensed as a casino service provider authorized to transact business with casinos in the State of Nevada or any other US jurisdiction. The Executive Director shall only issue a Provisional Service Provider License to a provider who is licensed as a casino service provider authorized to transact business with casinos in Nevada or any other US jurisdiction only for the limited purpose of providing the exact devices and services the provider is licensed to provide to casinos in the State of Nevada or any other US jurisdiction. No holder of a Provisional Service Provider License may provide any device, machine, service or thing it is not presently licensed to provide to unrestricted licensees in the State of Nevada or any other US jurisdiction.

(f) The Executive Director may use the information the applicant supplied with his application for a Casino Service Industry License required by § 175-10.1-1305 in considering whether to issue the Provisional License, and may require any additional information he deems necessary for consideration of the issuance of the Provisional License.

(g) The application fee for the Provisional License is one half of the amount charged by the Commission for a Casino Service Industry License required by § 175-10.1-1305. This amount must be paid at the time of filing of the application for the license, is a separate fee and will not be credited to any other amount owed by the applicant to the Commission or the Commonwealth.

§ 175-10.1-1390 Casino Vendor License.

(a) Any person or entity who is not a holder of a casino service provider license issued pursuant to § 175-10.1-1305 who transacts more than One Hundred Thousand Dollars (\$100,000.00) per calendar or fiscal year with the Casino Licensee (including any and all of its affiliate companies) must obtain from the Commission a Casino Vendor License or a Provisional Casino Vendor License.

(b) The Casino Licensee (including any and all of its affiliate companies) shall not transact more than One Hundred Thousand Dollars (\$100,000.00) per calendar or fiscal year with any person, entity, or affiliated group of persons or entities if said person, entity or affiliated group of persons or entities does not possess a valid Casino Vendor License or Provisional Casino Vendor License issued pursuant to these Regulations.

(c) Casino Vendor Licenses pursuant to subsection (a) are not required for the

following persons provided they engage solely in the following transactions:

- (1) Landlords renting to the casino licensee or its affiliated companies;
- (2) Landowners selling real estate to the casino licensee or its affiliated companies;
- (3) Financial companies providing banking services to the casino licensee or its affiliated companies;
- (4) Airlines selling airfare to the casino licensee or its affiliated companies;
- (5) Insurance companies selling insurance policies to the casino licensee or its affiliated companies;
- (6) Hotels renting rooms to the casino licensee or its affiliated companies;
- (7) Agencies or political subdivisions of the Commonwealth government;
- (8) Regulated public utilities;
- (9) Attorneys providing legal services;
- (10) Accountants providing accountancy services;
- (11) Insurance companies underwriting risk or selling policies of insurance;
- (12) Shipping companies providing transportation of goods;
- (13) Telecommunication companies providing communication service.

§ 175-10.1-1395 Provisional Casino Vendor License.

(a) The Executive Director may, in his sole and absolute discretion, issue a Provisional Service Provider License to any person who applies for a license as a Casino Vendor required by § 175-10.1-1390, provided such applicant also applies for a Provisional License pursuant to this section.

(b) The Provisional Casino Service Provider License shall be valid for such time as the applicant's Casino Vendor License is pending with the Commission for investigation, consideration, determination of suitability and any other period before the Commission (1) grants the license; or (2) rejects the application.

(c) If the applicant withdraws his application for a Casino Service Provider License required by § 175-10.1-1390, the Provisional License issued by the Executive Director pursuant to § 175-10.1-1395(a) shall immediately expire.

(d) In determining whether to issue a Provisional Service Provider License pursuant to § 175-10.1-1395(a), the Executive Director must consider whether issuing such vendor license will bring disrepute to the Commonwealth or the gaming industry.

(e) The Executive Director shall not issue a Provisional Vendor License to any provider who must register as a Casino Service Provider or Casino Service Industry License required by § 175-10.1-1305.

(f) The Executive Director may use the information the applicant supplied with his application for a Casino Vendor License required by § 175-10.1-1390 in considering whether to issue the Provisional License, and may require any additional information he deems necessary for consideration of the issuance of the Provisional License.

(g) The application fee for the Provisional License is one half of the amount charged by the Commission for a Casino Vendor License. This amount must be paid at the time of filing of the application for the provisional license, is a separate fee and will not be credited to any other amount owed by the applicant to the Commission or the Commonwealth.

Part 1400 HEARINGS: GENERAL PROVISIONS

§ 175-10.1-1401	Definitions
§ 175-10.1-1405	Applicability of Rules
§ 175-10.1-1410	Conduct of Contested Case Hearings
§ 175-10.1-1415	Rules Concerning All Contested Cases
§ 175-10.1-1420	Rights to Hearing; Request; Written Notice
§ 175-10.1-1425	Procedure when No Hearing is Held
§ 175-10.1-1430	Burden of Proof
§ 175-10.1-1435	Approval and Denial of Applications

§ 175-10.1-1401 Definitions. As used in this chapter, the term:

(a) "Contested case" means any proceeding, including any licensing proceedings, in which the legal right, duties, obligations, privileges, benefits, or other legal relation of specific parties are required by constitutional rights or by statute to be determined by any agency by decisions, determinations, or orders, addressed to a party or disposing of its interest after opportunity for an agency hearing.

(b) "Interested person" means any person whose specific legal rights, duties, obligations, privileges, benefit, or other specific legal relation are affected by the adoption, amendment, or repeal of a specific regulation or by any decision, order, or ruling of the Commission.

(c) "Party" means any person or entity directly involved in a contested case, including petitioner, respondent, intervener, or agency of the Commonwealth of the Northern Mariana Islands proceeding in any such capacity;.

(d) "Emergency Orders" means an order issued by the Commission for immediate action/relief.

§ 175-10.1-1405 Applicability of Rules.

(a) In addition to the Administrative Procedure Act (APA), the provisions of the Act and these Regulations apply to an appropriate contested case hearing.

(b) To the extent that the Act inconsistent with APA, the Act shall apply. To the extent that these Regulations are inconsistent with the APA, the APA shall apply unless the Act allows for the Commission to promulgate Regulations inconsistent with the APA,

in which case the Regulations shall apply.

§ 175-10.1-1410 Conduct of Contested Case Hearings.

(a) At all hearings of the Commission in contested cases, unless the Commission hears the matter directly, the Chairman may designate a member of the Commission to serve as a hearing Commissioner or shall designate a hearing examiner to serve as a hearing officer. When the Commission hears the matter directly, the Chairman must serve as presiding officer, unless he be absent in which case the Vice-Chairman shall serve as presiding officer.

(b) In the event that the designated hearing commissioner is unavailable prior to the filing of the recommended report and decision for consideration by the Commission, the Chairman may either designate another hearing Commissioner or transfer the proceedings to the entire Commission. In such event, and consistent with the requirements of due process, the Commission or the designated hearing Commissioner may either continue the hearing and render a decision upon the entire record or begin the hearing anew.

§ 175-10.1-1415 Rules Concerning All Contested Cases.

(a) Whether a contested case hearing is conducted by the Commission, by a hearing Commissioner or Hearing Examiner, in addition to any authority granted in the Act or the APA, the Chairman, the Hearing Commissioner or the Hearing Examiner, as the case may be, has the authority to:

- (1) Administer oaths and to require testimony to;
- (2) Serve process or notices in a manner provided for the service of process and notice in civil actions in accordance with the rules of court;
- (3) Issue subpoenas and compel the attendance of witnesses;
- (4) Propound written interrogatories;
- (5) Take official notice of any generally accepted information or technical or scientific manner in the field of gaming and any other fact which may judicially noticed by the courts of this Commonwealth; and
- (6) Permit the filing of amended or supplemental pleadings.

(b) Whether a contested case hearing is conducted by the Commission, a hearing commissioner or hearing examiner, and in addition to any rights granted in the Act or the APA, the parties have the right to:

- (1) Call and examine witnesses;
- (2) Introduce exhibits relevant to the issues of the case, including the transcript of testimony at any investigative hearing conducted by or on behalf of the Commission;
- (3) Cross examine opposing witnesses in any matters relevant to the issues of the case;
- (4) Impeach any witness, regardless of which party called him to testify;
- (5) Offer rebuttal evidence; and

- (6) Stipulate and agree that certain specified evidence may be admitted, although such evidence may be otherwise subject to objection.
- (c) In any contested case, the Commission has authority to:
- (1) Grant testimonial immunity, and
 - (2) Order a rehearing.
- (d) In any contested case held, the following special rules of evidence apply:
- (1) Any relevant evidence, not subject to a claim of privilege, may be admitted regardless of any rule of evidence which would bar such evidence in judicial matters;
 - (2) Evidence admitted pursuant to (c)(1) above is sufficient in itself to support a finding if it is the sort of evidence upon which responsible persons are accustomed to rely in the conduct of serious affairs; and
 - (3) If an applicant, licensee, registrant, or person that is qualified pursuant to the Act and these Regulations is a party, then such party may testify on its behalf; the party may also be called and examined as if under cross-examination in a judicial matter.

§ 175-10.1-1420 Rights to Hearing; Request; Notice.

- (a) When the Commission has been provided with all required information necessary for action, the Commission must serve the applicant personally by certified mail, to the address on file with the Commission or by facsimile or electronic mail, or secured email, a written notice of the applicant's right to a hearing and the applicant's responsibility to request a hearing; the Commission may on its own motion direct a hearing to be held.
- (b) The applicant may file with the Commission a request for hearing within fifteen (15) days after service of the written notice of right to a hearing and responsibility to request a hearing.

§ 175-10.1-1425 Procedure when No Hearing is Held. In any case in which no timely request for a hearing has been filed in which the Commission has not directed a hearing, the Commission must take a final action on the application within ninety days after the receipt of all required information and the completion of any investigation.

§ 175-10.1-1430 Burden of Proof for Applications.

- (a) The applicant, licensee, or registrant has the affirmative responsibility of establishing its individual qualifications by clear and convincing evidence.
- (b) An applicant for a casino license has the affirmative responsibility of establishing by clear and convincing evidence:
- (1) Individual qualification;
 - (2) The qualification of each person who is required to be qualified under these Regulations; and

- (3) The qualification of the facility in which the casino is to be located.

§ 175-10.1-1435 Approval and Denial of Applications.

- (a) The Commission has the authority to grant or deny any application pursuant to the provisions of the Act and of these Regulations;
- (b) Before granting any application other than for a casino license, the Commission must:
- (1) Limit or place such restrictions thereupon as the Commission may deem necessary in the public interest; and
 - (2) Require the applicant to tender all license fees as required by law and regulations adopted pursuant to the Act.

Part 1500 RULES CONCERNING PROCEEDINGS AGAINST APPLICANTS, LICENSEES, AND REGISTRANTS.

§ 175-10.1-1501	Commencement of Complaint
§ 175-10.1-1505	Service of Complaint
§ 175-10.1-1510	Notice of Defense
§ 175-10.1-1515	Right to Hearing; Waiver
§ 175-10.1-1520	Notice of Hearing
§ 175-10.1-1525	Revocation of License or Registration; Hearing

§ 175-10.1-1501 Commencement of Complaint. Any proceeding against an applicant, temporary licensee, provisional licensee, or licensee must be initiated and indicated by a written complaint; the complaint must include a statement set forth in an ordinary and concise language the charges and acts or omissions supporting such charges.

§ 175-10.1-1505 Service of Complaint. Within fourteen (14) days of filing of the complaint, the Commission must serve a copy upon the applicant, temporary licensee, provisional licensee, or licensee personally, by certified mail, by facsimile, or electronic mail or by secured email to the physical or email address on the file with the Commission.

§ 175-10.1-1510 Notice of Defense.

- (a) Within fifteen (15) days after service of the complaint, the applicant, licensee, or registrant may file with the Commission a notice of defense, in which he may:
- (1) Request a hearing;
 - (2) Admit or deny the allegations in whole or in part;
 - (3) Present new matters or explanations by way of defense; or
 - (4) State any legal objection to the complaint.
- (b) Within the time specified, the applicant or licensee may file one or more notices

of defense upon any or all of the above grounds.

(c) The failure to specifically deny any fact, issue or part of the complaint serves as an admission thereto.

§ 175-10.1-1515 Right to Hearing; Waiver. The applicant or licensee is entitled to an evidentiary hearing on the complaint if it files and serves the required notice of defense within the time allowed herein; such notice of defense is deemed a specific admission of all parts of the complaint which are not expressly denied. Failure to file and serve a notice of defense within such time constitutes a waiver of the right of the hearing, but the Commission, in its discretion may nevertheless order a hearing. All affirmative defenses must be specifically stated, and unless objection is taken, as provided therein, all objections to the form of complaint is deemed waived.

§ 175-10.1-1520 Notice of Hearing. The Commission will determine the time and place of hearing as soon as is reasonably practical after receiving the notice of defense. The Commission will deliver or send by certified mail, facsimile, or email a notice to all parties at least ten (10) days prior to the hearing.

§ 175-10.1-1525 Revocation of License or Registration; Hearing.

(a) The Commission will not revoke or suspend any license unless it has first afforded the licensee opportunity for a hearing.

(b) Notwithstanding (a) above, the Executive Director may suspend a temporary casino employee license or temporary key employee license pursuant to 175-10.1-1915 without a hearing but notice must be provided to the employee or key employee and the casino licensee of such suspension and the applicant shall be given an opportunity to cure the deficiency promptly.

§ 175-10.1-1530 Emergency Orders; Hearings; Complaints. Within five (5) days after the issuance of an emergency order pursuant to these Regulation, the Commission will cause a complaint to be filed and served upon the person involved in accordance with the provisions of this Part. Thereafter, the person against whom the emergency order has been issued and served is entitled to a hearing before the Commission. A person may request a hearing in accordance with the provisions of § 175-10.1-1510.

Part 1600

PETITIONS FOR DECLARATORY RULINGS

§ 175-10.1-1601	Definitions
§ 175-10.1-1605	Purpose of Declaratory Rulings
§ 175-10.1-1610	Petitions for Declaratory Rulings
§ 175-10.1-1615	Scheduling of Petitions for Hearing
§ 175-10.1-1620	Response, Comments, Briefs, Appearances
§ 175-10.1-1625	Disposition of Petitions for Declaratory Rulings

§ 175-10.1-1601 Definitions.

(a) Definitions:

1. "Contested case" means any pending license suspension or revocation proceeding pursuant to these Rules.
2. "Declaratory ruling" means a ruling on the meaning or application of a statute, regulation or decision or order entered by the Commission, and does not include the granting of approvals, findings of suitability, or other determinations that require the filing of an application as defined by the Commission.
3. "Interested person" means any applicant, licensee, registrant, person found suitable or unsuitable, or a group or association of such licensees, registrants or persons. The term also includes a governmental agency or political subdivision of the Commonwealth.
4. "Petitioner" means an interested person who has filed a petition for a declaratory ruling in accordance with the provisions of subsection § 175-10.1-230(c).
5. "Regulatory comment" means a written statement or prepared testimony of the Executive Director that analyzes any issue raised by a petition for a declaratory ruling without taking a position in opposition to or in support of such a petition.

§ 175-10.1-1605 Purpose of Declaratory Rulings. A declaratory ruling is an extraordinary remedy that may be considered by the Commission only when the objective of the petitioner cannot reasonably be achieved by other means and when the ruling would be significant to the regulation of gaming or to the gaming industry.

§ 175-10.1-1610 Petitions for Declaratory Rulings.

(a) Any person may petition the Commission for a declaratory ruling.

(b) A petition for a declaratory ruling shall be filed with the Secretary, together with a nonrefundable filing fee in to the Commission in the amount of Two Hundred Dollars (\$200.00) unless the petitioner is the Commission or a governmental agency or political subdivision of the Commonwealth, in which case there shall be no filing fee. A copy of the petition must be served by the petitioner upon the Attorney General within three (3) working days of the date of filing.

(c) The Secretary shall maintain and keep current a list of persons who have requested notice of petitions for declaratory rulings and shall transmit a copy of such list to a petitioner as soon as practicable after the filing of a petition for declaratory ruling. Persons shall pay a fee of One Hundred Dollars (\$100.00) per fiscal year for inclusion on the list, but such fee is waived for governmental agencies and political subdivisions of the Commonwealth. The petitioner shall serve a copy of the petition by personal delivery or first-class mail upon each person on such list no later than seven (7) days after receiving such list and shall provide an affidavit of service to the secretary. Each person receiving a copy of the petition for declaratory ruling may, within seven (7) days

after receipt, request the Secretary to provide him notice of the time set for the hearing on the petition for declaratory ruling.

(d) The petition for a declaratory ruling must contain:

- (1) The name, business address and telephone number of the petitioner;
- (2) A statement of the nature of the interest of the petitioner in obtaining the declaratory ruling;
- (3) A statement identifying the specific statute, regulation or commission decision or order in question;
- (4) A clear and concise statement of the interpretation or position of the petitioner relative to the statute, regulation or commission decision or order in question;
- (5) A description of any contrary interpretation, position or practice that gives rise to the petition;
- (6) A statement of the facts and law that support the interpretation of the petitioner;
- (7) A statement of any contrary legal authority including authority that is binding and merely persuasive;
- (8) A statement showing why the subject matter is appropriate for Commission action in the form of a declaratory ruling and why the objective of the petitioner cannot reasonably be achieved by other administrative remedy;
- (9) A statement identifying all persons or groups who the petitioner believes will be affected by the declaratory ruling, including the gaming industry as a whole, and the manner in which the petitioner believes each person will be affected;
- (10) The signature of the petitioner or his legal representative; and
- (11) An affidavit of service upon the Attorney General.

(e) An interested person may not file a petition for declaratory ruling involving questions or matters that are issues in a contested case in which the interested person is a party.

§ 175-10.1-1615 Scheduling of Petitions for Hearing.

- (a) If, within thirty (30) days of the date the petition for declaratory ruling was filed, the Chairman does not cause the Secretary to schedule the petition for declaratory ruling for hearing at a meeting of the Commission, the Secretary shall notify the other members of the Commission. Any member of the commission may, within fifteen (15) days of such notification, cause the secretary to schedule the petition for declaratory ruling for hearing at a meeting of the Commission.
- (b) The Executive Director shall notify the Chairman through the secretary within thirty (30) days of the date the petition for declaratory ruling was filed if the Executive Director objects to consideration of the petition.

- (c) The Chairman and any other Member may consult with the Executive Director or legal counsel or any employee of the Commission before deciding whether to cause a petition for declaratory ruling to be scheduled for hearing at a meeting of the Commission.
- (d) If a petition for declaratory judgment is not scheduled for hearing pursuant to this subsection, it is deemed dismissed.

§ 175-10.1-1620 Response to Petition; Regulatory Comments; Briefs and Appearances by Interested Persons.

(a) If a petition is scheduled for a hearing at a meeting of the Commission, the Secretary shall give the Petitioner, the Executive Director and each person requesting notice of hearing pursuant to § 175-10.1-1610(c) at least thirty (30) days' notice of the time set for the hearing.

(b) The Executive Director may file with the Commission a written response in opposition to or in support of a petition for declaratory ruling no later than thirty (30) days after notice from the Secretary, unless the time is extended by the Chairman.

(c) The Executive Director may file with the Commission a regulatory comment at any time at least ten (10) days before the time set for the hearing on the petition for a declaratory ruling.

(d) The Petitioner and any interested person may file a brief in support of or in opposition to a petition for declaratory ruling at least thirty (30) days before the time set for the hearing on the petition for declaratory ruling. Such brief shall substantially comply with the requirements for petitions for declaratory rulings provided in § 175-10.1-1610.

(e) The petitioner may file a reply to a response by the Executive Director or a brief by another interested person at least fifteen (15) days before the time set for the hearing on the petition for declaratory ruling.

(f) The Commission, in the discretion of the Chairman, may permit the Petitioner or interested person, whether or not he filed a brief, to present oral argument at the hearing on the petition for declaratory ruling.

§ 175-10.1-1625 Disposition of Petitions for Declaratory Ruling.

(a) The Commission, with or without oral argument, may dismiss the petition, in whole or in part, for any reason.

(b) If the Commission issues a ruling on the petition, its order shall delineate the Commission's interpretation of the meaning or application of the statute, regulation, decision or order that is the subject of the petition.

Part 1700 HEARING ON REGULATIONS

§ 175-10.1-1701 Hearings on Regulations

§ 175-10.1-1701 Hearings on Regulations.

(a) The Commission must adopt, amend, and repeal regulations in accordance with the provisions of the Administrative Procedure Act;

(b) Consistent with the requirements of the Act and the Administrative Procedure Act, the Commission may, in its discretion, conduct hearings concerning the adoption, amendment, or repeal of its regulations.

(c) Any public hearing held in connection with the propose regulation shall be conducted in accordance with the Administrative Procedures Act.

(d) The Commission must provide at least fifteen (15) days' notice of any public hearing conducted in connection with the proposed regulation. Such notice must be published in the Commonwealth Register or provided in a manner reasonably calculated to reach the interested public in accordance with 1 CMC § 9104.

(e) At the hearing held in connection with the proposed regulations, all people will be afforded the opportunity to attend and to appear before the Commission to submit oral testimony in support of or in opposition to the proposed regulations. Such participation does not include the right to present evidence or to cross-examine witnesses, which may be permitted solely in the discretion of the Commission.

(1) The Commission may require notice in advance of the date of the proceedings of any individual's intent to participate.

(2) This section shall not be construed to establish a right of any individual to appear before the Commission in the event that the Commission may act at a subsequent date to adopt the proposed regulations.

Part 1800 OPERATION GENERALLY

§ 175-10.1-1801	Methods of Operation
§ 175-10.1-1805	Grounds for Disciplinary Action
§ 175-10.1-1810	Publication of Payoffs
§ 175-10.1-1815	Criminal Convictions as Grounds for Revocation
§ 175-10.1-1820	Violation of Law or Regulations
§ 175-10.1-1825	Investigation of Conduct of Licensees Generally
§ 175-10.1-1830	Reports of Violations and Felony Convictions
§ 175-10.1-1835	Access to Premises and Production of Records
§ 175-10.1-1840	Summoning of Licensee
§ 175-10.1-1845	Unauthorized Games
§ 175-10.1-1850	Unlicensed Games or Devices

- § 175-10.1-1855 Collection of Gaming Credit
- § 175-10.1-1860 Surveillance Systems

§ 175-10.1-1801 Methods of operation.

(a) It is the policy of the Commission to require that all establishments wherein gaming is conducted in this Commonwealth be operated in a manner suitable to protect the public health, safety, morals, good order and general welfare of the inhabitants of the Northern Mariana Islands.

(b) Responsibility for the employment and maintenance of suitable methods of operation rests with the licensee, and willful or persistent use or toleration of methods of operation deemed unsuitable will constitute grounds for license revocation or other disciplinary action.

§ 175-10.1-1805 Grounds for Disciplinary Action.

(a) The Commission deems any activity on the part of the Casino Gaming Licensee, its agents or employees, that is inimical to the public health, safety, morals, good order and general welfare of the people of the Commonwealth, or that would reflect or tend to reflect discredit upon the Commonwealth of the Northern Mariana Islands or the gaming industry, to be an unsuitable method of operation and shall be grounds for disciplinary action by the Commission in accordance with the Act and the Regulations.

(b) Without limiting the generality of the foregoing, the following acts or omissions, in addition to any other act or omission deemed an unsuitable method by the Commission, may be determined to be unsuitable methods of operation:

1. Failure to exercise discretion and sound judgment to prevent incidents which might reflect on the repute of the Commonwealth and act as a detriment to the development of the industry.
2. Permitting persons who are visibly intoxicated to participate in gaming activity.
3. Complimentary service of intoxicating beverages in the casino area to persons who are visibly intoxicated.
4. Failure to conduct advertising and public relations activities in accordance with decency, dignity, good taste, honesty and inoffensiveness, including, but not limited to, advertising that is false or materially misleading.
5. Catering to, assisting, employing or associating with, either socially or in business affairs, persons of notorious or unsavory reputation or who have extensive police records, or persons who have defied congressional investigative committees, or other officially constituted bodies acting on behalf of the United States, or any state, or commonwealth or territory, or persons who are associated with or support subversive movements, or the employing either directly or through a contract, or any other means, of any firm or individual in any capacity where the repute of the Commonwealth or the gaming industry is liable to be damaged because of the unsuitability of the

- firm or individual or because of the unethical methods of operation of the firm or individual.
6. Employing in a position for which the individual could be required to be licensed as a key employee pursuant to the provisions of these Regulations, any person who has been denied a Commonwealth gaming license on the grounds of unsuitability or who has failed or refused to apply for licensing as a key employee when so requested by the Commission.
 7. Employing in any gaming operation any person whom the Commission or any court has found guilty of cheating or using any improper device in connection with any game, whether as a licensee, dealer, or player at a licensed game or device; as well as any person whose conduct of a licensed game as a dealer or other employee of a licensee resulted in revocation or suspension of the license of such licensee.
 8. Failure to comply with or make provision for compliance with all federal, Commonwealth, state and local laws and regulations and with all Commission approved conditions and limitations pertaining to the operations of a licensed establishment including, without limiting the generality of the foregoing, payment of all license fees, withholding any payroll taxes, liquor and entertainment taxes. The Commission in the exercise of its sound discretion can make its own determination of whether or not the licensee has failed to comply with the aforementioned, but any such determination shall make use of the established precedents in interpreting the language of the applicable statutes. Nothing in this section shall be deemed to affect any right to judicial review.
 9.
 - (1) Possessing or permitting to remain in or upon any licensed premises any cards, dice, mechanical device or any cheating device whatever, the use of which is prohibited by statute or regulation, or
 - (2) Conducting, carrying on, operating or dealing any cheating or thieving game or device on the premises, either knowingly or unknowingly, which may have in any manner been marked, tampered with or otherwise placed in a condition, or operated in a manner, which tends to deceive the public or which might make the game more liable to win or lose, or which tends to alter the normal random selection of criteria which determine the results of the game.
 10. Failure to conduct gaming operations in accordance with proper standards of custom, decorum and decency, or permit any type of conduct in the gaming establishment which reflects or tends to reflect on the repute of the Commonwealth and act as a detriment to the gaming industry.
 11. Issuing credit to a patron to enable the patron to satisfy a debt owed to another licensee or person, including an affiliate of the licensee.
 12. Whenever a licensed game, machine or gaming activity is available for play by the public, failing to have a licensed employee of the licensee present on the premises to supervise the operation of the game, machine or activity;
 13. Denying any Commission member or agent, upon proper and lawful demand, access to, inspection or disclosure of any portion or aspect of a gaming establishment as authorized by applicable statutes and regulation.

§ 175-10.1-1810 Publication of Pay-offs.

(a) Except as specifically provided herein, payoff schedules or award cards applicable to every licensed game or slot machine shall be displayed at all times either on the table or machine or in a conspicuous place immediately adjacent thereto. In the case of craps, keno and faro games the foregoing requirement will be satisfied if published payoff schedules are maintained in a location readily accessible to players and notice of the location of such schedule is posted on or adjacent to the table. In the case of slot machines, the foregoing requirements will be satisfied if:

1. The player is at all times made aware that payoff schedules or award cards applicable to any game offered for play are readily accessible and will be displayed on the video display screen of the device upon the initiation of a command by the player, or
2. The award cards of any game offered for play are displayed at all times when the device is available for play.

(b) Payoff schedules or award cards must accurately state actual payoffs or awards applicable to the particular game or device and shall not be worded in such manner as to mislead or deceive the public. Maintenance of any misleading or deceptive matter on any payoff schedule or award card or failure on the part of a licensee to make payment in strict accordance with posted payoff schedules or award cards may be deemed an unsuitable method of operation.

§ 175-10.1-1815 Criminal Conviction Grounds for Revocation or Suspension.

The Commission may revoke or suspend any license issued by the Commission or finding of suitability of a person who is convicted of a crime, even though the convicted person's post-conviction rights and remedies have not been exhausted, if the crime or conviction discredits or tends to discredit the Commonwealth or the gaming industry.

§ 175-10.1-1820 Violation of Law or Regulations. Violation of any provision of the Act or of these Regulations by a licensee, his agent or employee shall be deemed contrary to the public health, safety, morals, good order and general welfare of the inhabitants of the Commonwealth and grounds for suspension or revocation of a license. Acceptance of a Commonwealth gaming license or renewal thereof by a licensee constitutes an agreement on the part of the licensee to be bound by all of the regulations of the Commission as the same now are or may hereafter be amended or promulgated. It is the responsibility of the licensee to keep himself informed of the content of all such regulations, and ignorance thereof will not excuse violations.

§ 175-10.1-1825 Investigation of Conduct of Licensees, Generally. Any gaming license, including but not limited to: a casino license, a service provider license, a vendor license, a casino employee license and a key casino employee license is a revocable privilege, and no holder thereof shall be deemed to have acquired any vested rights therein or thereunder. The burden of proving his qualifications to hold any license rests at all times on the licensee. The Commission is charged by law with the duty of observing the conduct of all licensees to the end that

licenses shall not be held by unqualified or disqualified persons or unsuitable persons or persons whose operations are conducted in an unsuitable manner.

§ 175-10.1-1830 Reports of Violations and of Felony Convictions.

(a) The Casino Gaming Licensee, each service provider licensee, each casino employee licensee and each key casino employee licensee shall immediately notify the Commission by telephone of: (1) any violation or suspected violation of any gaming law regarding which the licensee has notified the local police and (2) the discovery of any violation of the Act, Regulations, Minimum Internal Control Standards, or Internal Control Standards.

(b) Any person holding a license, registration, or finding of suitability who is convicted of a felony in the Commonwealth or is convicted of an offense in another state or jurisdiction which would be a felony if committed in the Commonwealth shall notify the Commission in writing within ten (10) business days of such conviction.

§ 175-10.1-1835 Access to Premises and Production of Records.

(a) No applicant for any gaming license, including but not limited to: a casino gaming license, a service provider license, a casino employee license and a key casino employee license, shall neglect or refuse to produce records or evidence or to give information upon proper and lawful demand by a Commission member or any agent of the Commission or shall otherwise interfere, or attempt to interfere, with any proper and lawful efforts by the Commission, or any Commission agent to produce such information.

(b) No licensee or enrolled person shall neglect or refuse to produce records or evidence or to give information upon proper and lawful demand by a Commission member or any agent of the Commission or shall otherwise interfere, or attempt to interfere, with any proper and lawful efforts by the Commission, or any Commission agent to produce such information.

(c) Each licensed manufacturer, licensed distributor or seller, licensed casino and licensed casino service provider, shall immediately make available for inspection by any Commission member or agent all papers, books and records produced by any gaming business and all portions of the premises where gaming is conducted or where gambling devices or equipment are manufactured, sold or distributed. Any Commission member or agent shall be given immediate access to any portion of the premises of any casino licensee or casino service provider for the purpose of inspecting or examining any records or documents required to be kept by such licensee under the Regulations and any gaming device or equipment or the conduct of any gaming activity.

§ 175-10.1-1840 Summoning of Licensee. The Commission may summon any licensee or its agents or employees to appear to testify before it or its agents with regard to the conduct of any licensee or the agents or employees of any licensee. All such testimony shall be under oath and may embrace any matters which the

Commission or its agents may deem relevant to the discharge of its official duties. Any person so summoned to appear shall have the right to be represented by counsel. Any testimony so taken may be used by the Commission as evidence in any proceeding or matter then before it or which may later come before it. Failure to so appear and testify fully at the time and place designated, unless excused by the Commission, shall constitute grounds for the revocation or suspension of any license held by the person summoned, his principal or employer.

§ 175-10.1-1845 Unauthorized Games. No Casino Gaming Licensee shall permit any game to be operated or played without first applying for and receiving permission from the Commission to operate such game. The violation of this regulation may be deemed an unsuitable method of operation.

§ 175-10.1-1850 Unlicensed Games or Devices.

(a) No unlicensed gambling games shall be operated upon the premises of the Casino Gaming Licensee, nor shall the licensee expose in an area accessible to the public any machine, fixture, table, or device which may be used in the operation of a gambling game without first having paid all current fees and taxes applicable to such games.

(b) Whenever the Casino Gaming Licensee desires to temporarily remove or suspend a game from a licensed status, the licensee shall provide advanced written notice to the Commission stating the type and number of games sought to be suspended, the initial date and duration of the proposed suspension, and in addition to such notice, the licensee shall thereafter physically remove the gaming device from any area exposed to the public.

(c) Before any game or gaming device suspended from a licensed status in accordance with the foregoing procedure may be reactivated and placed into play, the Casino Gaming Licensee shall advise the Commission in writing of its intention and date to reactivate such game, and pay all fees and taxes applicable to said game, and upon the Commission's re-inspection of any gaming device previously sealed, the game may be exposed to play.

§ 175-10.1-1855 Collection of Gaming Credit.

(a) Only bonded, duly licensed collection agencies, or a licensee's employees, junket representatives, or attorneys, may collect, on the Casino Gaming Licensee's behalf and for any consideration, gaming credit extended by the licensee.

(b) Notwithstanding the provisions of subsection (a), the Casino Gaming Licensee shall not permit any person who has been found unsuitable, or who has been denied a gaming license of any kind, or who has had a gaming license of any kind revoked, to collect, on the licensee's behalf and for any consideration, gaming credit extended by the Casino Gaming Licensee.

(c) Each licensee shall maintain for the Commission's inspection records that describe credit collection arrangements and that include any written contracts entered into with the persons described in subsection (a).

(d) The Casino Gaming Licensee and its agents shall be required to collect, at a minimum, the greater of \$1 million or 10% of the gaming credit within ninety (90) days of the settled gaming credit from each respective patron. If the Casino Gaming Licensee fails to collect this required minimum, the Casino Gaming Licensee must provide within thirty (30) days after this ninety (90) day minimum amount collection period the following:

1. A schedule listing the patron(s) who failed to pay this minimum amount and balances due to the Casino Gaming Licensee, and
2. Copies of the documentations substantiating good faith efforts made in collection attempts.

§ 175-10.1-1860 Surveillance Systems.

(a) The Commission shall adopt standards for the installation, maintenance and operation of casino surveillance systems at all licensed establishments. The purposes of a casino surveillance system are to assist the Casino Gaming Licensee and the Commonwealth in safeguarding the licensee's assets, in deterring, detecting and prosecuting criminal acts, and in maintaining public confidence and trust that licensed gaming is conducted honestly and free of criminal elements and activity.

(b) The Casino Gaming Licensee shall install, maintain and operate a casino surveillance system in accordance with the casino surveillance standards adopted by the Commission. The failure of a licensee to comply with this section and the casino surveillance standards adopted by the Commission is an unsuitable method of operation.

(c) The Casino Gaming Licensee must submit a written casino surveillance system plan to the Commission. The plan must be in a form approved or required by the Commission, and must include a description of all equipment utilized in the casino surveillance system, a blueprint or diagram that shows all of the areas to be monitored and the placement of surveillance equipment in relation to the activities being observed, a description of the procedures utilized in the operation of the casino surveillance system, and any other information required by the casino surveillance standards. If the licensee does not conduct an activity that is addressed in the casino surveillance standards, then the plan must include a statement to that effect. The plan must be amended and the amendments to the plan or the plan as amended must be submitted to the Commission on an annual basis by the licensee, to reflect any modification made to the licensee's casino surveillance system during the preceding year that resulted from (1) the repeal or revision of any existing casino surveillance standard or the adoption of any new casino surveillance standard, (2) a change in the layout or configuration of any area required to be monitored, or (3) any exemption granted by the Commission. If no such modifications were made, then the licensee

must submit a statement to the Commission to that effect.

Part 1900 GAMING EMPLOYEE LICENSURE

§ 175-10.1-1901	Licensure Required: Casino Employee
§ 175-10.1-1905	Licensure Required: Casino Key Employee
§ 175-10.1-1910	Temporary Licensure and Provisional Licensure
§ 175-10.1-1915	Suspension and Reinstatement of Temporary or Provisional Licensure
§ 175-10.1-1920	Investigation, Criteria for Objection; Objection
§ 175-10.1-1925	Duties of Casino Licensee
§ 175-10.1-1930	System of Records, Contents
§ 175-10.1-1935	Petition for Hearing to Reconsider Objection to Registration or to Reconsider Suspension or Revocation of Registration
§ 175-10.1-1940	Criminal Convictions as Grounds for Revocation
§ 175-10.1-1945	Violation of Law or Regulations
§ 175-10.1-1950	Registration of Non-gaming Employees

§ 175-10.1-1901 Licensure and registration required: Casino Employee.

(a) No person shall be employed as a casino employee unless such person is temporarily licensed or licensed as a casino employee in accordance with these Regulations. Licensure shall last for the duration specified by the Commission; provided that annual registrations of the Casino Employee license are required in a form to be determined by the Executive Director or by the Commission.

§ 175-10.1-1905 Licensure and Registration Required; Casino Key Employee.

(a) No person shall be employed as a casino key employee unless such person is provisionally licensed or licensed as a casino key employee in accordance with these Regulations. Licensure shall last for the duration specified by the Commission; provided that annual registrations of the Casino Key Employee license are required in a form to be determined by the Executive Director or by the Commission.

§ 175-10.1-1910 Temporary Licensure; Provisional Licensure.

(a) A person is deemed temporarily licensed as a casino employee upon submission by the casino licensee of an Application for Licensure to the Commission for the applicant, unless otherwise determined by the Commission or the Executive Director. The person to be employed is not the applicant and is merely a beneficiary of the application process. The Casino Licensee may withdraw the application at any time without notice to or approval from the proposed employee beneficiary.

(b) The Application for Licensure is an application package, in electronic or paper form, containing all the components of a complete application for registration for a

casino employee or a casino key employee or renewal of licensure of the same consisting of, at a minimum:

1. The online or paper form for application promulgated by the Executive Director for Licensure or renewal of licensure as a casino employee or casino key employee in electronic or paper form; and
2. Two (2) sets of fingerprints of the applicant or, if applicable, proof that the applicant's fingerprints were previously submitted electronically or by another means to the Commission;
3. The applicable fee for licensure or renewal; and
4. The statement promulgated in § 175-10.1-925.

(c) Temporary licensure as a casino employee is valid for a period of one hundred eighty (180) days after an application for licensure is received by the Commission, unless objected to by the Executive Director, or otherwise suspended or revoked.

(d) The Executive Director may promulgate different forms for casino employees and casino key employee applications.

(e) The Executive Director may, in his sole and absolute discretion, issue a Provisional Casino Key Employee License to any person who applies for a license as a Casino Key Employee by § 175-10.1-1905, provided such applicant applies for a Provisional License pursuant to this section.

(f) The Provisional Casino Key Employee License shall be valid for such time as the applicant's Casino Key Employee license application is pending with the Commission for investigation, consideration, determination of suitability and any other period before the Commission (1) grants the license; or (2) rejects the application.

(g) If the applicant withdraws his application for a Casino Key Employee License required by § 175-10.1-1905, the Provisional License issued by the Executive Director pursuant to § 175-10.1-1910(e) shall immediately expire.

(h) In determining whether to issue a Provisional Casino Key Employee license pursuant to § 175-10.1-1910(e), the Executive Director must consider whether issuing such license will bring disrepute to the Commonwealth or the gaming industry.

(i) The Executive Director shall not issue a Provisional Key Employee License to any person who is not currently licensed as a casino key employee in the CNMI or any other US jurisdiction, but the Executive Director may issue a Provisional Key Employee License to any person who was licensed as a casino key employee any other US jurisdiction within the last five (5) years, but who surrendered their licensure while in good standing upon termination of their employment in the jurisdiction.

(j) The Executive Director may use the information the applicant supplied with his application for a Casino Key Employee license required by § 175-10.1-1905 in considering whether to issue the Provisional License, and may require any additional

information he deems necessary for consideration of the issuance of the Provisional License.

§ 175-10.1-1915 Suspension and Reinstatement of Temporary or Provisional Licensure.

(a) The Executive Director may suspend the temporary or provisional licensure of an applicant if he determines that:

1. The application for licensure received from the applicant is not complete;
2. The handwriting exemplar is illegible;
3. The fingerprints submitted by the applicant are illegible or unclassifiable;

or

4. The protection of the public welfare requires immediate suspension.

(b) The Executive Director shall suspend the temporary or provisional licensure of an applicant if he determines that the statement promulgated in § 175-10.1-925 is not completed, not signed, or the applicant indicates on the statement that he is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the Attorney General or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

(c) If the Executive Director suspends the temporary or provisional Licensure of an applicant pursuant to subsections (a)(1) or (2), he shall notify the applicant and the Casino Gaming Licensee of such suspension.

(d) An applicant whose temporary or provisional licensure is suspended pursuant to subsections (a)(1) or (2), shall not be eligible to work as a casino employee or casino key employee until such time as he rectifies the cause for such suspension and the Executive Director reinstates his temporary or provisional Licensure. If an applicant rectifies the cause for his suspension and the Executive Director reinstates his temporary or provisional Licensure, the period of time in which the applicant's temporary or provisional licensure was suspended pursuant to this regulation shall not be included in measuring the one hundred eighty (180) day period in which the Executive Director may object to such temporary Licensure of the applicant, if applicable. An applicant whose temporary or provisional licensure is suspended pursuant to subsections (a)(4), shall not be eligible to work as a casino employee or casino key employee until such time as the Executive Director or the Chairman lifts the temporary suspension prior to a hearing, or the Commission lifts the suspension after a hearing.

§ 175-10.1-1920 Investigation; Criteria for Objection; Objection.

(a) Upon receipt of an application for Licensure as a casino employee or casino key employee (provisional or otherwise), the Executive Director shall review it for completeness.

(b) Unless the Executive Director, after reviewing an application for licensure, suspends the temporary licensure of the applicant pursuant to 175-10.1-1915, he

shall conduct an investigation of the applicant to determine whether he is eligible to be or continue to be licensed as a casino employee or casino key employee.

(c) The Executive Director may object to the licensure of an applicant within one hundred eighty (180) days after receipt of a complete application for licensure based on any action or inaction of the applicant that the Executive Director determines is inimical to the public health, safety, morals, good order and general welfare of the people of the Commonwealth, or that would reflect or tend to reflect discredit upon the Commonwealth or the gaming industry. The Executive Director may object to the licensure of an applicant based on the association of the applicant with any person who the Executive Director determines is inimical to the public health, safety, morals, good order and general welfare of the people of the Commonwealth, or who reflects or tends to reflect discredit upon the Commonwealth or the gaming industry.

(d) If the Executive Director objects to the Licensure of an applicant pursuant to this regulation, the Executive Director shall notify:

1. The applicant of the objection and the right to apply for a hearing pursuant to these Regulations; and
2. The casino licensee.

(e) The failure of an applicant to seek review of a determination that he is not eligible for licensure as a casino employee or casino key employee shall be deemed to be an admission that the objection is well founded and such failure precludes administrative or judicial review.

(f) If, after receiving notice per (d)(2) above, the Casino Gaming Licensee no longer wishes to employ the applicant, it shall provide notice to the Executive Director and withdraw the application. If the casino licensee withdraws the application, no license will be finally granted, the temporary license will be revoked, the matter will be deemed closed, and the Commission may dismiss the Complaint sua sponte or upon motion of the Executive Director without a hearing.

(g) If the Executive Director does not object to the licensure of an applicant pursuant to this Part, the applicant shall be deemed licensed as a casino employee or casino key employee and is eligible for employment with the Casino Gaming Licensee in the Commonwealth until such registration expires per its terms or per these Regulations, is suspended, or is revoked per these Regulations.

§ 175-10.1-1925 Duties of Casino Licensee.

(a) The Casino Gaming Licensee shall not knowingly employ any person as a casino employee or casino key employee unless such person is temporarily licensed or licensed as a casino employee or casino key employee. A licensee shall check, and may rely on, the system of records maintained by the Commission to verify the temporary licensure, licensure or eligibility of a person seeking employment as a casino employee or casino key employee.

(b) The Casino Gaming Licensee shall only access the system of records after a person applies for a position as a casino employee or casino key employee solely to determine whether the person is licensed, temporarily licensed, or subject to objection, suspension or revocation, or to initiate an application transaction in the Commission's online gaming employee licensure system. The Casino Gaming Licensee shall maintain written documentation establishing that it received an application for employment from a person for a position as a casino employee or casino key employee prior to accessing the system of records and shall retain such documentation for at least five (5) years.

(c) Before the Casino Gaming Licensee grants any employee access to the system of records maintained by the Commission, it shall provide the Commission with the name, social security number and date of birth of such employee. Upon the termination of employment of such employee or the reassignment of such employee to a position that no longer requires him to access the system of records, the Casino Gaming Licensee shall immediately notify the Commission of such termination or reassignment. The information contained within the system of records is confidential and must not be disclosed by such employee or the Casino Gaming Licensee.

(d) If the Casino Gaming Licensee determines, after accessing the system of records maintained by the Commission, that a person seeking employment or renewal as a casino employee or casino key employee with such licensee is not temporarily licensed or licensed as a casino employee or casino key employee, and is not subject to objection, suspension or revocation, the casino licensee shall provide the person with a form for application, the child support statement promulgated in § 175-10.1-925 and instruct the person to:

1. Complete the form for application and the child support statement;
2. Obtain two complete sets of fingerprints;
3. Complete an online payment by credit or debit card through the Commission's online gaming employee licensure system or obtain a money order, cashier's check or voucher in the amount promulgated by the Commission in accordance with these Regulations, or arrange for the casino licensee to make the payment; and
4. Unless otherwise promulgated by the chairman, complete the application for gaming employee licensure online via the Commission's online gaming employee licensure system or return a completed paper application for licensure to the licensee in a sealed envelope, or in any other confidential manner permitted by the Commission, for the casino licensee's submission to the Commission.

(e) If the Casino Gaming Licensee determines, after accessing any system of records maintained by the Commission, that a person seeking employment or renewal as a casino employee or casino key employee with such licensee is subject to objection, suspension or revocation, the Casino Gaming Licensee shall:

- (1) Not accept an application for licensure from such person; and

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(2) Notify the person that he must contact the Commission in order to pursue reversal or removal of such objection, suspension or revocation.

(f) The Casino Gaming Licensee which instructs a person to obtain two (2) complete sets of fingerprints shall be responsible for payment of the fees charged by the Commonwealth, the Federal Bureau of Investigation, or any other agency the Commission approves, for processing such fingerprints.

(g) Upon receipt of an application for licensure, the Casino Gaming Licensee shall mail or deliver it to the Commission within five (5) business days.

(h) The application for licensure is confidential and shall not be accessed or used for any purpose by a licensee unless otherwise permitted by law, or prior, written consent is given by the person seeking employment.

(i) The Casino Gaming Licensee shall immediately reassign to a position that does not require licensure as a casino employee or casino key employee a person it has employed or contracted with as a casino employee or casino key employee if the Executive Director notifies a licensee that the temporary or provisional licensure or licensure of the person it has employed as a casino employee or casino key employee has been objected to by the Executive Director, or otherwise suspended or revoked. The Casino Gaming Licensee also may, in its sole judgment, terminate the employment relationship.

(j) On or before the tenth (10th) day of each month, the casino licensee shall submit a written report to the Commission containing the name, social security number, position held, and date of hire of each casino or casino key employee (temporary, provisional or otherwise) hired during the previous month.

(k) On or before the tenth (10th) day of the ensuing month after a calendar quarter, the casino licensee shall enter a termination date for all casino employees or casino key employees (temporary, provisional or otherwise) terminated or separated from service within the preceding quarter into the Commission's online gaming employee licensure system or submit a written report to the Commission containing the name, social security number, position held, and date of termination or separation of all casino employees or casino key employees (temporary, provisional or otherwise) terminated or separated from service within the preceding quarter.

(l) The casino licensee must maintain a photo of every gaming employee employed by the licensee. The licensee shall maintain the photo for a period of no less than five (5) years after the date in which the gaming employee is no longer employed by the licensee as a gaming employee. The photo must be large enough and of sufficient clarity to be able to clearly identify the gaming employee from the photo. The photo may be in the form of a photograph or it may be digitally stored, but it must be capable of being reproduced and provided at the request of the Commission.

(m) Any violation of 175-10.1-1925(a) or (b) constitutes an unsuitable method of operation and shall be grounds for disciplinary action by the Commission in accordance with the Act and the Regulations.

§ 175-10.1-1930 System of Records: Contents; Confidentiality.

- (a) The Commission shall create and maintain a system of records that:
1. Contains information regarding each person who is licensed as a casino employee or casino key employee; and
 2. Identifies each person whose licensure as a casino employee or casino key employee has expired, was objected to by the Executive Director, or was otherwise suspended or revoked.
- (b) The system of records may be accessed by the Commission at any time and in any manner and may only be accessed by the Casino Gaming Licensee by on-line Internet connection or in person during the Commission's normal office hours and only by those persons or entities authorized by the Commission.

§ 175-10.1-1935 Petition for Hearing to Reconsider Objection to Registration or to Reconsider Suspension or Revocation of Registration.

- (a) Any person whose application for licensure as a casino employee or casino key employee has been objected to by the Executive Director, or whose licensure as a casino employee or casino key employee has been suspended or revoked pursuant to these Regulations, may request a hearing for reconsideration of the final administrative or judicial action which resulted in such objection, suspension or revocation.
- (b) The aggrieved person may obtain the reconsideration hearing by filing a petition with the Commission which sets forth the basis of the request for reconsideration. The aggrieved person shall, upon filing such petition, include the child support statement promulgated in § 175-10.1-925 and, if requested by the Commission, two (2) new complete sets of fingerprints together with the fee charged therefore.
- (c) Upon receipt of a petition, the Commission shall conduct an investigation of the person who filed such petition and schedule a hearing. At the hearing, the Commission or its appointee shall take any testimony deemed necessary. The Commission may appoint a hearing examiner and authorize that person to conduct the hearing, including, but not limited to, any of the functions required of the Commission in the case of hearing conducted pursuant to these Regulations or the Administrative Procedure Act.
- (d) After conducting a hearing pursuant to subsection (c), the Commission or its appointee shall render a decision sustaining, modifying or withdrawing the objection which shall be mailed to the person within forty five (45) days after the date of the hearing; or
- (e) The Commission, in reviewing a decision or recommendation of the Executive Director, may sustain, modify or reverse the decision or recommendation of the

Executive Director or any appointed hearing officer, may revoke, suspend, or terminate the license, or remand the petition to the Executive Director or hearing officer for such further investigation or reconsideration as the commission may order.

(f) An aggrieved person who files a petition pursuant to this regulation may submit a written request for withdrawal of such petition to the Commission at any time before the Commission has acted upon a decision or recommendation of the Executive Director or appointee.

§ 175-10.1-1940 Criminal Conviction Grounds for Revocation or Suspension.

The Commission may revoke or suspend the casino employee license or casino key employee license or finding of suitability of a person who is convicted of a crime, even though the convicted person's post-conviction rights and remedies have not been exhausted, if the crime or conviction discredits or tends to discredit the Commonwealth or the gaming industry.

§ 175-10.1945 Violation of Law or Regulations. Violation of any provision of the Act or of these Regulations by a casino employee or casino key employee shall be deemed contrary to the public health, safety, morals, good order and general welfare of the inhabitants of the Commonwealth and grounds for suspension or revocation of a license. Acceptance of a Commonwealth gaming license or renewal thereof by a licensee constitutes an agreement on the part of the licensee to be bound by all of the regulations of the Commission as the same now are or may hereafter be amended or promulgated. It is the responsibility of the licensee to keep himself informed of the content of all such regulations, and ignorance thereof will not excuse violations.

§ 175-10.1950 Registration of Non-gaming Employees. All employees of the Casino Licensee who are not holders of a Casino Employee license or a Casino Key Employee licensee must register with the Commission within two (2) weeks of their employment and annually thereafter in a form to be determined by the Executive Director or by the Commission.

Part 2000

CHIPS AND TOKENS

§ 175-10.1-2001	Approval of Chips and Tokens; Applications and Procedures
§ 175-10.1-2005	Specifications for Chips and Tokens
§ 175-10.1-2010	Specifications for Chips
§ 175-10.1-2015	Specifications for Tokens
§ 175-10.1-2020	Use of Chips and Tokens
§ 175-10.1-2025	Redemption and Disposal of Discontinued Chips and Tokens
§ 175-10.1-2030	Destruction of Counterfeit Chips and Tokens
§ 175-10.1-2035	Promotional and Tournament Chips and Tokens
§ 175-10.1-2040	Other Instrumentalities
§ 175-10.1-2045	Chips and Tokens Required

§ 175-10.1-2001 Approval of Chips and Tokens; Applications and Procedures.

(a) A licensee shall not issue any chips or tokens for use in its gaming establishment, or redeem any such chips or tokens, unless the chips or tokens have been approved in writing by the Commission. A licensee shall not issue any chips or tokens for use in its gaming establishment, or redeem any such chips or tokens, that are modifications of chips or tokens previously approved by the Commission, unless the modifications have been approved in writing.

(b) Applications for approval of chips, tokens, and modifications to previously-approved chips or tokens must be made, processed, and determined in such manner and using such forms as the Commission may prescribe. Only casino licensees or the manufacturer authorized by these licensees to produce the chips or tokens, may apply for such approval. Each application must include, in addition to such other items or information as the Commission may require:

- (1) An exact drawing, in color or in black-and-white, of each side and the edge of the proposed chip or token, drawn to actual size or drawn to larger than actual size and in scale, and showing the measurements of the proposed chip or token in each dimension;
- (2) Written specifications for the proposed chips or tokens;
- (3) The name and address of the manufacturer;
- (4) The licensee's intended use for the proposed chips or tokens; and
- (5) A verification upon oath or notarized affirmation, executed by the chief operating officer of the chip or token manufacturer, or a person with equivalent responsibilities, that it has a written system of internal control, approved by the Commission, which describes in detail the current administrative, accounting and security procedures which are utilized in the manufacture, storage and shipment of the chips, tokens and related material. The written system must include at a minimum, a detailed, narrative description of the procedures and controls implemented to ensure the integrity and security of the manufacturing process, from design through shipment, including but not limited to those procedures and controls designed specifically to:
 - i. Provide for the secure storage or destruction of all pre-production prototypes, samples, production rejects and other nonsellable product.
 - ii. Provide security over the finished art work, hubs, plates, dies, molds, stamps and other related items which are used in the manufacturing process.
 - iii. Prevent the unauthorized removal of product from the production facility through the utilization of security devices such as metal detectors, and surveillance cameras.
 - iv. Restrict access to raw materials, work-in-process, and finished goods inventories to authorized personnel.
 - v. Establish procedures for documenting approval of production runs.
 - vi. Establish and maintain a perpetual inventory system which adequately documents the flow of materials through the manufacturing process.
 - vii. Establish procedures which reconcile the raw material used to the finished product on a job-by-job basis. Significant variances are to be documented,

investigated by management personnel, and immediately reported to the Commission and to the licensee who authorized the manufacturer to produce the chips or tokens.

- viii. Provide for quarterly physical inventory counts to be performed by individual(s) independent of the manufacturing process which are reconciled to the perpetual inventory records. Significant variances are to be documented, investigated by management personnel, and immediately reported to the Divisions of Audit and Compliance.
- ix. Establish a framework of procedures which provide for the security and accountability of products and materials sent to or received from subcontractors or satellite production facilities.
- x. Document controls over the shipment of finished product, and
- xi. Provide such other or additional information as the Commission may require.

(c) The Commission may approve variations from the specific requirements of this regulation if in the opinion of the Commission the alternative controls and procedures meet the objectives of this regulation.

(d) If, after receiving and reviewing the items and information described by this regulation, the Commission is satisfied that the proposed chips, tokens and related information conform to the requirements of this regulation, the Commission shall notify the licensee or the manufacturer authorized by the licensee to produce the chips or tokens in writing and shall request, and the licensee or the manufacturer shall provide a sample of the proposed chips or tokens in final, manufactured form. If the Commission is satisfied that the sample conforms with the requirements of this regulation and with the information submitted with the licensee's application, the Commission shall approve the proposed chips or tokens and notify the licensee in writing. As a condition of approval of chips or tokens issued for use at the licensee's race book, sports pool, or specific table or counter game, the Commission may prohibit the licensee from using the chips or tokens other than at the book, pool, or specific game. The Commission may retain the sample chips and tokens submitted pursuant to this Regulation.

(e) At the time of approval of a system of internal control, the Commission may require the manufacturer to provide, and thereafter maintain with The Casino Gaming Licensee, a revolving fund in an amount determined by the Commission, which amount shall not exceed Ten Thousand Dollars (\$10,000.00). The Commission and its staff may use the revolving fund at any time without notice, for the purpose of implementing the provisions of this regulation.

§ 175-10.1-2005 Specifications for Chips and Tokens.

(a) Chips and tokens must be designed, manufactured, and constructed in compliance with all applicable statutes, regulations, and policies of the United States, the Commonwealth, and other states, and so as to prevent counterfeiting of the chips and tokens to the extent reasonably possible. Chips and tokens must not deceptively resemble any current or past coinage of the United States or any other nation.

- (b) In addition to such other specifications as the Committee may approve:
1. The name of the issuing gaming establishment must be inscribed on each side of each chip and token, and "Saipan, CNMI" must be inscribed on at least one side of each chip and token;
 2. The value of the chip or token must be inscribed on each side of each chip and token, other than chips used exclusively at roulette;
 3. The manufacturer's name or a distinctive logo or other mark identifying the manufacturer must be inscribed on at least one side of each chip and token; and
 4. Each chip must be designed so that when stacked with chips and tokens of other denominations and viewed on closed-circuit, black-and-white television, the denomination of the chip can be distinguished from that of the other chips and tokens in the stack.

(c) The Commission may approve any other thickness, dimension, size, shape, denomination and material for chips and tokens as it deems necessary and prudent.

§ 175-10.1-2010 Specifications for Chips.

(a) Unless the Commission approves otherwise, chips must be disk-shaped, must be .130 inch thick, and must have a diameter of:

1. 1.55 inches, for chips used at games other than baccarat;
2. 1.55 inches or 1.6875 inches, for chips used at baccarat; and
3. 1.6875 inches, for chips used exclusively at race books and sports pools or other counter games.

(b) Each side of each chip issued for use exclusively at a race book, sports pool, or particular game must bear an inscription clearly indicating that use of the chip is so restricted.

(c) The Commission may approve any other thickness, dimension, size, shape, denomination and material for chips as it deems necessary and prudent.

§ 175-10.1-2015 Specifications for Tokens.

(a) Unless the Commission approves otherwise, tokens must be disk-shaped and must measure as follows:

1. No token may be smaller than 1.459 inches or larger than 1.95 inches in diameter, and no token may be from 1.475 through 1.525 inches in diameter;
2. One dollar denomination tokens must be from 1.459 through 1.474 inches in diameter, from .095 through .115 inch thick, and, if the token has reeds or serrations on its edges, the number or reeds or serrations must not exceed 150;

3. Five dollar denomination tokens must be 1.75 inches in diameter, from .115 through .135 inch thick, and, if the token has reeds or serrations on its edges, the number of reeds or serrations must not exceed 175;
4. Twenty-five dollar denomination tokens must be larger than 1.75 inches but no larger than 1.95 inches in diameter (except that such tokens may be 1.654 inches (42 millimeters) in diameter if made of 99.9 percent pure silver), must be .10 inch thick, and, if the token has reeds or serrations on its edges, the number of reeds or serrations must not exceed 200; and
5. Tokens of other denominations must have such measurements and edge reeds or serrations as the chairman may approve or require.

(b) The Commission shall not approve any tokens of denominations lower than one dollar.

(c) Tokens must not be manufactured from material possessing sufficient magnetic properties so as to be accepted by a coin mechanism, other than that of a slot machine.

(d) Tokens must not be manufactured from a three-layered material consisting of a copper-nickel alloy clad on both sides of a pure copper core, nor from a copper-based material, unless the total of zinc, nickel, aluminum, magnesium, and other alloying materials is at least 20 percent of the token's weight.

(f) The Commission may approve any other thickness, dimension, size, shape, denomination and material for tokens as it deems necessary and prudent.

§ 175-10.1-2020 Use of Chips and Tokens.

(a) Chips and tokens are solely representatives of value which evidence a debt owed to their custodian by the Casino Gaming Licensee and are not the property of anyone other than the licensee.

(b) The Casino Gaming Licensee uses chips or tokens at its gaming establishment shall:

1. Comply with all applicable statutes, regulations, and policies of the Commonwealth and of the United States pertaining to chips or tokens;
2. Issue chips and tokens only to patrons of its gaming establishment and only at their request;
3. Promptly redeem its own chips and tokens from its patrons by cash or check drawn on an account of the licensee;
4. Post conspicuous signs at its establishment notifying patrons that federal law prohibits the use of the licensee's tokens, that Commonwealth law prohibits the use of the licensee's chips, outside the establishment for any monetary purpose whatever, and that the chips and tokens issued by the licensee are the property of the licensee, only; and

5. Take reasonable steps, including examining chips and tokens and segregating those issued by other licensees to prevent the issuance to its patrons of chips and tokens issued by any other casino.

(c) The Casino Gaming Licensee shall not accept chips or tokens as payment for any goods or services offered at the licensee's gaming establishment with the exception of the specific use for which the chips or tokens were issued, and shall not give chips or tokens as change in any other transaction. Notwithstanding the foregoing, Value chips of Five Hundred Dollars (\$500.00) or less may be accepted as payment for food or beverage in the gaming areas of the operations of the casino operator licensee's operations in the Commonwealth.

(d) The Casino Gaming Licensee shall not redeem its chips or tokens if presented by a person who the licensee knows or reasonably should know is not a patron of its gaming establishment, except that a licensee shall promptly redeem its chips and tokens if presented by an employee or key employee of the licensee who presents the chips and tokens in the normal course of employment.

(e) The Casino Gaming Licensee shall redeem its chips and tokens if presented by an agent of the Commission in the performance of his official duties or on behalf of another governmental agency.

(f) The Casino Gaming Licensee shall not knowingly issue, use, permit the use of, or redeem chips or tokens issued by any other licensee.

(g) Chips whose use is restricted to uses other than at table games or other than at specified table games may be redeemed by the issuing licensee at table games or non-specified table games if the chips are presented by a patron, and the licensee redeems the chips with chips issued for use at the game, places the redeemed chips in the table's drop box, and separates and properly accounts for the redeemed chips during the count performed pursuant to the licensee's system of internal control required by Part 500.

§ 175-10.1-2025 Redemption and Disposal of Discontinued Chips and Tokens.

(a) If the Casino Gaming Licensee permanently removes from use or replaces approved chips or tokens at its gaming establishment, or ceases operating its gaming establishment whether because of closure or sale of the establishment or any other reason, must prepare a plan for redeeming discontinued chips and tokens that remain outstanding at the time of discontinuance. The licensee must submit the plan in writing to the Commission not later than sixty (60) days before the proposed removal, replacement, sale, or closure, unless the closure or other cause for discontinuance of the chips or tokens cannot reasonably be anticipated, in which event the licensee must submit the plan as soon as reasonably practicable. The Commission may approve the plan or require reasonable modifications as a condition of approval. Upon approval of the plan, the licensee shall implement the plan as approved.

(b) In addition to such other reasonable provisions as the Commission may approve or require, the plan must provide for:

1. Redemption of outstanding, discontinued chips and tokens in accordance with this regulation for at least one hundred twenty (120) days after the removal or replacement of the chips or tokens or for at least one hundred twenty (120) days after operations cease, as the case may be, or for such longer or shorter period as the Commission may for good cause approve or require;
2. Redemption of the chips and tokens at the premises of the gaming establishment or at such other location as the Commission may approve;
3. Publication of notice of the discontinuance of the chips and tokens and of the redemption and the pertinent times and locations in at least two newspapers of general circulation in the Commonwealth at least twice during each week of the redemption period, subject to the Commission's approval of the form of the notice, the newspapers selected for publication, and the specific days of publication;

(c) Conspicuous posting of the notice described in paragraph (b) at the gaming establishment or other redemption location; and

(d) Destruction or such other disposition of the discontinued chips and tokens as the Commission may approve or require.

§ 175-10.1-2030 Destruction of Counterfeit Chips and Tokens.

(a) As used in this section, "counterfeit chips or tokens" means any chip- or token-like objects that have not been approved pursuant to these Regulations, including objects commonly referred to as "slugs," but not including coins of the United States or any other nation. "Law enforcement officer" includes any sworn officer of the Commonwealth or the United States of America. "Attorney General" means the Attorney General for the Commonwealth.

(b) Unless a law enforcement officer or the Attorney General instructs or a court of competent jurisdiction orders otherwise in a particular case, the Casino Gaming Licensee shall destroy or otherwise dispose of counterfeit chips and tokens discovered at its establishments in such manner as the Commission may approve or require.

(c) Unless a law enforcement officer instructs or a court of competent jurisdiction orders otherwise in a particular case, the Casino Gaming Licensee may dispose of coins of the United States or any other nation discovered to have been unlawfully used at their establishments by including them in their coin inventories or, in the case of foreign coins, by exchanging them for United States currency or coins and including same in their currency or coin inventories, or by disposing of them in any other lawful manner.

(d) The Casino Gaming Licensee shall record, in addition to such other information as the Commission may require:

1. The number and denominations, actual and purported, of the coins and counterfeit chips and tokens destroyed or otherwise disposed of pursuant to this section;
2. The month during which they were discovered;
3. The date, place, and method of destruction or other disposition, including, in the case of foreign coin exchanges, the exchange rate and the identity of the bank, exchange company, or other business or person at which or with whom the coins are exchanged; and
4. The names of the persons carrying out the destruction or other disposition on behalf of the licensee.

(e) The Casino Gaming Licensee shall maintain each record required by this subsection for at least five (5) years, unless the Commission approves or requires otherwise.

§ 175-10.1-2035 Promotional and Tournament Chips and Tokens.

(a) Promotional chips must be designed, manufactured, approved, and used in accordance with the provisions of the regulations applicable to chips and tokens, except as follows:

1. Promotional chips must be of such shape and size and have such other specifications as the Commission may approve or require;
2. Each side of each promotional chip must conspicuously bear the inscription "No Cash Value";
3. Promotional chips must not be used, and licensees shall not permit their use, in transactions other than the promotions or tournaments for which they are issued; and
4. The provisions of section § 175-10.1-2025 shall not apply to promotional chips.

§ 175-10.1-2040 Other Instrumentalities. Other instrumentalities with which gaming is conducted must be designed, manufactured, approved, used, discontinued, destroyed, or otherwise disposed of in accordance with the provisions of Regulations applicable to chips and tokens, except that such other instrumentalities must be of such shape, size, and design and have such other specifications as the Commission may approve or require; and the Commission, in its sole and absolute discretion, may deny approval of instrumentalities other than chips and tokens or may grant approval subject to such conditions as it considers appropriate.

§ 175-10.1-2045 Chips and Tokens Required.

(a) All wagering must be conducted with chips, tokens, wagering instruments or other instrumentalities approved by the Commission, or with wagering credits or the legal tender of the United States. No foreign chips or tokens may be used to wager.

(b) The Executive Director may allow wagering to occur with chips, tokens, wagering instruments, wagering vouchers, or wagering credits in foreign currencies in his sole discretion. The Executive Director shall require all computations and reports of revenue, drop, settlement sheets, and the like be in United States Dollars. The Executive Director shall take steps to shift, as much as he deems practicable, the risk of loss due to changes in exchange rates away from the Commonwealth and to the casino licensee.

Part 2100 CARD GAMES

- § 175-10.1-2101 Card Game Drop Box Procedures
- § 175-10.1-2105 Sale of Stakes
- § 175-10.1-2110 Accounting for Transactions between Card Table Bank and Card Room Bank
- § 175-10.1-2115 Limitations on the Use of Card Room Banks and Card Table Banks
- § 175-10.1-2120 Rake-off and Time Buy-in
- § 175-10.1-2125 Shills Prohibited
- § 175-10.1-2130 Proposition Players Prohibited
- § 175-10.1-2135 Restrictions on Other Players
- § 175-10.1-2140 Posting of Rules

§ 175-10.1-2101 Card Game Drop Box Procedures.

(a) Each card table shall have one card game drop box with the drop slot located at least four (4) inches in front of the table tray and to the right thereof, unless the table is equipped with a drop slot located at least two (2) inches to the right of and even with the top right-hand corner of the table tray, with a cover over the drop slot, which when activated will cause the rake to drop directly into the drop box. The card game drop box shall be a locked container marked with a permanent number corresponding to a permanent number on the card table and permanently marked to indicate game and shift, all of which markings shall be clearly visible at a distance of twenty (20) feet. The locked container shall be locked to the card table and shall be separately keyed from the container itself.

(b) All card game drop boxes shall be removed from their respective card tables at the times previously designated in writing to the Commission. The removal of card game drop boxes shall be without any interruptions so that an observer may be able to observe the markings on the boxes. The boxes must be transported directly to the room designated for counting where they shall be stored in a secure place or immediately counted.

§ 175-10.1-2105 Sale of Stakes. No cash or chips received for the sale of stakes shall be commingled with any rake-offs or other compensation received by the licensee from the players for the right to play.

§ 175-10.1-2110 Accounting for Transactions between Card Table Bank and Card Room Bank.

(a) When the card table bank is to be replenished with chips from the card room bank, all cash or chips to be transferred must be counted down by the dealer in public view on the card table and verified by the person who transports the cash or chips.

(b) The transfer shall be preceded by the placement of appropriately designated marker buttons (lammer) on the card table of a value equivalent to the cash or chips to be transferred to the card room bank. Such marker buttons may only be removed by the dealer after the transaction has been completed. A transfer document noting the terms of the transfer is also allowable.

(c) Upon written Commission approval, those licensees wishing to utilize the casino cage in lieu of a card room bank may do so provided that the same procedures as set forth in § 175-10.1-2110, § 175-10.1-2115, and related provisions thereto, shall be followed by the casino cage for such transactions.

§ 175-10.1-2115 Limitations on the Use of Card Room Banks and Card Table Banks.

(a) Card room banks shall be used exclusively for the purposes of the maintenance of card table banks used in card games, and the issuance of chips to and redemption of chips from players.

(b) Card table banks shall be used only for the purposes of making change or handling player buy-ins.

§ 175-10.1-2120 Rake-off and Time Buy-in.

(a) Rake-offs shall not exceed twenty percent (20%) of all sums wagers in the hand. Rake-offs shall only be pulled from the pot by the dealer in an obvious manner after each wager and call or at the completion of the hand. The rake-off shall be placed in a designated rake circle and shall remain in the designated rake circle until a winner is declared and paid. The rake-off shall then be dropped into the card game drop box.

(b) The designated rake circle must be clearly visible to all players and shall be positioned in a location on the table where it is at least four inches from and in front of the table tray and at least eight (8) inches from the table drop slot, unless the table is equipped with a drop slot located at least two (2) inches to the right of and even with the top right-hand corner of the table tray, with a cover over the drop slot, which when activated will cause the rake to drop directly into the drop box; such drop slot shall serve as the rake circle.

(c) All time buy-ins or other fees charged shall be immediately placed into the card game drop box.

§ 175-10.1-2125 Shills. The use of shills by a casino licensee is prohibited.

§ 175-10.1-2130 Proposition Players Prohibited. The use of proposition players by a casino licensee is prohibited.

§ 175-10.1-2135 Restrictions on Other Players.

- (a) Stakes players shall not be utilized by any licensee.
- (b) No dealer may wager in any game in which he is dealing.

§ 175-10.1-2140 Posting of Rules.

- (a) The rules of each game shall be posted and be clearly legible from each table and must designate:
 - 1. The maximum rake-off percentage, time buy-in, or other fee charged.
 - 2. The number of raises allowed.
 - 3. The monetary limit of each raise.
 - 4. The amount of ante.
 - 5. Other rules as may be necessary.

Part 2200 EXCLUDED AND EXCLUDABLE PERSONS

§ 175-10.1-2201	Casino Licensee's Right to Exclude Patrons
§ 175-10.1-2205	List of Exclusion and Ejection
§ 175-10.1-2210	Definitions
§ 175-10.1-2215	Entry of Names
§ 175-10.1-2220	Distribution and Contents of the List
§ 175-10.1-2225	Notice of Candidacy
§ 175-10.1-2230	Hearing
§ 175-10.1-2235	Petition to Remove from the List
§ 175-10.1-2240	Duty of Licensee to Exclude
§ 175-10.1-2245	Programs to Address Problem Gambling
§ 175-10.1-2250	Under 21 Years of Age
§ 175-10.1-2255	Special Exclusion Area

§ 175-10.1-2201 Casino Licensee's Right to Exclude Patrons.

- (a) The casino licensee or operator may refuse service to and refuse entry to or reject from the premises any patron or potential patron as such licensee or operator sees fit.
- (b) The casino licensee or operator may establish and enforce a dress code for its patrons and a code of conduct for its patrons, and any person who fails to comply with such codes on the premises may, at the discretion of the casino licensee or operator, be deemed an undesirable person and ejected or excluded from the premises.
- (c) The rights to refuse service and of exclusion and ejection granted in subsections (a) and (b) above do not include the rights to base such refusal, exclusion

and/or ejection on the basis of the patron's race, ethnicity, color, creed, religion, national origin, ancestry or sex. The licensee shall not violate any applicable federal or Commonwealth law that prohibits discrimination by private persons against individuals generally or against any protected class of individuals.

§ 175-10.1-2205 List of Exclusion and Ejection.

(a) The Commission hereby declares that the exclusion or ejection of certain persons from licensed gaming establishments which conduct pari-mutuel wagering or operate any race book, sports pool or games, is necessary to effectuate the policies of the Act and to maintain effectively the strict regulation of licensed gaming. Accordingly, the Commission hereby establishes a list of persons who are to be excluded or ejected from licensed gaming establishments that conduct gaming, wagering, pari-mutuel wagering or operate any horse race book, sports pool or games because their presence therein is determined by the Commission to pose a threat to the interests of the Commonwealth or to licensed gaming, or both.

(b) The Commission may include a person on the list if the Commission finds to its satisfaction that the person:

- (1) Has a prior conviction of a crime which is a felony in this Commonwealth or under the laws of the United States, or a crime involving moral turpitude or a violation of the gaming laws of any state;
- (2) Has violated or conspired to violate the provisions of the Act or these Regulations relating to:
 - (i) The failure to disclose an interest in a gaming establishment for which the person must obtain a license; or
 - (ii) Willful evasion of fees or taxes;
- (3) Has a notorious or unsavory reputation which would adversely affect public confidence and trust that the gaming industry is free from criminal or corruptive elements; or
- (4) Is the subject of a written order of a tribunal or governmental agency which authorizes the exclusion or ejection of the person from an establishment at which gaming or pari-mutuel wagering is conducted.

(c) A finding that any one criteria listed in (b) above is sufficient for inclusion.

(d) Evidence of notorious or unsavory reputation, as that term is used in (b)(3) above, may be established by, among other things, identification of a person's criminal activities in published reports of various federal and state legislative and executive bodies that have inquired into various aspects of criminal activities including but not limited to the following:

1. California Crime Commission;
2. Chicago Crime Commission;
3. McClellan Committee (Senate Subcommittee on Investigation);
4. New York Waterfront Commission;

5. Pennsylvania Crime Commission Report;
6. Senate Permanent Subcommittee on Investigations;
7. State of Colorado Organized Crime Strike Force;
8. President's Commission on Organized Crime;
9. Nevada Gaming Control Commission and Board

(e) Further, evidence of notorious or unsavory reputation as that term is used in (b)(3) above, may be established by, among other things, identification of a person's criminal activities with respect to wagering on or attempting to influence the result of a collegiate sport or athletic event in a published report by:

1. Any federal, state or local legislative, executive or judicial body or officer; or
2. Any association of colleges and universities devoted to the regulation and promotion of intercollegiate athletics, including, but not limited to the National Collegiate Athletic Association.

§ 175-10.1-2210 Definitions. As used in this Part, the following terms shall have the following meanings:

1. "Candidate" means any person who the Commission believes should be placed on the list.
2. "Excluded person" means any person who has been placed upon the list by the Commission and who has failed to timely request a hearing as provided in these Regulations, or who remains on the list after a final determination by the Commission. The term shall be synonymous with "ejected person" or "listed person."
3. "List" means a list of names of persons who are required to be excluded or ejected from licensed gaming establishments that conduct pari-mutuel wagering or operate any horse race book, sports pool or games. The term shall be synonymous with "exclusion list."

§ 175-10.1-2215 Entry of Names. The Commission may place on the list the name of any person who, by reason of any of the criteria set forth in 175-10.1-2205(b) is to be excluded or ejected from licensed gaming establishments that conduct pari-mutuel wagering or operate any horse race book, sports pool or games, whenever such exclusion or ejection is in the best interests of the Commonwealth or of licensed gaming, after the same has been determined as hereinafter provided:

1. Before a name is placed on the list, the Commission shall first informally review the information and evidence in its possession and make a determination that there is sufficient reason to believe that any one of the criteria specified in 175-10.1-2205(b) is applicable to the candidate. At least two Members shall concur in such decision at an investigative hearing, but no formal meeting of the Commission shall be required to reach a decision.
2. Except as hereinafter provided, the operative effect of such list shall not occur as to any given individual until such time as that person whose name has been placed upon the list has had notice and an opportunity for a hearing as

provided for by this regulation, and until such time as the Commission's decision becomes final.

3. The commission may grant a stay upon appropriate terms.

§ 175-10.1-2220 Distribution and Contents of the List.

- (a) The list shall be open to public inspection and shall be distributed to:
 1. Every licensed gaming establishment within the Commonwealth that conducts pari-mutuel wagering or operates any game;
 2. Law enforcement agencies situated in the Commonwealth.
- (b) The following information and data shall be provided for each excluded person:
 1. The full name and all aliases the person is believed to have used;
 2. Description of the person's physical appearance, including height, weight, type of build, color of hair and eyes, and any other physical characteristics which may assist in the identification of the person;
 3. Date of birth;
 4. The effective date the person's name was placed on the list;
 5. A photograph and the date thereof.

§ 175-10.1-2225 Notice of Candidacy.

- (a) After the Commission has determined an individual should be placed upon the list, notice of such determination shall be given to said person by:
 1. Personal service;
 2. Certified mail to the address of such person last known to the Commission;
 3. Posting on the Commission's website, in the Commission's Office, on the first floor of the Governor's executive building in Capitol Hill, Saipan and the first floor of the Judicial complex in Susupe, Saipan; or
 4. Publication once a day for seven (7) consecutive days in a newspaper of general circulation, published in Saipan, CNMI.
- (b) All reasonable efforts shall be made to give such candidate actual notice of the proceedings, but the methods of notice are cumulative, and each may be utilized with, after, or independently of the above-stated or other methods of notice.
- (c) A notice shall be directed to the candidate by his full name and by any aliases known to the Commission and shall state in essence as follows:

TO: (Name of candidate)

You are hereby notified that the Commonwealth Casino Commission deems you to be a person to be excluded from licensed gaming establishments within the area subject to its jurisdiction that conduct pari-mutuel wagering or operate any horse race book, sports pool or games, other than slot machines only, for the reasons specified in 175-10.1-2205(b) [designate subsection or subsections as grounds]. You are further advised that you may request, within thirty (30) days from the date of service, a hearing before the Commonwealth Casino Commission pursuant to the regulations of the

commission so as to show cause why your name shall be excluded from said list.

DATED this ___ day of _____, 20-----,
(Executive Director)

(d) In the event notice by publication is made, the notice shall specify that the request for hearing may be made any time within sixty (60) days after the last day of publication.

(e) After a candidate has requested a hearing before the Commission, the candidate shall be entitled to receive, upon request, a bill of particulars from the Executive Director specifying the grounds upon which a determination of exclusion was made. Such bill of particulars shall be furnished the candidate at least twenty (20) days prior to the hearing before the Commission.

(f) In the event a candidate does not request a hearing, the Executive Director will file with the Commission the bill of particulars heretofore specified, and the Commission may make its decision thereon and any other information it may request from the Executive Director.

§ 175-10.1-2230 Hearing.

(a) The procedures, rights, and remedies specified in these Regulations for the conduct of proceedings before the Commission in the applicable sections of these Regulations shall apply to any hearings provided to the candidate. As used throughout the above-mentioned sections of these Regulations dealing with Hearings, the following terms shall have the following meanings:

1. "Respondent" shall mean "candidate";
2. "Complaint" shall mean "notice of exclusion," or "bill of particulars";
3. "Notice of defense" shall mean "request for hearing."

(b) Written notice of the Commission's decisions shall be given to the candidate and to all licensed gaming establishments within the Commonwealth that conduct pari-mutuel wagering or operate any game.

(c) When the Commission determines a person should not be placed upon the list, or should be removed pursuant to the provisions of section 175-10.1-2235, notice of the decision shall be made in the same manner as notice under 175-10.1-2225, and additionally in the case of removal proceedings under section 175-10.1-2235, notice shall be given to all licensed gaming establishments within the state that conduct pari-mutuel wagering or operate any horse race book, sports pool or games.

§ 175-10.1-2235 Petition to Remove from the List.

(a) Any person who, after a final determination by the Commission, has been placed upon the list may petition the Commission in writing and request that his name be removed from such list. The petition shall be verified and state with specificity the grounds believed by the petitioner to constitute good cause for removal of his name.

(b) The Commission shall have ninety (90) days in which to entertain such petition, after which time the Commission shall either set the petition for hearing or deny the petition. In the event the Commission elects to entertain the petition, a date for hearing shall be specified, and thereafter the procedures specified in section 175-10.1-2230 above shall apply.

(c) The record of evidence and testimony, if any, used by the Commission in making its original determination of exclusion may be considered by the Commission; provided, however, said record shall not be reopened except upon the express consent of the Commission. Unless otherwise allowed by the Commission, only evidence relevant as to the ground specified in the petition shall be heard; provided, however, the Commission may request additional investigation in this regard. The burden of showing good cause for removal shall at all times rest with the petitioner.

§ 175-10.1-2240 Duty of Licensee to Exclude.

(a) The area within a licensed gaming establishment from which an excluded person is to be excluded is every portion of said gaming establishment including but not limited to the casino, bar, lounge, and all other related facilities of said gaming establishment.

(b) Whenever an excluded person enters or attempts to enter or is upon the premises of a licensed gaming establishment and is recognized by the licensee, its agents or employees, then the licensee and its agents or employees must do the following:

1. Immediately notify the Commission of the presence of the excluded person in any area of the gaming establishment;
2. Request such excluded person to not enter or if on the premises to immediately leave;
3. Notify the appropriate local law enforcement agency and the Commission if such excluded person fails to comply with the request of the licensee, its agents or employees.

(c) Failure to request such excluded person to leave or to prohibit entry of such person upon its premises in a timely fashion or failure to properly notify the Commission of the presence of such excluded person is an unsuitable method of operation.

(d) Catering to any excluded person, including the granting of complimentary room, food or beverage or the issuance of credit to any such person, by any licensed gaming establishment is an unsuitable method of operation.

§ 175-10.1-2245 Programs to Address Problem Gambling.

(a) The Casino Gaming Licensee shall demonstrate its commitment and efforts to combat compulsive gambling and a dedication to community mitigation, and shall

recognize that the privilege of licensure bears a responsibility to identify, address and minimize any potential negative consequences of its business operation. The Licensee shall post or provide in conspicuous places in or near gaming and cage areas and cash dispensing machines located in gaming areas written materials concerning the nature and symptoms of problem gambling and the toll-free telephone number of the National Council on Problem Gambling or a similar entity approved by the Executive Director that provides information and referral services for problem gamblers.

(b) The Casino Gaming Licensee shall implement procedures and training for all employees who directly interact with gaming patrons in gaming areas. That training shall, at a minimum, consist of information concerning the nature and symptoms of problem gambling behavior and assisting patrons in obtaining information about problem gambling programs. This subsection shall not be construed to require employees of licensees to identify problem gamblers. Each licensee shall designate personnel responsible for maintaining the program and addressing the types and frequency of such training and procedures.

(c) The Casino Gaming Licensee shall implement a program containing the elements required by Part 2900.

(d) The Executive Director may request that the Casino Gaming Licensee submit any of the elements of the licensee's problem gambling programs described in (b) or (c) above to the Executive Director for review. If the Executive Director makes an administrative determination that the licensee's program does not adequately address the standards as set forth above, then the Executive Director may issue such a determination identifying the deficiencies and specifying a time certain within which such deficiencies must be cured. Any licensee affected by such an administrative determination may appeal the determination to the Commission.

(e) Failure by the Casino Gaming Licensee to comply with the requirements of (a), establish the programs set forth in (b) or (c) above, or to cure a deficiency identified pursuant to subsection (d), constitutes an unsuitable method of operation and is grounds for disciplinary action.

§ 175-10.1-2250 Under 21 Years of Age. The Casino Licensee shall exclude from the gaming areas of a casino individuals under 21 years of age, except such lawful employees of the casino or of a resort complex or other facility of which the casino forms a part as the Commission determines by regulation may be present in such areas.

§ 175-10.1-2255 Special Exclusion Area The Casino Licensee may designate any portion of a casino or Live Training Facility as a place where a fee may be charged to any patron for entry under such terms and conditions as the Commission shall approve.

PART 2300 MISCELLANEOUS

§ 175-10.1-2301	Definitions
§ 175-10.1-2305	Persons Ineligible for Employment
§ 175-10.1-2310	Commission Ineligible for employment
§ 175-10.1-2315	Gambling by Commission Prohibited
§ 175-10.1-2320	Gambling by Licensees Prohibited
§ 175-10.1-2325	Internship Programs
§ 175-10.1-2330	Advertising

§ 175-10.1-2301 Definitions. In this Part, “immediate family” means an unemancipated child residing in the Member’s household, a spouse of the Member, or an individual claimed by that Member or that Member’s spouse as a dependent for tax purposes.

§ 175-10.1-2305 Persons Ineligible for Employment.

(a) Members of the 18th CNMI legislature and their immediate family shall not be paid or receive any financial consideration nor shall they be retained as independent contractors or employed directly or indirectly by any casino licensed under this chapter in its current form or as amended, or by said casino’s affiliates or agents, for a period of five years beginning from the date of the issuance of said casino’s license.

(b) The casino licensed under the Act must certify to the Commission yearly in a document signed by the Casino’s chief executive or operating officer and chief financial officer that no financial consideration or payment has been made to any prohibited person in violation of this regulation

§ 175-10.1-2310 Commission Ineligible for Employment.

(a) No member, employee, or agent of the Commission shall knowingly be an employee of or have any business or financial association with or interest in any casino or casino service provider or vendor licensee under this title or any business reasonably related to such license.

(b) Cool off period. No member or employee of the Commission, except clerical employees of the Commission, shall work for or be a consultant to the casino licensee or any poker, pachinko or electronic gaming facility in the Commonwealth, which is regulated by the Commission for a period of one (1) year after separation from the Commission.

§ 175-10.1-2315 Gambling by Commission Prohibited.

(a) No member, officer, employee, or agent of the Commission shall play any game in or make any bet or wager:

- (1) in the casino under the jurisdiction of the Commission;
- (2) in any other gaming establishment reasonably associated with any such casino; or
- (3) in any gaming establishment, the owner, lessee, operator, or manager of

which is an applicant for a license from the Commission, or is a potential applicant that has entered into discussions with the Commission prior to such application and has not clearly abandoned its interest in a license, or is reasonably associated with such an applicant or potential applicant; unless such playing of games or making of bets or wagers is done in the course of the officer's, employee's, or agent's employment with the Commission.

(b) No member, officer, employee, or agent of the Commission shall play any game in or make any bet or wager in any poker, pachinko or electronic gaming facility in the Commonwealth which is regulated by the Commission.

§ 175-10.1-2320 Gambling by Licensees Prohibited. No owner, lessee, operator, manager, officer, employee, agent, or other person associated with a casino licensed under this chapter shall play any game or make any bet or wager in such casino.

§ 175-10.1-2325 Internship Programs. (a) The casino licensee may enter into approved agreements with approved entities to provide internship training opportunities to qualified interns. (b) The casino licensee may not enter into any internship agreement that is not an approved agreement and may not enter into any internship agreement with an entity that is not an approved entity. (c) The casino licensee may provide internship opportunities only to qualified interns. The casino licensee may not provide internship opportunities to interns who are not qualified. (d) Participation in an approved agreement is a privilege, is not a right of any kind, and is subject to the continuing approval of the Executive Director, who may withdraw or rescind his approval at any time for any reason, with or without prior notice to the casino licensee, the approved entity or the intern. (e) The Executive Director may charge a fee for applying and/or participating in an approved internship program. Such fees shall be paid by the proposed intern or the entity and shall not exceed Fifty Dollars (\$50.00) for fingerprinting and licensure. The proposed intern must provide, at the intern's expense, police clearances as may be required by the Executive Director sufficient to demonstrate good character of the applicant. (f) For the purpose of this section, the following terms have the following meanings:

- (1) "approved agreement" or "approved agreements" means an agreement approved by the Executive Director, which will specifically determine the time, place, manner, scope, duration and location of permissible internship activity;
- (2) "approved entity" or "approved entities" means the Northern Marianas College, the Workforce Investment Agency and any other entity approved by the Executive Director;
- (3) "qualified intern" or "qualified interns" means a person of at least 18 years of age deemed suitable by the Executive Director for gaming positions and a person under eighteen years of age deemed suitable by the Executive Director in non-gaming positions. In making this determination, the Executive Director shall use the suitability standards in these Regulations for casino employment.

§ 175-10.1-2330 Advertising. The Casino Licensee's advertising and public relations activities shall be displayed with decency, dignity, good taste and honesty. False advertisement, materially misleading information, and advertising which offends community standards of decency by the casino licensee or its agents is an unsuitable method of operation.

Part 2400 CLOSING OF BUSINESS; INSOLVENCY

- § 175-10.1-2401 Surrender of License on Closing of Business
- § 175-10.1-2405 Closing Due to Natural Disasters
- § 175-10.1-2410 Insolvency of a Licensee

§ 175-10.1-2401 Surrender of License on Closing of Business.

(a) If a gaming establishment is conveyed to a secured party who does not possess the licenses necessary to operate the establishment, and the licensee ceases gaming operations as a result, the licensee must immediately surrender his gaming license and, upon written notification from the Commission that the surrender is accepted, the license shall be deemed to have lapsed. The Commission may, upon its own initiative or upon a request by the former secured party of the establishment, petition a court for the appointment of a supervisor to ensure the continuation of the gaming operation upon lapse of the license.

(b) Except as provided in subsection (a), any licensee who surrenders, abandons or quits his licensed establishment, or who closes all of his licensed games for a period exceeding one (1) month, shall within ten (10) days after surrendering, quitting or abandoning his licensed establishment or so closing his games, surrender his license to the Commission. The Commission may, upon request, authorize closing for longer periods; however, such extension will not permit closing for an entire calendar quarter.

§ 175-10.1-2405 Closing Due to Natural Disasters.

(a) Subsection (b) of § 175-10.1-2401 shall not apply if the Commission authorizes closure of any licensed gaming establishment that temporarily ceases the operation of all licensed games because of natural disaster, fire or other physical destruction of the licensed gaming establishment. In such circumstances, the licensee shall notify the Commission of the circumstances requiring closure of the licensed games pending rebuilding or repair of the premises; the anticipated duration of the closure; and the intent of the licensee to commence operation as soon as rebuilding or repairs have been completed. Upon receipt of such notice, the Commission, if satisfied that the premises are in fact unusable for continuing gaming, may authorize closure for such time as is necessary provided that any and all fees continue to be paid when they become due.

(b) Any licensee granted temporary closure by the Commission under subsection (a) is a continuing gaming licensee subject to the provisions of the Act and Regulations

adopted thereunder, and shall also be subject to such conditions, by way of placement of a bond, reporting, or otherwise, as may be deemed necessary by the Commission.

§ 175-10.1-2410 Insolvency of a Licensee.

(a) In the event that a casino licensee files any petition with the bankruptcy court for relief as a debtor or has such a petition filed against it, or a receiver is appointed for such licensed business or an assignment of such business is made for the benefit of creditors, the licensee, trustee, receiver or assignee, as the case may be, shall immediately notify the Commission of such fact in writing. Such written notice shall have attached a copy of the petition filed with the court, and any relevant court orders such as orders appointing trustees, receivers, or assignees.

(b) No licensed establishment shall be operated by any trustee, receiver or assignee for the benefit of creditors until such operation has been authorized by the Commission. In an emergency situation, any three (3) members of the Commission may authorize the continuation of such operation pending action by the Commission.

(c) Any such trustee, receiver, or assignee desiring to continue operation of the licensed establishment shall immediately make application for permission to do so. Application shall be made in the same manner as an application for an initial license; but the operation, if approved, shall be deemed to continue under the existing license of the establishment.

(d) Permission for such trustee, receiver, or assignee to continue the operation of the licensed establishment may be summarily withdrawn at any time in the discretion of the Commission without the necessity of any hearing or proceedings for revocation or suspension.

PART 2500 Penalties

§ 175-10.1-2501	Legislative Mandate
§ 175-10.1-2505	Suspension of Penalties
§ 175-10.1-2510	Definitions
§ 175-10.1-2515	Theories of Liability
§ 175-10.1-2520	Casino Operator Licensee Liability
§ 175-10.1-2525	Multiple Offenses from Single Action
§ 175-10.1-2530	Self-Reporting Determination
§ 175-10.1-2535	Determination of Offense Level
§ 175-10.1-2540	Mandatory Offense Levels
§ 175-10.1-2545	Penalties
§ 175-10.1-2550	Burden of Proof

§ 175-10.1-2501 Legislative Mandate. (a) The Legislature has granted the Commission the responsibility to levy fines and penalties for the violation of provisions of the gaming act and the regulations promulgated and orders issued by the Commission.

(b) The Legislature has required that these Regulations, at a minimum, provide civil penalties for the violation of provisions of the law or regulations imposed under this chapter as well as penalties for the late payment of applicable fines, or fees.

§ 175-10.1-2505 Suspension of Penalties. (a) The Commission may suspend, reduce, or rescind any penalty imposed at any time upon such terms as it deems just.

§ 175-10.1-2510 Definitions. As used in this Part, unless the context plainly requires a different definition: (a) "offense" means a violation of any: federal, state or Commonwealth law; federal, state or Commonwealth Regulation; any order issued by the Commission; any Internal Control Standard approved by the Commission; or any Minimum Internal Control Standard ordered by the Commission. (b) "Person" means a person or business entity who is or who must be licensed, regulated or registered by the Commission, or who holds or is the beneficiary of a license issued by the Commission.

§ 175-10.1-2515 Theories of Liability. (a) Every person is punishable as a principal who, by action or omission, commits an offense. (b) Every person is punishable as a principal who aids, abets, counsels, commands, induces, or procures the commission of an offense. (c) Every person is punishable as a principal who causes an act to be done, which, if directly performed by that person, would be an offense. (d) No distinction is made between principals in the first and second degrees, and no distinction is made between a principal and what has heretofore been called an accessory before the fact. (e) Every person who, knowing that an offense has been committed, receives, relieves, comforts, or assists the offender in order to hinder or prevent the offender's discovery, trial, punishment, or administrative adjudication, is an accessory after the fact and punishable as a principal. (f) Every person who has knowledge that an offense has been committed who does not immediately inform the Commission of the occurrence of the offense and the facts surrounding the offense is punishable as a principal.

§ 175-10.1-2520 Casino Operator Licensee Liability. (a) The casino licensee is liable for the offenses of its casino key employees and casino employees as if the casino licensee had committed the offense. (b) Both the employee and the casino licensee may be fined separately for the acts and omissions of the employee. (c) The employee and the casino licensee may be fined in different amounts for the acts and omissions of the employee.

§ 175-10.1-2525 Multiple Offenses from Single Action or Omission. (a) A single action or omission which violates multiple laws, regulations, orders or the like may be charged as multiple offenses and multiple punishments may be levied for each offense. (b) By way of example, an action or omission which violates federal law, Commonwealth law, and a Commission Regulation is three distinct offenses.

§ 175-10.1-2530 Self-reporting Determination. (a) The Commission, the Executive Director, or the Hearing Examiner, as the case may be, shall determine whether the licensee immediately, promptly or belatedly self-reported the offense (and the facts giving rise thereto) to the Commission, or whether the licensee failed to report the

offense in a timely manner or at all.

§ 175-10.1-2535 Determination of Offense Level. (a) For each offense not listed in §175-10.1-2140, the Commission, the Executive Director, or the Hearing Examiner, as the case may be, shall determine whether the offense should be penalized as a minor offense, an intermediate offense, or a major offense and impose the penalty permitted by §175-10.1-2145. (b) In making the determination required by (a) above, the Commission, the Executive Director, or the Hearing Examiner, as the case may be, shall consider the totality of the circumstances, including but not limited to: whether the offense was an act of commission or omission; the self-reporting determination required by §175-10.1-2130; whether the licensee promptly accepted responsibility for the offense; whether the licensee has committed any previous offenses in the Commonwealth; whether the licensee has committed any previous offenses in any other jurisdiction; the relative harm suffered by the Commonwealth; the relative harm suffered by the gaming industry generally; and any other aggravating or mitigating factor deemed relevant. (c) The Commission, the Executive Director, or the Hearing Examiner, as the case may be, may determine that an offense has occurred and may determine the offense level after a hearing or by a stipulation with the licensee.

§ 175-10.1-2540 Mandatory Offense Levels. (a) Unless the Commission, the Executive Director, or the Hearing Examiner, as the case may be, determines that substantial aggravating factors exist such that a higher offense level is appropriate, the following are minor offenses: negligently allowing a person under 21 to loiter on the gaming floor; failing to affix a required signature to a required report; failing to timely file a report (for fewer than 48 hours); (b) Unless the Commission, the Executive Director, or the Hearing Examiner, as the case may be, determines that substantial aggravating factors exist such that a higher offense level is appropriate, the following are intermediate offenses: intentionally allowing a person under 21 to loiter on the gaming floor; negligently allowing a person under 21 to place a wager; failing to timely file a report (for more than 48 but fewer than 96 hours); failing to make any tax, fee, or penalty payment when due (for fewer than 12 hours); (c) The following are major offenses: failing to make any tax, fee, or penalty payment when due (for more than 12 hours); paying a minor a winning wager; intentionally allowing methamphetamine possession or sales on the premises; violating FINSEN and money laundering-type laws and regulations.

§ 175-10.1-2545 Penalties. (a) Each Minor offense may be punished by: no punishment; a written warning; a fine not to exceed Ten Thousand Dollars (\$10,000.00) and/or (in the case of a licensee NOT the casino operator) suspension of the license for a period not to exceed one (1) month. (b) Each Intermediate offense may be punished by: a fine not to exceed Twenty Thousand Dollars (\$20,000.00) and/or (in the case of a licensee NOT the casino operator) suspension of the license for a period not to exceed six (6) months. (c) Each Major offense may be punished by: no punishment; a written warning; a fine not to exceed Fifty Thousand Dollars (\$50,000.00) and/or (in the case of a licensee NOT the casino operator) suspension of the license for any period of time up to and including license revocation. (d) The casino operator license may be suspended or modified at the discretion of the Commission upon a finding that one (1) or more

major offenses have occurred. (e) The casino operator license may be terminated at the discretion of the Commission upon a finding that major offenses have repeatedly occurred. (f) Any time a license is suspended for any period of time, the Commission or Executive Director may impose restrictions and conditions of any type deemed necessary which must be followed by the licensee after the period of suspension has ended.

§ 175-10.1-2550 Burden of Proof. In an enforcement hearing the Executive Director must prove the alleged violation by a preponderance of the evidence. Once a violation is established, the violator bears the burden of proving by a preponderance of the evidence that the Executive Director failed to assess the penalty in accordance with these Regulations.

PART 2600 JUNKETS AND COMPLIMENTARY

§ 175-10.1-2601	Definitions
§ 175-10.1-2605	Licensure and Registration Required
§ 175-10.1-2610	Rolling Chip Program
§ 175-10.1-2615	Adherence to Regulations and Orders
§ 175-10.1-2620	Junket Key Employees
§ 175-10.1-2625	Form and Content of Junket Agreements
§ 175-10.1-2630	Obligation of Casino Licensee and Junket Operators
§ 175-10.1-2635	Methods, Procedures and Forms
§ 175-10.1-2640	Required Fees
§ 175-10.1-2645	Complimentary
§ 175-10.1-2650	Prohibited Complimentary Activity

§ 175-10.1-2601 Definitions:

- (a) As used in this part, the following terms have the following definitions, unless the context clearly requires a different definition:
 - (1) "Junket" means an independent activity, in and for organizing, promoting or conduct of a casino marketing arrangement in or with respect to a licensed casino, arranged by a Junket Operator for a player or group of players to visit and participate in gaming activities at the casino(s) operated by the Casino Licensee.
 - (2) "Junket Activity" means activities undertaken by a Junket Operator in furtherance of a Junket, whether or not conducted in the CNMI.
 - (3) "Junket Agreement" means a contract between the Casino Licensee and the Junket Operator that states the terms and conditions in relation to the organizing, promoting or conduct of a casino marketing arrangement in or with respect to a casino licensed by the Commission, and the terms of rebate or other rewards from the Junket Activity payable to the Junket Operator by the Casino Licensee.-

- (4) “Junket Operator” means an individual or business entity other than the casino licensee, who engages in Junket Activity.
- (5) “Junket Operator License” means the license granted by the Commission to the Junket Operator to engage in Junket Activity under and subject to these Regulations.
- (6) “Junket Representative” means any individual who is directly or indirectly employed by a Junket Operator; and who conducts Junket Activity in or concerning the casino(s) operated by the Casino Licensee.

§ 175-10.1-2605 Licensure and Registration Required.

- (a) All Junket Operators must be licensed by the Commission.
- (b) All Junket Representatives must be registered with the Casino Licensee before any Junket Activity can be conducted at the casino(s) of the Casino Licensee.
- (c) It is an unsuitable method of operation for the Casino Licensee to permit a Junket Operator or Junket Representative to conduct any Junket Activity at the casino(s) of the Casino Licensee, unless the Junket Operator has been licensed by the Commission and the junket Representative has been registered with the Casino Licensee.
- (d) A Junket Operator must meet with the criteria and standards of Part 900 in applying for a Junket Operator License. The Commission has absolute discretion to deny, suspend or revoke a Junket Agent License at any time. A Junket Operator License shall be valid for two (2) years.
- (e) The Commission has authority to grant a Provisional Junket Operator License upon submission by an applicant, to the satisfaction of the Commission, of all required fees and forms, and a current license issued for the same or substantially the same activities as the Junket Activity and issued by a gaming regulatory authority from the United States of America, Australia, South Korea, Macao, Singapore, or any other country as approved by the Commission. The Provisional Junket Operator License shall be valid for a period not to exceed one (1) year. Any person or entity that holds a Provisional Junket Operator License may apply for a Junket Operator License at any time during the period of provisional licensure.

§ 175-10.1-2610 Rolling Chip Program:

- (a) The licensee may utilize a rolling chip program for junket or non-junket patrons only as authorized by the Commission or the Executive Director.
- (b) As used in this subsection, the definition of “rolling chip program” has the definition as the term is traditionally used in gaming in Asia and includes, but is not limited to

the use of "dead", "non-negotiable", or "free play" chips.

§ 175-10.1-2615 Adherences to Regulations and Orders.

- (a) No Junket may be organized or permitted and no Junket Activity of any kind may occur or be permitted except in accordance with the provisions of these Regulations and the Orders of the Commission.
- (b) No person may act as a Junket Operator, except in accordance with the provisions of these Regulations and the Orders of the Commission.
- (c) The Commission is empowered to condition, suspend or revoke the Junket Operator License or to enter any Order necessary for the regulation of Junket Activity. The Commission or Executive Director is allowed to suspend or terminate the registration of any junket representative.
- (d) All Junket Operators and Junket Representatives who engage in Junket Activity must, at all times, comply with all CNMI and Federal laws and regulations.

§ 175-10.1-2620 Key Employees for Junket Activity.

- (a) Any employee or board member of the casino licensee or an affiliate of a casino licensee who engages in any Junket Activity including, inducing junket patrons to wager or negotiating terms of any rebate or commission for junket activity shall be licensed as a casino key employee in accordance with the provisions of these Regulations; provided, however, that said licensee need not be a resident of the Commonwealth.
- (b) Any employee or board member of the casino licensee or an affiliate of the casino licensee who make decisions concerning the extension or collection of credit to junket operators or patrons must be licensed as casino key employees, regardless of whether they reside in the Commonwealth.

§ 175-10.1-2625 Form and Content of Junket Agreements.

- (a) Every Junket Agreement must contain all terms and conditions between the Casino Licensee and the Junket Operator; and must be in writing and signed by all parties.
- (b) Every junket agreement entered into by a casino licensee and a junket operator or representative shall be deemed to include a provision for its termination without liability on the part of the casino licensee, if the Commission orders the termination upon the suspension, limitation, conditioning, denial or revocation of the licensure of the junket operator, or as a penalty imposed against the casino licensee. Failure to expressly include such a condition in the agreement shall not constitute a defense in any action brought to terminate the agreement.

- (c) A copy of all Junket Agreements shall be provided to the Commission upon execution of the contract.

§ 175-10.1-2630 Obligation of Casino Licensee and Junket Operator.

- (a) The Casino Licensee must keep a log of the Junket Representatives registered by the Junket Operator and make it available to the Commission upon request.
- (b) The Commission may order restitution or impose penalties or such other relief as the Commission considers fit against the Junket Operator for any violation or deviation from the terms of any of these Regulations or activities of a Junket Operator and limit or prohibit the engagement of any Junket Operator by the Casino Licensee.

§ 175-10.1-2635 Methods, Procedures and Forms.

- (a) The Commission or the Executive Director shall, by Order prescribe methods, procedures and forms for the delivery and retention of information concerning the conduct of a Junket by the Casino Licensee and persons engaged in Junket Activity.
- (b) The failure to follow any ordered method or procedure or the failure to complete or submit any ordered form is an unsuitable method of operation.
- (c) Every Junket Operator must provide to the Executive Director an exact copy of every tax or other document, form, or return filed with or provided to the Commonwealth's Secretary of Finance, the Department of Finance, or the Division of Revenue & Taxation within three (3) days of such filing or provision, without regard as to whether the document, form or return was filed or provided by the Junket Operator or on behalf of the operator by an agent or third party.

§ 175-10.1-2640 Required Fees.

- (a) Application for a Junket Operator License must be submitted to the Commission with a non-proratable, non-refundable license fee of One Thousand Dollars (\$1,000.00). The Application for a Junket Operator License must also be accompanied by a non-proratable, non-refundable investigation fee of Six Thousand Dollars (\$6,000).
- (b) The regular Junket Operator License shall be valid for a period of two (2) years unless revoked by the Commission. A non-proratable, non-refundable license fee of One Thousand Dollars (\$1,000.00) shall be payable to the Commission for each renewal. Each renewal application must also be accompanied by a non-proratable, non-refundable investigation fee of Six Thousand Dollars (\$6,000).
- (d) The application for a Provisional Junket Operator License must be submitted to the Commission with a non-proratable and non-refundable license fee of One

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Thousand Dollars (\$1,000.00). The Provisional License is valid for one (1) year.

§ 175-10.1-2645 Complimentary.

- (a) The Licensee may engage in a program of extending wagering chips, instruments, or credits as allowed by Commission Order or by Order of the Executive Director.
- (b) Complimentary/Promotional Chips, instruments and wagering credits used as wager shall form part of table capital and therefore be included in the Gross Gaming Revenues.
- (c) No money expended on any complimentary item or service shall be deducted from Gross Gaming Revenues.

§ 175-10.1-2650 Prohibited Complimentary Activity.

- (a) The licensee shall not offer or provide complimentary cash, chips, wagering credits or instruments to any restricted person at any time.
- (b) The licensee may offer or provide complimentary room, food, beverage, transportation, or (non-wagering) entertainment expenses to restricted persons only if such good, service, or discount is offered to all members of the general public in like circumstance.
- (c) As used in this section, "restricted person" means any Commonwealth board member, officer, or employee.

PART 2700 SURVEILLANCE

§ 175-10.1-2701	General Surveillance Requirement
§ 175-10.1-2705	Surveillance Department; Independence
§ 175-10.1-2710	Control and Access
§ 175-10.1-2715	Casino Floor Plan
§ 175-10.1-2720	Dedicated Coverage Generally
§ 175-10.1-2725	Specific Surveillance Requirements
§ 175-10.1-2730	Surveillance Room Access and Control
§ 175-10.1-2735	Mandatory Monitoring and Recording
§ 175-10.1-2740	Surveillance Release Log
§ 175-10.1-2745	Panic Alarms
§ 175-10.1-2750	Duty to Notify Commission

§ 175-10.1-2701 General Surveillance Requirement. (a) Closed circuit surveillance systems and surveillance coverage of the casino operator licensee shall continuously comply with all requirements of the Regulations and the MICS promulgated by the Commission by Rule or Order.

§ 175-10.1-2705 Surveillance Department; Independence. (a) The casino licensee shall have a Surveillance Department. The Surveillance Department shall be independent of all other departments and headed by a Vice President who also may head the Security Department. (b) Surveillance personnel shall have no other duties

within the operation. (c) Surveillance personnel are prohibited from receiving or consuming any intoxicating substance while on the premises. (d) Surveillance Department members are not allowed to accept tips, gratuities or gifts of any kind from any player or patron.

§ 175-10.1-2710 Control and Access. (a) Unless otherwise specifically authorized by the Commission, only Surveillance and Commission personnel shall be permitted direct or indirect control, use of, or access to Surveillance Department camera systems or Surveillance Department room. (b) Security may operate a closed circuit television (CCTV) system to monitor non-gaming areas. Surveillance may have access or override authority for Security's CCTV. However, Security shall not have access to the system operated by Surveillance. (c) The Vice President in charge of Surveillance may have a surveillance monitor and related equipment necessary to select and direct various Surveillance Department cameras in his office offsite at the Casino Licensee's sole risk; however, both the Surveillance Department and CCC shall be able to override the controls in the Vice President for Surveillance's office. Neither the Surveillance Department nor the Vice President for Surveillance shall have the capability to monitor any camera inside the Commission's Surveillance room. A video recorder shall be maintained by the Surveillance Department that records all video displayed on the Vice President for Surveillance's monitor. Video recordings from the Vice President for Surveillance's recorder shall be maintained by the Surveillance Department for at least 30 days and be immediately available to any Commission agent upon request. (d) Neither the Casino's Surveillance Department nor the Vice President for Surveillance shall have the ability to view any camera in the Commission's Surveillance room.

§ 175-10.1-2715 Casino Floor Plan. (a) A copy of the current casino floor plan showing the placement of all surveillance cameras shall be posted in the Surveillance Department room within 24 hours of any change. (b) A copy of the current casino floor plan showing the placement of all surveillance cameras shall be provided to the Commission for posting in the Commission's surveillance room within 24 hours of any change. (c) The floor plans referred to in (a) and (b) shall list whether each camera is fixed or PTZ. (d) The Casino floor plans (both former and current) are deemed confidential and not suitable for public inspection or copying.

§ 175-10.1-2720 Dedicated Coverage Generally. (a) All required dedicated camera coverage shall remain in the Commission approved position. (b) When changes to required dedicated camera coverage are needed, the CCC shall approve the new coverage prior to use. (c) The Commission's order approving surveillance coverage is deemed confidential and not subject to public inspection or copying. (d) All PTZ cameras will have a commission approved home position.

§ 175-10.1-2725 Specific Surveillance Requirements. (a) Surveillance coverage of slot machines shall provide sufficient clarity to read both the asset number and game outcome. (b) Surveillance coverage of table games shall meet the following standards: (1) Fixed cameras shall provide views that enable a layperson to clearly determine table number, chip values, cash denominations, card values (including pips, face cards [K, Q or J] and, if relevant, suits), and game outcome (e.g., ability to

reconstruct hands); (2) Dedicated coverage of the game outcome on table games is only required for games which do not have an automated game history that records at least the last 50 rounds of play; (3) Table bank trays, betting areas and card placement shall be continuously covered. Rail-to-rail fixed coverage is not required; (4) Player's and Dealer's hands shall be recorded by Surveillance anytime the person's hands touch cards, chips in the betting area, or the chip tray. If table size or field of view is such that one fixed camera cannot provide the required coverage, whatever number of cameras needed to meet the coverage requirements shall be used; (5) If PTZ cameras are used to provide the required continuous coverage, they shall be locked in position dedicated to that location and shall function as a fixed camera; (6) Any signage displaying the value of a progressive or bad beat award shall have dedicated coverage. (c) Surveillance coverage in the cage shall be recorded with sufficient clarity to identify all paperwork and the denomination of chips and currency. (d) Surveillance coverage of the entry and exit areas shall be sufficiently clear to permit identification of persons. (e) Panic alarms shall be audible in the Surveillance room.

§ 175-10.1-2730 Surveillance Room Access and Control. (a) Unless otherwise specifically authorized by CCC, access to the surveillance room is restricted to Surveillance and CCC personnel. Management higher than the Vice President for Surveillance and/or Vice President for Security may enter the room if accompanied by a CCC agent and their access shall be recorded on a Surveillance Ingress/Egress Log. (b) Any person other than a person listed in (a) needing access to the surveillance room shall obtain prior permission of the Commission and their access shall be recorded on a Surveillance Ingress/Egress Log. (c) The Executive Director shall be notified prior to internal or external auditors accessing the surveillance room. Auditor access shall be limited to the following: (1) Internal Audit may access the surveillance room to perform audit work up to fifty (50) hours per calendar quarter. Additional hours may be granted by the Executive Director upon request; and (2) External Audit personnel may access the surveillance room to perform audit work up to twenty-five (25) hours per calendar quarter. Additional hours may be granted by the Executive Director upon request. (d) The surveillance equipment in the casino's surveillance room shall be able to monitor and record without being overridden by anyone other than the CCC. Only Surveillance and Commission personnel shall have the ability to monitor the camera(s) installed in the casino's surveillance room. (e) The surveillance equipment in the Commission's surveillance room shall be able to monitor and record without being overridden. Only Commission personnel shall have the ability to monitor the camera(s) installed in the Commission's surveillance room.

§ 175-10.1-2735 Mandatory Monitoring and Recording. (a) Surveillance personnel shall video record in its entirety and continuously monitor all drops and counts, including drops and counts of pooled dealer, cage cashier and slot attendant tips. (b) The Commission may require monitoring and requiring of any other event the Commission deems necessary in the MICS.

§ 175-10.1-2740 Surveillance Release Log. (a) A Surveillance Release Log shall be maintained recording who receives a copy of video recordings. (b) The casino operator shall provide all images and recordings to the Commission or its agent upon request. (c)

Video recordings of criminal or regulatory investigations or violations shall not be released to anyone without the approval of a CCC agent, except that images or recordings of the outside of the facility and surrounding areas and roadways may be freely given upon request of any law enforcement officer acting in his or her official capacity.

§ 175-10.1-2745 **Panic Alarms.** (a) Whenever panic alarms are activated the Commission and Security shall be notified. (b) Tests of all panic alarms shall be conducted as required by the Commission.

§ 175-10.1-2750 **Duty to Notify Commission.** (a) Surveillance personnel must immediately inform the Commission any time illegal activities or violations of regulations, MICS, or internal controls are suspected. (b) If a video recording exists of the suspected illegal activity or violation of regulations or MICS, the surveillance personnel must immediately notify the Commission agent of the video recording's existence.

PART 2800

SECURITY

§ 175-10.1-2801	General Security Requirement
§ 175-10.1-2805	Surveillance Department; Independence
§ 175-10.1-2810	Mandatory Reporting
§ 175-10.1-2815	Security Incident Log
§ 175-10.1-2820	Emergency Response Plan
§ 175-10.1-2825	Minimum Internal Controls
§ 175-10.1-2830	Casino Access Control: Minors
§ 175-10.1-2835	Casino Access Control: Visibly Intoxicated Persons
§ 175-10.1-2840	Prohibition on Transactions

§ 175-10.1-2801 **General Security Requirement.** (a) Security systems and personnel of the casino operator licensee shall continuously comply with all requirements of the Regulations and the Minimum Internal Control Systems (MICS) promulgated by the Commission by Rule or Order.

§ 175-10.1-2805 **Security Department; Independence.** (a) The casino licensee shall have a Security Department. The Security Department shall be independent of all other departments. (b) Security personnel shall only report to and be supervised by a Vice President who also may supervise Surveillance. (c) Security personnel are prohibited from receiving or consuming any intoxicating substance while on the premises. (d) Security personnel are not allowed to accept tips, gratuities or gifts of any kind from any player or patron.

§ 175-10.1-2810 **Mandatory Reporting.** (a) Security personnel shall promptly report to the Commission any facts which the licensee has reasonable grounds to believe indicate a violation of law (other than minor traffic violations), or Commission rules (to include Commission Regulations, MICS, Internal Control Systems, and other orders of the Commission) committed by licensees, their employees or others, including, without limitation, the performance of licensed activities different from those

permitted under their license. (b) The Commission shall also be immediately notified of all inquiries made by law enforcement or other government officials concerning the conduct of any licensee.

§ 175-10.1-2815 Security Incident Log. (a) The Commission shall be provided, on a weekly basis, a copy of the Security Incident Log of all Security Incident Reports generated during the reporting period.

§ 175-10.1-2820 Emergency Response Plan. Security personnel shall be trained to implement the mandatory Emergency Response Plan which the casino operator must submit to the Commission for review.

§ 175-10.1-2825 Minimum Internal Controls. (a) In addition to any other requirement required by the Commission, the casino licensee's Internal Control System shall contain detailed procedures, including who participates in each activity, their duties and responsibilities, forms completed, signatory responsibilities, and all applicable controls for the following: (1) Medical emergencies; (2) intoxicated persons; (3) disorderly/disruptive patrons; and (4) eviction procedures. (b) The Internal Control System shall include detailed procedures for preparation and processing of Security Incident Reports, including who participates, their duties and responsibilities, signatory requirements, distribution and all applicable controls. (b) The Commission shall promulgate by Order or rule other Minimum Internal Controls for the Security Department and every other department of the casino licensee.

§ 175-10.1-2830 Casino Access Control: Minors. (a) Persons under 21 years of age shall not be permitted access to the casino floor unless licensed by the Commission. (b) Persons under 21 years of age shall not be allowed to loiter near a gaming table or machine. (c) Persons under 21 years of age shall not be allowed to place a wager. (d) Persons under 21 years of age shall not be allowed to collect a winning wager in any manner. (e) The enforcement of admission and gambling restrictions for persons under 21 years of age shall include, at a minimum, checking their government-issued photo identification.

§ 175-10.1-235 Casino Access Control: Visibly Intoxicated Persons. (a) Persons who are visibly intoxicated shall not be permitted access to or allowed to remain on the casino floor. (b) Persons who are visibly intoxicated shall not be allowed to place a wager.

§ 175-10.1-2840 Prohibition on Transactions. (a) Security personnel shall not conduct cash transactions without approval of the CCC agent on duty. (b) Security personnel shall not conduct chip or ticket redemptions without approval of the CCC agent on duty.

Part 2900 SELF-EXCLUSION LIST

§ 175-10.1-2901 Self-Exclusion Policy

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§ 175-10.1-2905	Establishment of Self-Exclusion List
§ 175-10.1-2910	Locations to Execute Self-Exclusion Forms
§ 175-10.1-2915	Information Required for Placement on the Self-Exclusion List
§ 175-10.1-2920	Sanctions for Failure to Adhere to Voluntary Self-Exclusion
§ 175-10.1-2925	Distribution and Availability of Confidential Self-Exclusion List
§ 175-10.1-2930	Duties of Licensees
§ 175-10.1-2935	Request for Removal from the Self-Exclusion List
§ 175-10.1-2940	Required Information, Recommendations, Forms and Interviews
§ 175-10.1-2945	Appeal of a Notice of Denial of Removal
§ 175-10.1-2950	Duties of Casino Licensee to Persons Removed from the Self-Exclusion List
§ 175-10.1-2955	Placement on the List Following Removal
§ 175-10.1-2960	Duties of the Commission

§ 175-10.1-2901 Self-Exclusion Policy.

(a) The Executive Director shall provide a procedure whereby a person who acknowledges that he or she has a gambling problem may self-identify and self-exclude himself or herself from the gambling or gaming facilities licensed by the Commission. The procedure shall require self-excluded persons to agree not to enter the facility licensed by the Commission unless the self-excluded person is working and agree to be removed voluntarily from all mailing, marketing and promotional lists and databases.

(b) This policy is to be interpreted broadly and shall apply to any gambling, gaming, or similar facility over which the Commission has jurisdiction.

§ 175-10.1-2905 Establishment of Self-Exclusion List.

(a) Any person who acknowledges that he or she has a gambling problem may request of the Executive Director that he or she be excluded voluntarily from the gambling or gaming facilities licensed by the Commission on a permanent basis, except as limited by § 175-10.1-2935. A person shall be placed on the Self-Exclusion List upon submission of all information and completion and execution of all forms required under § 175-10.1-2915, as enforced by the Executive Director.

(b) Any person placed on the Self-Exclusion List shall be prohibited for a minimum of five (5) years from entering the gambling or gaming facilities licensed by the Commission. Any gaming regulatory agency in any state or jurisdiction with which the Commission enters into an agreement to share confidentially the information contained in the Self-Exclusion List may, in its sole discretion, prohibit a person placed on the Self-Exclusion List from entering any gaming operation within its jurisdiction.

(c) The Executive Director shall maintain the Self-Exclusion List in a confidential manner.

§ 175-10.1-2910 Locations to Execute Self-Exclusion Forms. Any person may

seek placement on the Self-Exclusion List by contacting any agent of the Commission who may be present in any gambling or gaming facility licensed by the Commission when gambling or gaming is conducted, appearing at the offices of the Commission in Gualo' Rai, Saipan, during regular business hours, or appearing before a person designated by the Executive Director as a registration agent. Persons who are unable to travel to the Commission office due to employment, financial or medical reasons may request, in writing, a reasonable accommodation in a manner or at a site and time designated at the sole discretion of the Executive Director. Nothing in this Section shall require that an accommodation be granted.

§ 175-10.1-2915 Information Required for Placement on the Self-Exclusion List.

(a) The Executive Director shall determine the information and forms to be required of a person seeking placement on the Self-Exclusion List. Such information may include, but not be limited to, the following:

- (1) Full name, including maiden name and alias information;
- (2) Home Street Address and/or P.O. Box;
- (3) Date of Birth;
- (4) Social Security Number;
- (5) A copy of his or her driver's license;
- (6) A physical description
- (7) A current photograph;
- (8) A certification that s/he is a problem/ disordered gambler and wants to self-ban;
- (9) A certification that s/he agrees that casino has no independent knowledge of the veracity of the claim certified in (8) above;
- (10) A statement that s/he understands that returning to the premises constitutes a material breach of the contract;
- (11) An agreement to notify the Casino within 24 hours of the breach;
- (12) An admission that his/her presence in the licensed facility when on the Self-Exclusion list is unlawful and unauthorized;
- (13) An admission that any entry into a facility licensed by the Commission while on the Self-Exclusion list interferes with the peaceful use and enjoyment of the property of another,
- (14) An admission that his/her presence in the Self-Exclusion list conclusively demonstrates that he/she has been lawfully advised to leave the licensed facility, and his/her presence in the facility is a refusal to promptly leave the facility; or desist refuses to promptly do so.
- (15) An agreement that his/her failure to comply with this voluntary ban may result in trespass arrest and prosecution; and

(b) Failure to provide any information or requested admission or to execute any forms deemed necessary by the Executive Director may result in a denial of a request for placement on the Self-Exclusion List.

(c) Such forms shall include a request to waive the liability of the Commission, its agents, and the Commonwealth for any damages that may arise out of any act or

omission related to placement or non-placement on or removal or non-removal from the Self-Exclusion List.

(d) Such form shall require the casino to agree:

- (1) to allow the patron to self-exclude and to remove the patron or have them arrested for trespass in the event the gambler is found on the premises;
- (2) that any losses incurred by a self-excluded gambler following a ban will be donated to the Commonwealth if the casino has been provided an updated Self-Exclusion List which contains the name of the self-excluded gambler.

§ 175-10.1-2920 Sanctions for Failure to Adhere to Voluntary Self-Exclusion.

(a) A person seeking placement on the Self-Exclusion List shall, at the time of the request to be placed on the List, agree in writing that he or she will:

- (1) Not enter the premises of a facility licensed by the Commission unless he or she is reporting for work; and
- (2) Forfeit to the Commonwealth general fund all claimed or unclaimed jackpots and winnings, and all chips, tokens, vouchers or electronic credits in play or in plain view in the possession or control of the self-excluded person, at the time he or she is apprehended, as a sanction for entering the facility licensed by the Commission after voluntary placement on the Self-Exclusion List. This sanction does not apply to employees entering the facility to work.

§ 175-10.1-2925 Distribution and Availability of Confidential Self-Exclusion List.

(a) The Executive Director shall maintain and keep current the Self-Exclusion List. The List shall be updated and distributed in its entirety to the licensed casino facility on a regular basis.

(b) Upon placement on the Self-Exclusion List by the Executive Director, the name and identifying information of the self-excluded person shall be distributed to the licensed casino.

(c) The licensed casino may not disclose the name of any person on the Self-Exclusion List to any third party unless specifically authorized by these Regulations or required by a court order specifically requiring the release of mental health records and information.

(d) No owner licensee, applicant or licensed casino employee or casino key employee or casino employee or casino key employee applicant who obtains identifying information about a person on the Self-Exclusion List from any source may disclose the name or identifying information of the self-excluded person, except as necessary to effectuate, or as specifically permitted by, these Regulations.

(e) Any licensee or applicant for license and any approved casino employee or casino key employee or casino employee or casino key employee applicant who knowingly discloses, authorizes disclosure, permits a disclosure, or otherwise assists in the disclosure of the identity of a person on the Self-Exclusion List shall be subject to discipline for each disclosure, including but not limited to any disclosure by any of its officers, directors, employees, attorneys, agents and contractors, unless the disclosure complies with the following provisions:

- (1) The disclosure is made on the same need to know basis restriction applicable to mental health information to staff for the sole purpose of effectuating the approved Internal Control responsibilities.
- (2) The disclosure is made for the sole purpose of effectuating the Self-Exclusion program and this Part as to any customer tracking system, customer identification system, chips and token exchange system, financial transactions system, or check and credit system.
- (3) The disclosure is made in compliance with the approved Internal Controls.

(f) Nothing in this Section prohibits disclosure of the name of a person on the Self-Exclusion List to the Commission or its staff or to a person authorized in writing by the self-excluded person on the Self-Exclusion List to receive such information.

§ 175-10.1-2930 Duties of Licensees.

a) No licensee shall knowingly allow any person placed on the Self-Exclusion List to enter the licensed facility, or engage in gaming, check cashing, or gambling at, the licensed facility. The licensed casino shall cause the name and address of any person on the Self-Exclusion List to be flagged on all mailing, marketing or promotional lists or databases, except as provided in this Part. No licensee shall knowingly send marketing or promotional materials to any person placed on the Self-Exclusion List.

(b) The licensed casino shall maintain, a system designed to detect persons on the Self-Exclusion List so as to enforce these Regulations.

(c) Forfeiture.

- (1) A licensee must immediately notify a Commission agent upon making a determination that a person listed on the Self-Exclusion List has entered licensed facility for purposes other than licensed employment and remove the person from the facility.
- (2) Upon ascertaining that a person on the Self-Exclusion List is present in the licensed facility for purposes other than licensed employment, a licensee must inventory, in the presence of a CCC agent, all claimed or unclaimed jackpots and winnings, and all chips, tokens, vouchers or electronic credits in play or in plain view in the possession or control of the self-excluded person, at the time he or she is apprehended. The owner licensee shall provide a receipt to the self-excluded person for all items inventoried.

(3) The casino licensee shall refrain from paying out jackpots under \$1,200 and from paying out all jackpots in amounts of \$1,200 or over won by patrons on the Self-Exclusion List. The casino licensee shall refrain from paying out any winnings of any kind to persons on the Self-Exclusion List.

(d) The casino licensee shall cause the name and address of any person on the Self-Exclusion List to be flagged on all check-cashing, credit issuance, and other financial eligibility lists or databases utilized by the casino licensee for any purposes, except as authorized by this Part. Licensees shall not knowingly cash checks for, extend gaming operation credit to, or otherwise assist a person on the Self-Exclusion List to obtain funds for gambling purposes.

§ 175-10.1-2935 Request for Removal from the Self-Exclusion List.

(a) Upon the expiration of 5 years from the date of placement on the Self-Exclusion List, any person who has been placed on the Self-Exclusion List may request the Executive Director to remove his or her name from the Self-Exclusion List. The request must be in writing, state with specificity the reason for the request and be submitted to the Executive Director at the Commission's office in Saipan. The request must be based on the elimination of a mental health or medical condition underlying the person's acknowledgment that he or she has been a problem gambler and unable to gamble responsibly. Information as to mental health or medical conditions will be maintained pursuant privacy provisions of the Commonwealth constitution and other applicable federal and Commonwealth laws.

(b) If the Executive Director approves the request, the Executive Director shall inform the casino licensee of the removal no later than 10 days after approval. If the Executive Director denies the request, the Executive Director shall send to the person who has requested removal a Notice of Denial of Removal from the Self-Exclusion List by certified mail. The casino licensee may continue to deny gambling privileges to self-excluded persons who have been removed from the List.

(c) A decision whether to remove a person from the Self-Exclusion List shall be within the discretion of the Executive Director, subject to the fulfillment of all requirements under § 175-10.1-2940 and further subject to the process provided by § 175-10.1-2945.

§ 175-10.1-2940 Required Information, Recommendations, Forms and Interviews.

(a) A person requesting removal from the Self-Exclusion List must, in connection with the request, provide the Executive Director with all of the following:

- (1) Documentation as to treatment received for the person's gambling problem, length of treatment, and names and qualifications of treatment providers.
- (2) A written recommendation, from a treating physician or qualified mental health

professional who is a certified gambling counselor, as to the self-excluded person's capacity to participate in gambling without adverse health and mental health risks or consequences related to gambling. For purposes of this Subpart, "certified gambling counselor" means an individual who has completed a specific course of study in the treatment of problem gambling and has been certified by a certification organization acceptable to the Commission and listed on the Commission's website.

- (3) Upon request of the Executive Director, a written recommendation, from a second or subsequent physician or qualified mental health professional who is a certified gambling counselor, as to the self-excluded person's capacity to participate in gambling without adverse health and mental health risks or consequences related to gambling.
- (4) All information required under Section §175-10.1-2915(a)(1)-(7).
- (5) A statement informing the Executive Director whether the person has been present at the licensed casino while not working while on the Self-Exclusion List and, if so, the dates and times of attendance.
- (6) A waiver of liability of the Commission, its agents and the Commonwealth for any damages that may arise out of any act or omission committed by the person as a consequence of his or her removal from the Self-Exclusion List, including any monetary or other damages sustained in connection with the person's renewal of any gambling or gaming activities of any kind.
- (7) A verified, written consent to the release of all of the person's medical and counseling records related to the proposed removal from the Self-Exclusion List.
- (8) Any additional information, forms, recommendations, or other materials necessary, as determined by the Executive Director, to demonstrate the elimination of the mental health or medical condition underlying the person's acknowledgement that he or she has been a problem gambler and unable to gamble responsibly.

(b) Upon request of the Executive Director, a person seeking removal from the Self-Exclusion List shall appear for an interview at an office of the Commission designated by the Executive Director during regular business hours. Persons who are unable to travel to a Commission office due to employment, financial or medical reasons may request, in writing, a reasonable accommodation in a manner or at a site and time designated at the sole discretion of the Executive Director. Nothing in this Section shall require that an accommodation be granted.

(c) The Executive Director shall ascertain to the extent possible whether a person requesting removal from the Self-Exclusion List was ever present in the area within the licensed facilities for purposes other than work while on the list.

(d) The Executive Director shall not rule on a request for removal from the Self-Exclusion List until all requirements of this Section have been fulfilled.

§ 175-10.1-2945 Appeal of a Notice of Denial of Removal.

(a) A denial by the Executive Director of a request by a self-excluded person to be

removed from the Self-Exclusion List pursuant to § 175-10.1-2935 shall be subject to review by the Commission upon a verified written petition submitted to the Commission within 15 days after the issuance of the Notice of Denial of Removal, which shall be deemed to be notice required by § 175-10.1-1420(a).

(b) The petition shall state with specificity facts believed by the petitioner to constitute clear and convincing evidence for removal of his or her name from the Self-Exclusion List. The petition shall be notarized and shall include a certification in the following form:

The undersigned certifies that the statements set forth in this petition are true and correct, except as to matters in the petition stated to be on information and belief. As to matters stated to be on information and belief, the undersigned certifies that he or she believes these matters to be true and correct.

(c) The Commission shall either deny the petition or set the petition for hearing. The Commission may deny a petition if:

- (1) The petition fails to comply with any of the requirements of subsection (a) or (b) of this Section;
- (2) The facts contained in the petition are the same or substantially the same facts that the petitioner set forth in a previous petition filed under this Section; or
- (3) The petition, assuming all facts contained in it are true and correct, does not establish a prima facie case.

(d) In the event the Commission elects to set the petition for hearing, the procedures specified for other Contested Cases.

(e) For purposes of hearings conducted under this Section, all information, recommendations, forms, records of interviews and other materials, formal and informal, obtained by the Executive Director shall be considered official Commission records and therefore admissible into evidence.

(f) All proceedings related to an administrative hearing on a Notice of Denial of Removal shall be closed to members of the public unless otherwise consented to in writing by the self-excluded person or allowed by federal or State law.

(g) The Commission's denial of a petition brought under this Section is a final decision of the Commission.

§ 175-10.1-2950 Duties of Casino Licensee to Persons Removed from the Self-Exclusion List.

a) The casino licensee shall establish its own policies and procedures for allowing or disallowing any person removed from the Self-Exclusion List to enter for purposes other than licensed employment or game in its facility subsequent to the person's removal from the Self-Exclusion List.

b) Nothing in this Part shall require any licensee under the Act to provide assistance to a person removed from the Self-Exclusion List.

§ 175-10.1-2955 Placement on the Self-Exclusion List Following Removal.

A person whose name has been removed from the Self-Exclusion List may subsequently request to be placed again on the list. The procedure for placement on the Self-Exclusion List under this Section shall be the same as that for a person requesting placement on the list for the first time. A placement of a person on the Self-Exclusion List under this Section shall be permanent, notwithstanding any other provision of this Subpart.

§ 175-10.1-2960 Duties of the Commission. The Commission may assist a person who acknowledges that he or she has, or has had, a gambling problem as provided in this Part. The Executive Director may provide to a person seeking placement on, or removal from, the Self-Exclusion List pertinent information about problem gambling and post-treatment assistance, deemed appropriate. The Executive Director may refer any inquiries for assessment, evaluation, treatment or post-treatment assistance from a person seeking to be placed on, or removed from, the Self-Exclusion List to the Commonwealth Health Corporation or another appropriate source of information.

Part 3000 PATRON DISPUTES

- § 175-10.1-3001 Investigation and Decision of Executive Director
- § 175-10.1-3005 Construction
- § 175-10.1-3010 Service
- § 175-10.1-3015 Initiation Of Hearing Procedure; Notice Of Hearing
- § 175-10.1-3020 Pre-Hearing Motions
- § 175-10.1-3025 Nature of Hearing
- § 175-10.1-3030 Presentation of Evidence
- § 175-10.1-3035 Admissibility of Evidence
- § 175-10.1-3040 Subpoenas
- § 175-10.1-3045 Discovery
- § 175-10.1-3050 Amended or Supplemental Pleadings
- § 175-10.1-3055 Communications
- § 175-10.1-3060 Default
- § 175-10.1-3065 [Reserved]
- § 175-10.1-3070 Burden of Proof
- § 175-10.1-3075 Decision of the Hearing Examiner
- § 175-10.1-3080 Appeal to Commission
- § 175-10.1-3085 Judicial Review

§ 175-10.1-3001 Investigation and Decision of Executive Director.

(a) Whenever the casino licensee, or its employee, refuses payment of alleged winnings

to a patron, the licensee and the patron are unable to resolve the dispute to the satisfaction of the patron and the dispute involves:

- (1) At least Five Hundred Dollars (\$500.00), the licensee shall immediately notify the executive director; or
- (2) Less than Five Hundred Dollars (\$500.00), the licensee shall inform the patron of his right to request that the executive director conduct an investigation.

(b) The executive director shall conduct whatever investigation is deemed necessary and shall determine whether payment should be made. Thereafter, the Executive Director shall issue an appropriate Order. This Order shall not constitute a waiver, suspension, or modification of the requirements of the CCC Regulations, which remain in full force and effect. Issuance of this Order is not an election by the Commission, Executive Director, or the Commonwealth to forego any civil or any criminal action otherwise authorized by any other applicable law or regulation.

(c) The executive director shall provide written notice to the commission, the licensee and the patron of his decision resolving the dispute within thirty (30) days after the date the executive director first receives notification from the licensee or a request to conduct an investigation from the patron.

(d) Failure to notify the executive director or patron as provided in subsection (a) is an unsuitable method of operation.

(e) The decision of the executive director is effective on the date the aggrieved party receives notice of the decision. The date of receipt is presumed to be the date specified on the return receipt, if the notice was mailed.

(f) Notice of the decision of the executive director shall be deemed sufficient if it is mailed to the last known address of the licensee and patron. The date of mailing may be proven by a certificate signed by an employee of the executive director that specifies the time the notice was mailed. The notice is presumed to have been received by the licensee or the patron five (5) days after it is deposited with the United States Postal Service with the postage thereon prepaid.

§ 175-10.1-3005 Construction. (a) This Part should be liberally construed to achieve fair, just, equitable, and expedient resolutions of all disputes

§ 175-10.1-3010 Service. Except as otherwise provided in this Part:

(a) All pleadings, notices, and other papers required by this Part to be served may be served by personal delivery or certified mail.

(b) A party serving a pleading, notice or other paper required by this Part to be served must file a proof of service in the form of a certificate signed by the party or his representative and stating the date and manner of service.

§ 175-10.1-3015 Initiation Of Hearing Procedure; Notice Of Hearing.

(a) Proceedings to review a decision made by the Executive Director pursuant to § 175-10.1-3001 must be initiated by the filing and service of a petition in accordance with this chapter or be barred.

(b) A copy of the petition must be served on the respondent.

(c) The respondent may file and serve a written response within 15 days after being served with a copy of the petition.

(d) After the time for respondent to file and serve a written response to the petition has expired, the hearing examiner appointed by the Executive Director or the Commission shall determine the date, time and place of the hearing on the petition.

(e) Notice of the hearing must be served by the hearing examiner on each of the parties at least 20 days before the hearing, unless the hearing examiner reasonably determines that a lesser notice period is appropriate.

§ 175-10.1-3020 Pre-Hearing Motions. Unless otherwise ordered by the hearing examiner, all pre-hearing motions must be filed and served at least ten (10) days before the hearing.

§ 175-10.1-3025 Nature of Hearing.

(a) Unless the hearing examiner reasonably determines that a different procedure is appropriate, the hearing may be conducted in accordance with the following procedures:

1. The petitioner may present an opening statement on the merits and the respondent may then make a statement of the defense. The respondent may reserve his statement of the defense for the presentation of his case.
2. After his opening statement, if made, and the respondent's statement of the defense, if not reserved, the petitioner shall present his case in chief in support of the petition.
3. Upon conclusion of the petitioner's case in chief, the respondent may move for dismissal of the petition. The hearing examiner may grant, deny, or reserve decision on the motion, with or without argument.
4. If no motion to dismiss is made, or if such motion is denied or decision is reserved thereon, the respondent shall then present his case in defense.
5. Upon conclusion of the respondent's case, the petitioner may present rebuttal evidence.
6. After the presentation of the evidence by the parties, the petitioner may present a closing argument. The respondent may then present his closing argument and the petitioner may then present a rebuttal argument. Thereafter the matter will stand submitted for decision.

(b) All or part of the hearing may be conducted by telephone or videoconference.

(c) The hearing must be recorded by the hearing examiner on audio tape or other means of sound reproduction, unless it is reported stenographically for a party at the party's own expense, in which case the party must provide the original hearing transcript to the hearing examiner.

(d) Unless otherwise ordered by the hearing examiner, the parties may submit written memoranda of points and authorities at any time before the hearing. The hearing examiner may order or allow the parties to file written memoranda of points and authorities after the conclusion of the hearing.

(e) Continuances of the hearing date may be granted upon a showing of good cause by the party requesting the continuance.

§ 175-10.1-3030 Presentation of Evidence.

(a) Oral evidence may be taken only upon oath or affirmation administered by the hearing examiner.

(b) Affidavits may be received in evidence.

(c) Each party may:

1. Call and examine witnesses;
2. Introduce exhibits relevant to the issues of the case, including the transcript of testimony at any investigative hearing;
3. Cross-examine opposing witnesses on any matter relevant to the issues of the case, even though the matter was not covered in a direct examination;
4. Impeach any witness, regardless of which party first called him to testify; and
5. Offer rebuttal evidence.

(d) If a party does not testify on his own behalf he may be called and examined as if under cross-examination.

(e) The hearing examiner may take official notice of any generally accepted information or technical or scientific matter within the field of gaming, and of any other fact which may be judicially noticed by the courts of this Commonwealth. The parties must be informed of any information, matters or facts so noticed and must be given a reasonable opportunity, on request, to refute such information, matters or facts by evidence or by written or oral presentation of authorities. The manner of such refutation shall be determined by the hearing examiner.

§ 175-10.1-3035 Admissibility of Evidence.

(a) The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence may be admitted and is sufficient in itself to support a finding if it is the sort of evidence on which responsible persons are

accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in a civil action.

(b) The parties or their counsel may by stipulation agree that certain evidence be admitted even though such evidence might otherwise be subject to objection.

(c) Irrelevant and unduly repetitious evidence should not be admitted.

§ 175-10.1-3040 Subpoenas. At the request of a party, subpoenas may be issued by the hearing examiner.

§ 175-10.1-3045 Discovery. No discovery shall be permitted except upon a finding of good cause justifying the discovery sought. Notwithstanding the foregoing, the Executive Director at all times retains the authority to require the casino licensee to provide any requested document, statement, or video or audio evidence.

§ 175-10.1-3050 Amended or Supplemental Pleadings. The hearing examiner may, before submission of the case for decision, permit the filing of an amended or supplemental petition or response, including an amended or supplemental pleading that conforms to the evidence presented during the hearing. A request for permission to file an amended or supplemental pleading may be made orally during the hearing or in writing. If the request is in writing, a copy must be served on the opposing party. The hearing examiner thereafter shall provide the opposing party a reasonable opportunity to make objections thereto. If an application for leave to file an amended or supplemental pleading is granted, the hearing examiner must permit the parties to introduce additional evidence with respect to any new matter contained in the pleading.

§ 175-10.1-3055 Communications.

(a) Unless required for the disposition of ex parte matters authorized by statute or regulation:

1. Neither a party nor his representative shall communicate, directly or indirectly, with any Commission member or the hearing examiner regarding any matter related to the hearing, except upon notice and opportunity to all parties to participate.
2. Neither a Commission member nor the hearing examiner shall communicate, directly or indirectly, with any party or his representative regarding any matter related to the hearing, except upon notice and opportunity to all parties to participate.

(b) This section does not preclude:

1. Any Commission member or the hearing examiner from consulting with Commission counsel concerning any matter related to the hearing.
2. A party or his counsel conferring with the hearing examiner, the Commission Chairman, or Commission counsel on procedural matters.

§ 175-10.1-3060 Default. The unexcused failure of a party to appear at the hearing

may constitute a default and an admission of any facts that may have been alleged by the opposing party. The hearing examiner may take action based on such default or admission or on any other evidence without further notice to the defaulting party. If the hearing examiner takes action based on an admission, the record must include the evidence upon which the action is based.

§ 175-10.1-3065 [Reserved.] [Contempt.]

§ 175-10.1-3070 Burden of Proof. The person aggrieved by the decision of the Executive Director bears the burden of showing by a preponderance of the evidence that the decision made by the Executive Director pursuant to § 175-10.1-3001 should be reversed or modified.

§ 175-10.1-3075 Decision of the Hearing Examiner.

(a) No later than thirty (30) days after the hearing, the hearing examiner shall render a written decision on the merits that sustains, modifies or reverses the initial decision of the Executive Director.

(b) The decision of the hearing examiner must contain findings of fact and a determination of the issues presented.

(c) A copy of the decision must be served on each party. The decision must be accompanied by proof of service in the form of a certificate signed by an agent or employee of the Commission and stating the date and manner of service. The decision is effective and final upon service on all parties, unless otherwise ordered by the hearing examiner. If the decision is sent by mail, it will be presumed to have been served five calendar days after it is mailed.

§ 175-10.1-3080 Appeal to Commission.

(a) Any party aggrieved by a final decision of the hearing examiner may appeal to the Commission.

(b) The Commission's review will be limited to the evidence before the hearing examiner. The Commission may remand the case to the hearing examiner for additional evidence if sufficient reason exists for the failure to present the evidence at the hearing.

(c) The Commission may affirm, modify, or reverse the decision of the hearing examiner.

(d) No later than thirty (30) days after hearing the appeal, unless the time is extended by the Commission, a copy of the Commission's decision must be served on each party. The decision must be accompanied by proof of service in the form of a certificate signed by an agent or employee of the Commission and stating the date and manner of service. The decision is effective and final upon service upon all parties, unless

otherwise ordered by the Commission. If the decision is sent by mail it will be presumed to have been served five calendar days after it is mailed.

§ 175-10.1-3085 **Judicial Review.** Judicial review of a final decision of the Commission may be had in accordance with applicable Commonwealth law.

**SUBCHAPTER 175-10.2
COMMISSION CODE OF ETHICS**

Part 001 CODE OF ETHICS

§ 175-10.2-101	Commission to Follow Government Ethics Act
§ 175-10.2-105	Responsibilities of Public Office
§ 175-10.2-110	Commission Policies
§ 175-10.2-115	Conflict of Interest
§ 175-10.2-120	Political Activity
§ 175-10.2-125	Non-discrimination Policy

§ 175-10.2-101 **Commission to follow government Ethics Act.** The Commission and its employees shall be subject to and follow the Government Ethics Act found in 1 CMC § 8501 et. seq.

§ 175-10.2-105 **Responsibilities of Public Office.** Individuals appointed to the Commission are agents of the public and serve for the benefit of the public. They shall uphold and act in accordance with the Constitution of the United States of America, the Constitution of the Commonwealth of the Northern Mariana Islands, and the rules, Regulations and policies pursuant to the Act and the Government Ethics Act.

§ 175-10.2-110 **Commission Policies.** Commissioners and staff shall comply fully with the policies and standard procedures approved by the Commission.

§ 175-10.2-115 **Conflict of Interest.** There is a public trust to be protected from the danger of conflict of interest.

(a) A conflict occurs when an official's responsibilities, duties or activities conflict with the official's private interests, whether they are of a business, family, social or other nature.

(b) A Commissioner has an automatic conflict of interest in matters affecting a Commissioner's spouse, children and siblings. A Commissioner must automatically refrain from voting or engaging in any discussions relating to such family members.

(c) Commissioners and Commission staff shall comply with the following Conflict of Interest restrictions:

1. Shall not use their office/staff to seek employment or conduct business.
2. Shall not use their position to obtain private gain or advantage for themselves, a relative or an entity in which they have a present or potential financial interest.
3. Shall not disclose or use confidential information that is not generally available to the public for his/her own or another person's financial benefit.
4. Shall not participate in transactions that they may influence if they know that a spouse, child, or sibling has a substantial financial interest.
5. Shall not use public funds, time or equipment for their own private gain, unless authorized by law.
6. Shall not participate in, vote on, influence or attempt to influence an official decision if they, or the business they are associated with, have a financial interest or can potentially benefit from the matter, unless the interest or benefit is incidental to their position or would normally accrue to them in their profession, occupation or class.
7. Shall not participate or engage in any conduct or activity that is prohibited by the Act.

§ 175-10.2-120 Political Activity. Each Commissioner, Executive Director and Commission staff must be aware of the rules that limit permissible political activity. The following is intended to highlight the kind of activities that can and cannot be engaged in.

(a) Permissible Activities:

1. Voting for the candidate of his/her choice.
2. Expressing opinions on all political subjects and candidates.
3. Membership in any political party, organization or club.
4. Making voluntary contributions to a political organization for its general expenditures.
5. Lobbying and supporting public, Legislative or other Constitutional amendments.

(b) Prohibited Activities:

1. Use of Commission funds, time, personnel or equipment for political activity unless that use is authorized by law or is incidental to a legally authorized or required activity.
2. Engaging in the discharge, promotion, demotion or changing of the status or compensation of any employee for supporting an official or candidate or promising or threatening to do so.
3. Use of their office or the Commission or influence to interfere with an election, or affect its results, or coerce the political action of any person or party.
4. Being obliged to contribute to any political fund, render any political service or be removed for refusing to do so.
5. Pressuring or coercing staff to participate in political activities or to support political parties or candidates under threat of losing one's employment.
6. Soliciting or receiving political contributions from anyone while on

- Commission time or on Commission or government property.
7. Campaigning for any candidate for public office during official working hours.
 8. Promoting or opposing legislation relating to programs of departments on behalf of the Commission in contravention of Commission authority.

§ 175-10.2-125 Non-discrimination Policy.

(a) It is the policy of the Commission that discrimination, for or against any employee, because of race, creed, color, gender (including sexual harassment), sexual orientation, national origin, age, religion, political affiliation, organizational membership, veterans status, disability, or genetic information is prohibited and will not be tolerated. No adverse action or hiring decision shall be made on the basis of any of the above factors except that veterans status may be considered positively as permitted by law.

(b) The Commission shall maintain every workplace free from unlawful harassment, including sexual harassment. Any employee or official who engages in any act of discrimination or harassment on the basis of any of the above factors violates Commission policy, and such misconduct will subject the employee to corrective action ranging from counseling to disciplinary action up to and including termination. Such harassment by a non-employee (for example, a client or contractor) is also prohibited. The Commission shall not tolerate any such outside harassment and shall take necessary action to prevent its continuation or recurrence.

(c) Any employee who feels that he or she has been discriminated against on the basis of any of the above factors, or sexually harassed, should immediately report such incidents to a supervisor at any level without fear of reprisal. Confidentiality will be maintained to the extent permitted by the circumstances.

(d) An employer who receives a claim of discrimination or harassment in violation of this policy shall take such complaint seriously and immediately advise the Executive Director or the Commonwealth Equal Employment Opportunity (EEO) Coordinator of the situation. The Executive Director, with the assistance of the EEO Coordinator, if sought, will ensure that it is investigated promptly, privately, and with as much confidentiality as possible, consistent with the need to determine the facts. The investigation will be documented by an investigative report that will be retained in a confidential file by the Executive Director or EEO Coordinator. Any person accused of a violation shall be allowed the opportunity to rebut the charges.

(e) After determining the facts through the investigation, the Executive Director shall take corrective action as required by the circumstances. This may include counseling any employee, whether or not a violation has occurred; imposing an appropriate sanction, including disciplinary action; making sure that this policy is reiterated to all employees or any group. An employer, or any supervisory staff, who does not take appropriate action also violates this policy and exposes the Commonwealth government to liability.

**Policies and Procedures Manual
of the Office of Attorney General**



Illustration: "A View of the Watering Place on Tenian," from George Lord Anson, Voyage Round the World in the Years MDCCXL, I, II, III, IV (1748)

**Commonwealth of the Northern Mariana Islands
2016 Edition**

**Edward Manibusan
Attorney General**

PREFACE

The purpose of this manual is to assist you in understanding the nature, organization, operation, and policies of our office. It is a resource guide for the staff when exercising judgment and discretion in their respective areas of responsibility; it is also a statement of expectations of staff.

Staff members are responsible for reading and knowing the contents of this manual so that they may comply accordingly. If you have any questions about an item, it is important that you raise them with your supervisor. This manual is not an exclusive statement of expectations and requirements; staff are expected to adhere to others articulated by the Attorney General, or management, and to exercise sound professional judgment and public service values.

The manual is not intended to create rights beyond those granted by statute. From time to time, items will be added, modified, waived, or deleted with or without notice.

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1 General Office Structure and Management

(General sources: NMI Const. art. III, § 11; 1 CMC §§ 2151-2157, 8282; 6 CMC §§ 2208, 9101-9112)

1.1 Divisions and Offices

The Office of the Attorney General consists of the following divisions and offices with their respective responsibilities:

1.1.1 Civil Division

The Civil Division is responsible for all civil litigation including URESA actions, child support, wardships, and commitments for mental illness.

1.1.2 Office of Consumer Counsel

A Consumer Counsel is designated within the Office of the Attorney General to coordinate preventive and remedial consumer protection programs of the Commonwealth Government and to vigorously prosecute those who violate the consumer protection laws of the Commonwealth.

1.1.3 Solicitors Division

The Solicitors Division is responsible for providing advice to government agencies, preparing Attorney General opinions, and responding to requests for comment on legislative bills.

1.1.4 Administrative Support Division

The Administrative Support Division is responsible for providing document, e-filing/manual filing, service and delivery, inventory assistance and information technology system services and support to the entire Office. The Division is also responsible for publishing the Commonwealth Register and registering of the Notaries Public.

1.1.5 Criminal Division

The Criminal Division is responsible for the prosecution and appeals of all felony, misdemeanor, and traffic violations. It is also responsible for prosecution of all matters in Juvenile Court.

1.1.6 Attorney General's Investigation Division

The Attorney General's Investigation Division is responsible for providing investigative support to the other divisions within the Office.

1.1.7 Victim Witness Advocacy Office

The Victim Witness Advocacy Office is headed by the Victim Witness Coordinator. Under the supervision of the Chief of the Criminal Division, the Office provides and disseminates information on victims' bill of rights; facilitates the flow of information between and among the Criminal Division, the Department of Public Safety, the Office of the Public Defender, the Division of Youth Services, and victim support organizations and agencies; and serves as an advocate for victims of crime to obtain aid and services for health, education, counseling, and rehabilitation from public and private agencies.

1.1.8 Domestic Violence Intervention Center

The Domestic Violence Intervention Center is responsible for providing assistance to victims of domestic violence in obtaining protective orders from Superior Court and making arrangements for assistance by service providers.

1.2 Division Chief or Office Supervisors

Each division will be supervised by a division chief or office supervisor. In addition to responsibilities noted in other sections of this Manual, the chief or office supervisor is responsible for the following:

- Allocating work assignments within his or her respective division or office; and
- Preparing monthly reports on division or office activities for submission to the Attorney General.

1.3 Management Committee

The Management Committee shall consist of representatives from each division and shall be chaired by the Deputy Attorney General. The Committee shall be responsible for monitoring and arranging maintenance

of the legal resources of the Office, computer systems, vehicles, and any other equipment used in the Office. The Committee shall also assist the Attorney General in formulating policies, plans, and programs, including recruitment and retention of employees.

1.4 Meetings and Reports

1.4.1 Meetings

The following meetings shall be held on a regular basis to review pending cases or work assignments, discuss policy matters, training, etc.:

1.4.1.1 Weekly Meetings

Each division or office shall meet every week.

1.4.2 Personnel Responsible for Submitting Monthly Reports

The following personnel will submit a monthly report on activities to the Attorney General:

- Each division chief or office supervisor;
- Consumer Counsel;
- Chief Solicitor; and
- Assistant Attorneys General, including Special Assistant Attorneys General, assigned to departments and agencies.

1.5 Deputy Attorney General

The Deputy Attorney General is primarily responsible for administrative matters in the office and other legal matters as may be assigned from time to time by the Attorney General. The Deputy Attorney General shall stand in for the Attorney General when the Attorney General is absent from the Commonwealth.

1.6 Attorney General

The Attorney General supervises and directs the overall administration and operation of the Office of the Attorney General. As head of the Office of the Attorney General, the Attorney General is the Chief Legal Officer

of the Commonwealth Government and shall be responsible for providing legal advice to the Governor and Executive departments (including public corporations and autonomous agencies), representing the Commonwealth in all legal matters, and prosecuting violations of Commonwealth law.

2 New Employees

(General sources: 1 CMC § 8101 *et seq.* (Civil Service Act); 1 CMC §§ 8211-82605; NMIAC §§ 10-20.2-201 thru 253, 10-10-101 thru 120)

2.1 Advertising and Interviewing Applicants

The Attorney General or designee will be responsible for advertising and interviewing applicants, sending an initiation letter or email to new employees, initiating and monitoring travel arrangements, and answering questions of prospective employees.

2.2 Orientation and Other Administrative Matters

If a new employee is recruited from off-island, upon a new employee's arrival on island, the Administrative Support Division supervisor shall be responsible for orienting them on housing, utility connections, and shopping resources. The chief of the division or office where the employee will be working will also ensure that the new employee is properly sworn in before the appropriate courts; has been assigned an office computer connected to the internet; and has reviewed this Office Policy Manual.

2.3 Mentors

New employees shall be assigned a "mentor" in their office or division who will be available for advice and miscellaneous assistance during their first six weeks.

2.4 Six-Month Review

During the first six months of employment, new employees shall submit their work product to their office or division chief for review and approval. This period may be shortened or lengthened at the discretion of the division or office chief.

2.5 Excepted Service Contract Expiration Dates

The Administrative Support Division supervisor will monitor excepted service contract expiration dates and will advise the Attorney General and the employee 60 days before expiration. Employees should inform the Attorney General 60 days prior to the end of the contract term of his or her intent as to their future with the Office.

3 Appearance and Conduct

3.1 Attire

3.1.1 Office Attire

All office personnel shall maintain a neat and professional appearance during business hours. Shorts and zories/flip flops are strictly prohibited. Ties and blazers are not required in the office.

3.1.2 Courtroom Attire

- When appearing in NMI Superior Court or Supreme Court, Assistant Attorneys General must strictly adhere to the Supreme Court's rules on courtroom attire.
- When appearing in NMI District Court, Assistant Attorneys General must strictly adhere to Local Rule 83.3 regarding appropriate courtroom attire. Although not stated in the rule, the District Court requires all male attorneys to wear a jacket when appearing in court.

3.2 Personal Conduct

3.2.1 Exercising Discretion in Personal Conduct Befitting of the Office's Primary Responsibility for Law Enforcement

All employees shall keep in mind that this Office has primary responsibility for law enforcement in the CNMI. The conduct of all employees, both in and out of the office, is subject to public scrutiny. All personnel shall exercise discretion in their personal conduct and conduct themselves in a manner that is consistent with the Office's responsibilities and that upholds the integrity of the Office.

3.2.2 Discrimination-Free Work Environment

All employees shall remember that the Office is an equal opportunity employer that is committed to maintaining a discrimination-free work environment. Employees are responsible for maintaining this standard in their behavior within the office. To maintain this standard, employees, among other things, should not tell inappropriate jokes, make inappropriate physical contact, or put inappropriate signs, photographs, calendars, or art on the wall.

4 Attendance

(Source: NMIAC §§ 10-10-120(c), 10-20.2-342, 344)

4.1 Office Hours

4.1.1 Standard Workweek

The standard government workweek is Monday through Friday, with a standard workday of 7:30 a.m. to 4:30 p.m. All staff are expected to be in attendance during those hours.

4.1.2 Discretionary Adjustment of Attendance

Supervisors shall have discretion to adjust attendance by any employee in their division to accommodate unusual demands of filing deadlines, court appearances, etc. The supervisor shall ensure that each employee achieves, at a minimum, a 40-hour work week.

4.2 On-Call Duties

4.2.1 Attorney Advisory Functions Outside of Office Hours

Assistant Attorneys General in the Civil and Criminal Divisions may be required to perform certain advisory functions outside of office hours. The areas that most frequently require emergency attention are criminal investigations, mental commitments, and Customs matters. The supervisors in charge of these offices shall be responsible for assigning these duties within their offices.

5 Domestic Violence in the Workplace

(Source: 6 CMC § 1461)

5.1 Policy Against Domestic Violence in the Workplace

Incidents of domestic violence have a tremendous and negative impact on the workplace. The purpose of this policy is to provide guidance and education to all Office of the Attorney General staff regarding domestic violence and its impact on the workplace.

5.2 Consequences of Domestic Violence

Domestic violence is abusive and/or harassing behavior that is physical, sexual, and/or psychological, that is employed by one family or household member and directed at another member with the intent to establish and maintain control over the abused member.

5.3 Safe Work Environment

The Office of the Attorney General is committed to providing a work environment in which employees feel safe from harm and high levels of productivity are fostered. All employees must take the problem of domestic violence and its effect in the workplace seriously. The Office of the Attorney General will strive to take all reasonable steps to foster a safe working environment for all employees and clients.

5.4 Available Resources

The Office of the Attorney General will make available, upon request by an employee, information regarding help, resource and referral, counseling, and certified treatment resources. An employee's request for information and any preventive or responsive measures will be kept confidential to the extent possible. The CNMI law on domestic violence is codified at 6 CMC §§ 1461 *et seq.*

5.5 Zero-Tolerance Policy

The Office of the Attorney General will not tolerate domestic violence in the workplace. This includes any harassment of any staff or client while in the Office of the Attorney General's facilities, work sites, or vehicles, or

while on government business. This includes the display of any violent or threatening behavior, verbal or physical, that may result in physical or emotional injury or otherwise place one's safety and productivity at risk.

5.6 Consequences of Policy Violations

Any staff who uses government resources, including but not limited to, work time, telephones, fax machines, mail, e-mail or other means, to threaten, harass, or abuse someone at the workplace or from the workplace, may be subject to corrective or disciplinary action, up to and including dismissal. Disciplinary action under this section is in addition to any criminal charges that may be brought.

5.7 Procedures for Implementation

5.7.1 Procedures for Chiefs/Managers/Supervisors

Chiefs, managers, and supervisors shall do the following:

- Participate in domestic violence training.
- Be aware of physical or behavioral changes in employees and consult with Administrative Support Division supervisor and/or the Office of Personnel for advice as necessary.
- Immediately contact the Administrative Support Division supervisor for assistance if an employee who is either the victim or perpetrator of domestic violence asks for help.
- Maintain confidentiality to the extent necessary to address a particular situation to the extent authorized by law.
- Recognize that information about individual staff members should only be given to others on a need-to-know basis.
- Work with the Administrative Support Division to address issues of victim's needs.
- Encourage staff to become familiar with domestic violence and its impact on the workplace.

- With the assistance of the Administrative Services Division staff, post information about domestic violence in the work area.
- Consult with Administrative Services Division supervisor concerning appropriate corrective or disciplinary action to be imposed against any staff member who misuses government resources to perpetrate domestic violence; harasses, threatens or commits any act of domestic violence in the workplace or while conducting government business; or is arrested, convicted or issued a permanent injunction as a result of domestic violence when that action has a direct relationship to the employee's duties as a government employee.
- Honor all Civil Protection Orders, and when appropriate, participate in court proceedings in obtaining protection orders on behalf of the Office of the Attorney General.

5.7.2 Procedures for Administrative Support Division Staff

The staff of the Administrative Support Division shall do the following:

- Participate in domestic violence training.
- Maintain a list of services available to victims and perpetrators of domestic violence.
- Provide assistance to staff, managers and supervisors with options for handling domestic violence in the workplace. Make referrals to the appropriate outside agencies, such as law enforcement, safe-place shelters, etc.
- Work with staff in addressing needs for victims in the workplace, which may include workplace safety plans.
- Advise and assist supervisors and managers in taking corrective or disciplinary actions against staff engaged in workplace acts of domestic violence.
- Maintain confidentiality to the extent authorized by law.
- Make domestic violence education information available to all staff.

6 Drug and Alcohol Policy

(Source: NMIAC §§ 10-20.2-414, 10-20.2-418, and 10-10-325)

6.1 Policy on Drugs and Alcohol

The Office of the Attorney General is committed to providing a safe, healthy and productive work environment for its employees. This policy addresses the effect that drug and alcohol use may have on employees' safety, job performance, attendance, and behavior during their work hours; outlines the Office's responsibility to provide safe, effective service to the public; and establishes employee standards. This policy does not limit the authority of the Attorney General to take appropriate disciplinary action in any situation where conduct on or off duty affects an individual's ability to perform his or her job duties.

6.2 Prohibitions Involving Drugs and Alcohol

Employees are prohibited, while in a government building, office, or vehicle, or while otherwise on official business, from unlawfully manufacturing, distributing, dispensing, possessing, transporting, using, or from being under the influence of illegal drugs. Employees are also prohibited from being under the influence of alcohol in a government building, office, or vehicle, or while otherwise on official business. Employees found in violation of this policy may be subject to formal disciplinary action up to and including dismissal.

6.3 Prohibitions against Being under the Influence of Drugs and/or Alcohol in the Workplace

Employees exhibiting specific objective signs of being under the influence of alcohol and/or drugs while engaged in official activities shall be relieved from their job duties for the remainder of the work day.

Employees who are determined to be under the influence of alcohol or drugs in a government building, office, or vehicle, or while engaged in official activities may be subject to disciplinary action.

6.4 Dealing with Drugs and Alcohol in the Workplace

6.4.1 Employee Responsibilities

Employees—

- Shall not be under the influence of alcohol and/or drugs in a government building, office, or vehicle, or while conducting official government business.
- Shall not illegally manufacture, use, consume, sell, transport, possess or transfer drugs in a government building, office, or vehicle, or while conducting official government business.
- Shall not operate government vehicles or equipment while under the influence of alcohol and/or drugs.
- Shall exercise prudence in consuming alcohol while representing the Office at official functions.
- Shall notify their supervisor in writing within five days of (1) any criminal conviction for an alcohol or drug-related crime, or (2) any criminal charges for an alcohol or drug-related crime.

6.4.2 Supervisor Responsibilities

Supervisors shall promptly report any above-mentioned drug/alcohol-related conduct, charges, or convictions, or other incidents of being under the influence to the division chief or other appropriate supervisor.

6.4.3 Division Chief Responsibilities

Division chiefs—

- Shall encourage employees to voluntarily seek assistance in dealing with alcoholism and drug dependency.
- Shall maintain confidentiality consistent with applicable law.
- Shall promptly report to the Deputy Attorney General (1) the criminal conviction of an employee for an alcohol- or a drug-related crime, (2) any criminal charge against an employee for an alcohol- or a drug-related

crime, and, (3) any serious incident or continuing problem relating to drugs or alcohol.

6.4.4 Deputy Attorney General Responsibilities

- In the case of an employee working on any matter funded by a federal grant or contract, the Deputy Attorney General shall ensure that the federal grant or contract agency is notified of a criminal drug conviction as required by the grant or contract.
- The Deputy Attorney General shall report to the Attorney General on violations of this policy.

6.4.5 Attorney General Responsibilities

The Attorney General shall, within 30 days following a report by a supervisor of drug- or alcohol-related misconduct, charges or conviction of an alcohol- or a drug-related crime, or incidents of being under the influence, either initiate appropriate disciplinary action and/or require successful participation in an approved substance abuse assistance or rehabilitation program pursuant to the applicable personnel regulations.

7 Employee Interpersonal Conflicts

7.1 Employee Conflicts Policy

It is the policy of the Office to resolve conflicts at an early stage, and to do so fairly, with due consideration given to the positions of the conflicting parties. Successful resolution of employee conflicts requires an open and honest exchange of information, a willingness to see a situation from a different perspective, an appreciation for the challenges and expectations of the jobs of both the employee and the supervisor, appropriate use of flexibility, and an understanding of the goals and needs of the Office of the Attorney General.

7.2 Employee Conflicts Review and Resolution

Employee conflicts are best resolved informally and directly between an employee and the supervisor pursuant to the applicable personnel regulations. However, the Office of the Attorney General recognizes that

there are situations when a formal process may be beneficial and where additional perspectives may be needed to review a dispute.

An excepted service employee who disagrees with the action of the Deputy Attorney General, a division chief, office supervisor, or any other employee, may seek direct review of the decision or action by the Attorney General, or avail him or herself of the mediation procedure in the Excepted Service Regulations (NMIAC § 10-10-301). Civil Service employees may avail themselves of the grievance and/or appeals process outlined in the Personnel Service System Rules and Regulations (subparts F and G of subchapter 10-20.2).

8 Ethics

(Source: 1 CMC §§ 8501-8577 (Government Ethics Code), the NMI Rules of Professional Conduct, and the NMI Rules of Practice)

8.1 Government Ethics Code

All employees of the Office are expected to be familiar with the provisions of the Government Ethics Code (GEC) and to act in a manner consistent with the provisions and the policies of those laws. Employees who have questions about their obligations under the GEC should consult with their supervisor.

8.2 NMI Rules of Professional Conduct

Assistant Attorneys General shall also be acquainted with and abide by the NMI Rules of Professional Conduct.

8.3 Release of Information in Criminal and Civil Cases

Assistant Attorneys General shall be acquainted with and abide by the NMI Rules of Practice governing the release of information in criminal and civil cases, and shall exercise discretion in discussing any office-related business outside of the office.

8.4 Non-attorney Staff Bound by Ethics Laws and Regulations and Information Disclosure

Non-attorney staff shall be acquainted with and abide by the statutes and regulations governing ethics. Non-attorney staff shall not disclose personnel matters of the Office without prior authorization from their supervisor or the Attorney General.

8.5 Government Ethics Laws on Acceptance of Gifts and Honoraria

The GEC restricts the acceptance of gifts or honoraria by all government officers and employees. Individuals in the Office of the Attorney General are expected to be familiar with the provisions of the GEC and to act in a manner consistent with the provisions and the policies of those laws. While individuals can and should consult their supervisors and assistant attorneys general within the Office who are knowledgeable about the provisions of the ethics laws, compliance is an individual responsibility.

8.6 Confidentiality

8.6.1 Confidentiality Policy

It is the policy of the Office to maintain the confidentiality of all information received and maintained. Information within the OAG's custody and control is confidential unless otherwise deemed public by the Attorney General or his designee. All information should be treated with the same care, regardless of whether the information refers to victim(s), perpetrators(s), person(s) of interest, staff, or pending cases.

8.6.2 Non-Disclosure

No employee may discuss or review any information maintained by the Office for any personal reasons. No employee may reveal any information maintained by the Office to anyone not employed by the Office without first obtaining the approval of the Attorney General or his designee. Strict compliance of the confidentiality policy is required; any violation of the policy may result in the immediate termination of employment.

8.6.3 Confidentiality Agreement

Employees will be required to sign the Office's confidentiality agreement attached as Appendix A.

9 General Office Operations

9.1 Administrative Staff Assistance

9.1.1 Office Administrative Staff

The Office has administrative staff who perform general office duties, including, but not limited to, assistance with the service of process, filing and service of litigation-related documents, and delivery of documents to various agencies.

9.1.2 Document Assistance

All requests for document assistance shall be made to the Administrative Support Division supervisor, or his or her designee, in the manner prescribed by that person. Document assistance consists of copying, faxing, service of process, word processing, file management, and e-filing and manual filing of court documents. The office supervisor shall be responsible for assigning and monitoring completion tasks performed by the Administrative Support Office.

9.1.3 Document Pick Up and Delivery

The administrative staff is responsible for obtaining documents filed in the boxes located at the Superior Court, Supreme Court, and the U.S. District Court on a daily basis and promptly delivering them to the appropriate division, office, or individual within the Office.

9.1.4 Restriction on Requesting Administrative Support Assistance for Personal Business

Assistant Attorneys General shall not request assistance from Administrative Support Division employees for personal business.

9.2 Computers

9.2.1 Computer with Internet Access Assigned to Each Attorney

Each Assistant Attorney General will be assigned an office computer with Internet access and linked to the office copiers for the printing of documents. Request for equipment and maintenance shall be made to the supervisor of the Administrative Support Division.

9.2.2 Restriction on Loading Personal Software on Office Computers

Assistant Attorneys General and employees shall not load personal software into office computers. All software related issues are to be handled by the supervisor of the Administrative Support Division.

9.3 Conference Rooms

9.3.1 Locations

There are currently two conference rooms for use by members of the office. One is located in the Office of the Criminal Division in Susupe. The other is located in the Capitol Hill office. These rooms are available for meetings involving more than three people.

9.3.2 Maintenance of Capitol Hill Conference Room/Library

Employees should keep in mind that the Capitol Hill conference room doubles as the library. Each person using the room is responsible for cleaning up after meetings and/or researching. Employees doing research shall replace all materials when the research task is completed. The conference room may not be used as a personal office.

9.3.3 Scheduling

Scheduling of the conference room in the Criminal Division shall be the responsibility of the Chief of the Criminal Division or designee. Scheduling of the conference room in the Capitol Hill office shall be determined according to a calendar posted on the office bulletin board by the Administrative Support Division. Priority is on a first-come, first-served basis.

9.4 Copiers

9.4.1 Location

Copiers are located in the Criminal Division and the Capitol Hill office. They are for office use and not for personal use.

9.4.2 Maintenance

Any maintenance problems shall be immediately reported to the person designated by the supervisor of the Administrative Support Division.

9.5 Correspondence and Other Documents

9.5.1 Circulation of Important Items

Items having immediate importance shall be circulated according to a distribution list from the Attorney General or his designee. Assistant Attorneys General shall ensure that these items are reviewed and distributed promptly.

9.5.2 Court Opinions, Decisions, Recently Enacted and Pending Legislation

CNMI Supreme Court and Superior Court opinions and decisions and recently enacted legislation are available online on the Commonwealth Law Revision website (www.cnmilaw.org). Pending legislation may be accessed in the Northern Marianas Commonwealth Legislature website on www.cnmileg.gov.mp. Assistant Attorneys General must periodically review these documents on the two websites to keep informed of developments in Commonwealth law.

9.5.3 Incoming Memoranda and Correspondence File

The Attorney General will assign a staff to maintain an incoming file containing memoranda and correspondence deemed pertinent to office members in general. Assistant Attorneys General shall review this file on a monthly basis.

9.5.4 Review of Incoming Correspondence and Distribution to Staff Attorneys

The Attorney General or his designee will review incoming correspondence addressed to the Office in general and distribute it to the appropriate Assistant Attorney General or other employee. Personnel anticipating certain correspondence in their area of expertise should alert the Attorney General or his designee.

9.6 Fax/Long-Distance Calls/Emails/Internet Use

9.6.1 Long-Distance Calls and Faxes

Long-distance phone calls must be placed through the receptionist and logged accordingly. All long-distance faxes and all personal faxes must also be logged. The supervisor of the Administrative Support Division

shall assign an employee for the Criminal Division and the Capitol Hill office to maintain journals for this purpose.

9.6.2 Appropriate Computer and Internet Usage

While working at the office, employees must use the computer and Internet for work-related purposes and must keep personal use to a minimum.

9.6.3 Office Email Accounts

9.6.3.1 The Office will establish email accounts for each employee.

9.6.3.1.1 Privacy

Each employee shall use the email accounts established by the Office for all office communications. All email messages in office accounts are the property of the Office. Employees should have no expectation of privacy with regard to their use of the office email account, except for attorney-client privileged material. Legal precedent supports an employer's right to access electronic email as the owner of the electronic email system, and consistent with such, the Office may access and/or monitor office email accounts as provided in this policy.

Email shall not be used to distribute attorney-client privileged material beyond the intended recipients.

9.6.3.1.2 Records Retention

Email messages are considered "public records" under the Open Government Act and, barring any applicable exception, are subject to public disclosure. Employees shall manage and maintain all email correspondence in accordance with the Office's policy on records retention and destruction. Email messages can and will be accessible within the boundaries of the Open Government act, subject to the act's limitations and exceptions to public disclosure.

9.6.3.1.3 Acceptable Uses

Email, including attachments, should be used in lieu of hard copy memoranda and other documents whenever possible in order to conserve resources and reduce costs.

The office email shall not be used for the following:

- To transmit content that promotes discrimination on the basis of race, creed, color, gender, religion, sensory, mental, or physical disability, or sexual orientation;
- To transmit content that promotes sexual harassment or sexual misconduct;
- To transmit obscene materials;
- To transmit content that infringes on copyright;
- For any campaign, political, or religious purpose;
- To conduct outside business;
- For any unlawful purpose or activity; or
- To disseminate “chain letters.”

Employees shall use the office email system to primarily conduct office business. Employees may use the office email system to conduct other business within the scope of their employment, such as work for the bar association or other public service work.

Employees may send incidental personal messages that are insignificant in cost and resource usage, provided that the messages comply with statements in this policy. These messages must not come at any cost to the Commonwealth, must not interfere with the performance of the employee’s official duties, must be brief in duration, and must not compromise the security and integrity of Commonwealth information or software. Examples of incidental personal use include (but are not limited to):

- Communication for those who are hearing-impaired (rather than using telephones).
- Promotion of organizational effectiveness or enhances the job-related skills of a state officer or state employee.
- Notice of social and public service events, such as fundraisers for non-political civic organizations, e.g., the American Red

- Cross or Make-A-Wish Foundation, typhoon relief drives, or blood drives, public interest/humanities events etc.
- Notice of staff gatherings (lunches, birthdays, receptions, etc.)
- Agency-wide notifications that are used for communicating goodwill among employees (holiday greetings, congratulatory messages, etc.)

Email communications shall be professional in content. Employees should always be mindful that any transmitted email message could be printed and/or forwarded to others outside the Office, and that the content and tone of a message reflects on the Attorney General and the Office.

9.6.3.1.4 Security

Employees shall take precautions to prevent the unauthorized use of their office email accounts. Precautions include:

- Logging out of the office network before leaving the office for extended periods of time;
- Not leaving email displayed on monitors while away from the office;
- Periodically changing passwords and not disclosing them to others; and
- Using extreme caution when sending personal, confidential, or sensitive information via email.

Employees shall not read the email of an employee where there is no substantial business purpose for obtaining access to the communication of that employee. This also includes disclosure of other employees' messages, internally or externally, solely for the purpose of embarrassing the sender or receiver.

Employees shall not send email under another employee's name without that employee's authorization. Sending a message using someone else's computer and email session with permission and in compliance with this policy does not violate this policy. Doing so without permission is a violation.

9.6.3.1.5 *Monitoring/Access*

Other than normal audit trail activities, email monitoring or access shall not take place except when conducted as part of:

- An authorized training program or planned application design;
- An official investigation into suspected misuse or unlawful activities;
- Network trouble shooting procedures (and where effected employees are knowledgeable of the activity); or
- A follow-up to an employee's departure from the agency, where files could not be reassigned to another employee.

9.6.3.1.6 *External Email Systems*

All email generated by employees at the Office is the property of the Office of the Attorney General. All email communication must be generated using the Office's email system maintained by Google at cnmioag.org. Use of other email systems while on the office network is prohibited. This includes all internet-based email systems accessed through the employee's Internet browser such as Hotmail, Yahoo, Outlook, or Gmail.

Employees are allowed to route messages and attachments to and from their personal email accounts. The Office does not allow "auto-forwarding" or "auto-replying" to external email systems unless permission is granted by the supervisor of the Administrative Support Division and the employee's division chief.

9.7 *Files*

Assistant Attorneys General shall maintain working files in a central location designated by the Attorney General or his designee for access by other members of the staff when the attorney is absent.

9.8 *Individual Offices*

9.8.1 *Individual Offices Are Public Property*

Employees should keep in mind that offices and their contents are deemed public property and may be accessed by any member of the Attorney

General staff for office-related purposes. Confidential personal property should not be stored in the office. The Office of the Attorney General and the Commonwealth Government are not liable for loss or damage to any individual's personal property left in the office.

9.8.2 Maintenance of Individual Offices

All employees shall keep their offices in a clean and orderly condition.

9.8.3 Shutting Down and Securing Equipment in Individual Offices

Each individual occupying an office is responsible for the shutting down and securing of equipment in the office at the end of the working day. Division supervisors shall be responsible for securing the equipment of offices in their respective offices in the event of a typhoon or natural disaster warning that occurs outside of normal office hours.

9.9 Personnel and Payroll Records Access and Maintenance

The Office maintains separate personnel and payroll files for each employee of the Office. The following establishes policy and procedures for the maintenance and release of information from personnel and payroll files:

9.9.1 Contents of Official Personnel File

- Personnel action forms;
- Emergency contact information;
- General personnel documents, such as application forms and letters of appointment;
- Education and training records, such as affidavits of work experience, individual profile of training activity, and school transcripts;
- Job performance/employee evaluations, including corrective action memoranda, disciplinary letters, letters of commendation, performance evaluations, and rebuttal documents; and
- Miscellaneous documents, such as employment verification and information release forms.

9.9.2 Contents of Official Payroll File

- Attendance;
- Garnishments;
- Insurance;
- Payroll; and
- Payroll information from other agencies

9.9.3 Disclosure

Information maintained in personnel files may be subject to disclosure pursuant to the Open Government Act (1 CMC §§ 9901–9918) and where otherwise required by law.

9.9.4 Official Depository

The official depository for personnel information and payroll records is the Administrative Support Division. The custodian of the records is the Administrative Support Division supervisor.

9.9.5 Review of File

Employees may review their personnel or payroll file.

9.9.5.1 Copies Required

No job performance information shall be inserted in an employee's personnel file unless the employee has been provided a copy of that information.

9.9.5.2 Administrative Support Required

Employee review of his or her personnel or payroll file must be in the presence of an Administrative Support Division staff designated by the supervisor.

9.9.5.3 No Removal of Information

Employees shall not remove material from their personnel, medical, or payroll files, but copies shall be given to employees upon request.

9.9.6 Personnel Authorized to Review Personnel and Payroll Files

Persons authorized to review personnel or payroll files or obtain personnel or payroll information may do so only in the presence of an employee of the Administrative Support Division designated by the supervisor of the Administrative Support Division. Authorized persons include the following:

- An employee's authorized representative, whose written authorization from the employee shall be retained in the employee's personnel and/or payroll file;
- Official representatives of Commonwealth and federal agencies, who have legal authority to and who require access to personnel and payroll files in the performance of their duties;
- Supervisors and chiefs of divisions and offices responsible for a specific employee's work performance (personnel file and leave information).
- Attorney General staff whose official duties require access to personnel or payroll files, such as designated employees in the Administrative Support Division.

9.9.7 Personnel and Payroll Information Requests.

All requests for personnel and payroll information must be in writing and shall be referred to the Administrative Services Division supervisor.

9.9.7.1 Procedure

Upon receiving the written request, the Administrative Support Division supervisor shall review the request, and determine if the release of the information is appropriate.

9.9.7.2 Copies

Employees shall receive a copy of all job performance information before it is placed in their personnel file. In addition, employees may receive a reasonable number of copies of file material upon request and at no cost. The supervisor of the Administrative Support Division may charge fees

for excessive requests for copies based on the fees established for copies of public records.

9.10 Public Contact

9.10.1 Staff Must Identify Themselves in Official Public Contacts

All employees must identify themselves in their contacts with the public while on official assignments.

9.10.2 Support Staff Handling of Callers and Messages

Support staff shall identify the caller for all incoming calls. They shall ensure that phone messages are reduced to writing and promptly delivered to the appropriate person. Messages shall identify the person calling, the person's phone number, the nature of their business, and the time of the call. Support staff shall also ensure that faxes are promptly delivered to the appropriate staff.

9.10.3 Returning Telephone Calls

All personnel shall be responsible for returning phone calls and correspondence in a prompt manner.

9.11 Publicity

9.11.1 No Public Announcements without Attorney General's Prior Written Approval

Except as authorized under paragraph 9.12.b below, no personnel shall make any public announcement regarding the Office's business without the prior written approval of the Attorney General.

9.11.2 Coordination of Public Announcement

Public announcements must be coordinated through the Public Information Office for the Office of the Attorney General.

9.11.3 Compliance with NMI Rule of Practice 24 Regarding Public and Media Communications

Assistant Attorneys General may not make any comments to the public or to the media about court cases for which they are directly responsible if doing so would violate NMI Rule of Practice 24.

9.12 Reception Desk

When leaving the office, all employees shall inform the receptionist of their destination and expected return time.

9.13 Record Retention and Destruction

9.13.1 Retention of Records

All public records shall be and remain the property of the government. For purposes of this policy, “public record” shall mean any paper, correspondence, completed form, bound record book, photograph, film, sound recording, map drawing, machine-readable material, or other document, regardless of physical form or characteristic, and including such copies thereof that have been made by or received by the Office of the Attorney General in connection with the transaction of public business.

9.13.2 Recycling of Drafts and Duplicate Copies of Office Documents

The Office encourages recycling of office documents that are not legally required to be retained.

9.13.3 Destruction of Drafts and Duplicate Copies of Official Records

The Attorney General recognizes that office files frequently contain drafts or duplicate copies of records which (1) are attorney work product, attorney-client privileged, personnel-related, or highly sensitive investigative documents; (2) are not legally required to be retained; or (3) need to be destroyed in a manner which does not compromise confidentiality. If documents fit into one of these criteria, they may be destroyed in accordance with division-specific standards and procedures on document destruction.

9.13.4 Procedures for Destruction and Retention of Records

9.13.4.1 Responsibility: Administrative Support Division Supervisor

Provides retention schedules to divisions with guidance as needed and coordinates archive training to staff on record-retention requirement.

9.13.4.2 Responsibility: Division Chief

Ensures that records are retained, archived, and disposed of in accordance with appropriate laws and retention schedules.

9.13.5 Procedures for Implementation

9.13.5.1 Responsibility: Division Chief or Administrative Support Division Supervisor

Develops division-specific standards for document destruction as necessary to address the specific needs of the division, and ensures that such standards are consistent with this policy.

9.13.5.2 Responsibility: Deputy Attorney General

Approves division-specific standards and procedures.

9.14 Refraining From Providing Personal Legal Advice or Recommending Specific Private Attorneys to the Public

All personnel must refrain from providing personal legal advice and/or recommending specific private attorneys to members of the public. Employees shall inform members of the public who ask for personal legal advice that they may contact the CNMI Bar Association for a private attorney referral.

9.15 Supplies

It shall be the responsibility of the Administrative Support Division to maintain a consistent inventory of office supplies for use by the Assistant Attorneys General and staff. Requests for supplies shall be made to the appropriate Administrative Support Division staff as designated by the supervisor.

9.16 Travel

9.16.1 Request for and Approval of Office Travel.

All requests for official travel must be approved by the Attorney General or his designee. Requests must state the purpose and dates of travel. Upon approval, the request will be forwarded to the Administrative Support Division for processing.

9.16.2 Submission of Travel Voucher Form after Travel Completion

Upon completion of travel, employees are required to complete and submit a travel voucher on the form provided by the Department of Finance. Employees must also submit to the Attorney General, with a copy to their division chief, a report regarding the nature of the travel performed. The report must be submitted no later than 10 business days from the date of the employee's return.

9.17 Vehicles

9.17.1 Assignment of Vehicles

The Office has vehicles assigned to the respective divisions and offices. The supervisor of the Administrative Support Division shall maintain a list of the fleet of vehicles.

9.17.2 Availability and Use of Vehicles during Office Hours

During office hours, all vehicles shall be available to all office personnel for office-related business. The division supervisors shall coordinate use of the vehicles.

9.17.3 Supervisors Responsibility and Use of Assigned Vehicles

The division supervisors shall be primarily responsible for the vehicles assigned to their respective divisions/offices. Supervisors shall be responsible for keeping the vehicles clean, and shall ensure that the vehicles are properly refueled and that periodic maintenance is performed. Employees may not operate an Office vehicle outside of normal working hours, unless authorized to do so in a writing signed by the Attorney General pursuant to 1 CMC § 7406.

9.17.4 Vehicle-Usage Restrictions and Liability for Non-Office-Related Use

Office vehicles may be used for office-related business only. Employees operating office vehicles must have a CNMI government driver's license.. Using an Office vehicle for a purpose unrelated to office business is a violation of 1 CMC § 7407(d).

9.18 Office Identification Cards and Keys

9.18.1 Identification Cards

Office identification cards will be issued to all employees of the Office. Upon separation, employees must surrender their identification cards to the Administrative Support Division on the last day of their employment.

9.18.2 Keys

Administrative Support Division will maintain and keep track of all office keys issued to employees. Employees who are given keys to the office must surrender those keys on the last day of their employment.

10 Inter-Agency Conflicts and Dispute Resolution

(Source: State Attorneys General Powers and Responsibilities, Emily Myers ed., National Association of Attorneys General 3d ed., 2013)

10.1 Inter-Agency Dispute Resolution

The Office of the Attorney General and the agencies to which it provides legal services share a common goal: to serve the interests of the citizens of the Commonwealth of the Northern Mariana Islands effectively and efficiently. This goal can be accomplished best when agencies work together to achieve desired results. Disputes between agencies are costly, diverting time, money, and talent from program implementation to dispute resolution. When disputes do arise, the Commonwealth's citizens are best served by resolving those disputes without resorting to litigation or other formalized dispute resolution systems.

10.2 Complex, Legal, Factual, or Policy Issues

Disputes between agencies can involve complex, legal, factual or policy issues. While the role of the Attorney General's Office focuses primarily on legal issues, we must also strive to recognize and help resolve disputes involving other issues as well.

10.3 Attorney and Staff Role in Avoiding or Resolving Disputes

The Assistant Attorneys General and staff are expected to work in a collegial manner with each other and with agency representatives to

explore and assess methods by which to avoid disputes among our client agencies, if possible, and to resolve them when they do arise. Emphasizing this responsibility should not be read as minimizing the role that agency staff play in avoiding or resolving disputes or suggesting that this responsibility is unilaterally that of the Office, nor does this detract from the attorney's duty to zealously represent their client's interests.

10.4 Amicus Brief

It is expected that use of this policy will sometimes serve to resolve disputes that might give rise to the need for an amicus brief by one government agency that opposes the position of another government agency. If a dispute is not resolved informally and litigation ensues, the Attorney General may authorize amicus participation if important policy considerations exist and such participation is deemed to be in public interest. In such a situation, an Assistant Attorney General may file an amicus brief on behalf of an agency if authorized to do so in a writing signed by the Attorney General.

10.5 Procedures for Implementation

10.5.1 Responsibility: Assistant Attorney General

- Identifies existing and potential disputes among government agencies, and attempts to work with colleagues and with client agencies to avoid or resolve them;
- When a dispute cannot be resolved, notifies the Attorney General or designee of the existence of and nature of the dispute, and the efforts made to resolve the matter;
- In working with colleagues, presents all relevant information, including known facts and legal research, in an open and straightforward manner, to ensure that, at a minimum, all information that could be discovered in litigation is provided.
- Initiates litigation involving a government agency only upon the express approval of the Attorney General or his designee.

- When litigation results, zealously advances arguments on behalf of the agency client.
- Conducts litigation in a manner that is efficient, fair, and respects the professionalism and dignity of government agency opponents. For example, to the extent that it would be consistent with ethical obligations, Assistant Attorneys General should stipulate to facts and narrow legal issues to expedite resolution of the dispute, and share information with representatives of government agencies to the maximum extent that would be required in discovery.
- Refrains from seeking sanctions, costs, or attorney's fees against another Commonwealth agency unless approved by the Attorney General, and refrains from seeking to impose sanctions against another Assistant Attorney General.
- Files an amicus brief opposing the position of another government agency only upon written approval of the Attorney General.

10.5.2 Responsibility: Civil Division Chief

- Assures that agency staff at appropriate level have been apprised of and are involved in attempts to avoid or resolve a dispute.
- If litigation results, oversees the conduct of the litigation to assure that it is carried out consistent with this policy, and implements the appropriate separation of functions of Assistant Attorneys General to give confidence to the public that the matter is being handled fairly.
- Refrains from overseeing the conduct of litigation if it would result in a conflict of interest. In such cases, the Attorney General or his designee shall assign senior Assistant Attorneys General to oversee the conduct of litigation on behalf of the respective client agencies.
- Keeps the Attorney General and Deputy Attorney General apprised of disputes and efforts to resolve them.

10.5.3 Responsibility: Chief Solicitor (Inter-Agency Dispute Coordinator)

- Develops forums and processes for Assistant Attorneys General and their client agencies to resolve the issues referred to them.
- May request assigned Assistant Attorneys General to supply a statement of agency's position on the dispute that addresses both essential legal questions and material facts.
- When efforts by staff of the Office of the Attorney General does not resolve the dispute(s), works with the Attorney General and Deputy Attorney General to further attempt to resolve the dispute(s).

10.5.4 Responsibility(s): Attorney General or Designee

- Approves the initiation of litigation between two or more government agencies if doing so is deemed in the public interest and all efforts, both within the Office and otherwise, to resolve the dispute have been unsuccessful.
- Reviews and approves request for amicus participation by one government agency which opposes the position of another government agency.

11 Intra-Office Coordination of Legal Issues/Screening for Conflicts

(Source: Rules of Professional Conduct RPC 1.11(c), 1.12(a), RPC 1.7(b))

11.1 Coordination of Client Advice and Litigation Concerning Common Legal Issues

The Office of the Attorney General encourages coordination of client advice and litigation concerning legal issues that are common among various divisions of the Office and our clients. The Office should not take inconsistent positions with respect to legal issues, unless doing so is necessary for individual Assistant Attorneys General to represent their respective clients fairly and responsibly and in a manner consistent with the Office's established Inter-Agency Conflicts and Dispute Resolution Policy in section 10 and the Intra-Office Coordination of Legal Issues/Screening for Conflicts in this section.

11.2 Non-Exclusive List of Examples of Legal Issues Appropriate for Coordination

The Office relies upon the professional judgment of the Assistant Attorneys General in recognizing when an issue is appropriate for coordination. A non-exhaustive list of examples of the types of legal issues appropriate for coordination includes the following: (a) constitutional challenges to statutes; (b) issues arising under statutes or case law applicable to multiple government agencies (e.g., Administrative Procedures Act, Open Government Act, Government Ethics Code Act of 1992); (c) cases/issues being addressed by a division for an agency-client which also receives legal services by another division; and (d) federal issues involving Commonwealth-Federal relations.

11.3 Ability to Recognize When Legal Issues Are Appropriate for Coordination

The ability to recognize when legal issues are appropriate for coordination is an essential component of accomplishing the goal of this policy and requires knowledge of the work conducted by the various divisions of this office. The Office will provide training opportunities to Assistant Attorneys General to enhance identification of issues appropriate for coordination.

11.4 Staff Knowledge and Experience

Attorneys in the office have acquired a wealth of knowledge and experience in various fields of law. The diversity of our collective experience is a powerful resource that can be best utilized by identifying each attorney's particular areas of expertise and their assigned agency clients, and making this information available to all office staff

11.5 Procedures for Implementation

11.5.1 Responsibility: Chief Solicitor

The Chief Solicitor shall:

- Annually distribute surveys asking Assistant Attorneys General to identify areas in which they have acquired substantial experience;
- Compile and annually update a subject-experience list from the responses obtained in the annual surveys; and
- Distribute updated subject-experience lists to attorneys in the Office.

11.5.2 Responsibility: Deputy Attorney General or Designee

The Deputy Attorney General shall:

- Maintain a current list of the primary counsel for each client agency; and
- Establish meeting dates, set agenda, facilitate communication, and maintain a brief/advice bank on agency issues.

11.5.3 Responsibility: Civil Division Chief

The Civil Division Chief shall:

- Provide a description of issues appropriate for coordination in monthly division reports to the Attorney General and Deputy Attorney General, which will be shared with the Management Committee;
- Identify issues being worked on by the division which apply to more than one division and consult with the respective division chief(s) to ascertain whether Assistant Attorneys General can ethically discuss the issues and coordinate efforts to better assure consistency in addressing the issues; and
- Identify issues that might be resolved in an inconsistent manner due to representation of agency clients with conflicting positions, and implement the Interagency Dispute Resolution Policy where appropriate.

11.5.4 Responsibility: Criminal Division Chief

The Criminal Division Chief shall:

- Coordinate with the Public Auditor, the Department of Public Safety and the Attorney General's Investigation Division and takes appropriate action on criminal matters;

- Provide a description of issues appropriate for coordination and response in monthly division reports to the Attorney General and Deputy Attorney General on a separate page, which will be shared with the Management Committee.
- Identify issues being worked on by the division that apply to more than one division and consult with the respective division chief(s) to ascertain whether Assistant Attorneys General can ethically discuss the issues and coordinate efforts to better assure consistency in addressing the issue.

11.5.5 Responsibility: Assistant Attorney General

Assistant Attorneys General shall:

- Identify issues which may be appropriate for coordination and notify his/her division chief, and, if the issues involve the constitutionality of a statute, the Chief Solicitor, of such issues;
- Consult as needed with individuals identified on subject-experience roster as having experience with issues on which they are working; and
- Respond in a reasonably prompt manner to provide information and guidance when contacted by a colleague regarding a matter in which the attorney has significant experience as indicated on the subject-experience roster.

11.6 Screening for Conflicts/Separation of Functions

The Office of the Attorney General is committed to assuring that staff members perform their duties consistent with the Rules of Professional Conduct and free of conflicts of interest. Individual members of the staff will be screened from participation in matters when such screening is required by the Rules of Professional Conduct. Individuals may also be screened from matters when circumstances give the appearance of a conflict.

11.6.1 Formal Screening

Formal screening should be considered under the following circumstances:

11.6.1.1 Prior Personal and Substantial Involvement

An Assistant Attorney General who, prior to employment with the Office, was involved personally and substantially in a matter in which the government is also involved should be screened from participating in that matter on behalf of the Commonwealth, unless the former client gives informed consent, confirmed in writing.

11.6.1.2 Prior Adjudicative Involvement

An Assistant Attorney General who, prior to employment with the Office, was a judge, adjudicative officer, or law clerk and, in that capacity, participated personally and substantially in a matter in which the government is involved can participate in the matter on behalf of the government only if all parties consent in writing after disclosure. If all parties do not consent, the Assistant Attorney General should be screened from the matter.

11.6.1.3 Adverse Government Agencies

There are occasional situations where multiple Assistant Attorneys General participate in the same matter, either in different capacities or representing different government agencies whose positions in the matter are truly adverse. Screening is not necessarily required by the RPC in such situations since the government and not the individual agency is the client. However, imposing a level of separation between the activities of those attorneys in such circumstances both eliminates any question of compliance with the Rules of Professional Conduct and assures the public that the Office is carrying out its responsibilities in a fair and equitable manner. In addition, screening may be used to avoid impermissible ex parte communications under the Administrative Procedure Act.

11.6.1.4 Personal or Financial Interest

There may be situations where an Assistant Attorney General or other employee, or a relative or household member of an employee, has a personal or financial interest in a matter being handled by the Office. In such situations, the employee should not participate in the matter to ensure that the matter is being handled free of any actual or perceived influence

by such individual. Formal screening may not be required, depending on the circumstances.

11.6.2 “Intermediate Screening”

Occasionally, the Office of the Attorney General is involved in matters that affect a broad category of personnel that may include members of the staff that are working on the matter, or their relatives or household members. Examples include actions affecting the rights and responsibilities of public employees, members of certain professions, residents of a particular community, etc. The fact that individual employees of the Office may be affected by the outcome of the matter as part of a larger class does not preclude them from working on the matter. In some circumstances, however, an individual employee may believe that his interest (or the interests of his relatives or household members) in the matter are such that the employee cannot fulfill his responsibility to protect the interests of the government, thus creating a conflict. Employees shall inform their supervisor if a conflict arises in this fashion, and the supervisor shall determine if intermediate screening is appropriate.

11.6.3 Staff Located in Same Division or Same Physical Office Location

11.6.3.1 Separate Files

Separate files will be created for screened matters. There should be a conspicuous indication on the outside of the file that named individual(s) are not to have access to the file. The file should be physically separated from the regular filing system to which the screened staff routinely have access. Electronic files for screened matters will be password protected; no screened employee will have access to the files.

11.6.3.2 Support Staff

Support staff assigned to work on a screened matter should be different from those who work with the screened Assistant Attorney General.

11.6.3.3 Written Notice

Written notice shall be given to screened staff and to those working on the screened matter, including support staff, that named individuals are

screened and that the matter is not to be discussed in the presence of such individual(s). The notice should include directions about what information can be made available to screened staff (such as the status of matter) and the process through which the information can be obtained.

11.6.3.4 Supervisors

If the screened staff would normally supervise the screened matter, an alternative supervisory arrangement should be made with respect to the screened matter.

11.6.3.5 Ongoing Screening

If the circumstances indicate that screening is appropriate in a significant number of cases on an on-going basis, these arrangements should be institutionalized as part of routine operations in the affected divisions.

11.6.4 Procedures for Implementation

11.6.4.1 Responsibility: All Staff

All staff shall:

- Be sensitive to situations described above that indicate that screening or other separation of functions should be considered.
- Report potential conflicts to the appropriate supervisor;
- Adhere to instructions regarding screening;
- If a screen is compromised, report such to the appropriate supervisor and follow remedial instructions.

11.6.4.2 Responsibility: Hiring Coordinator(s)

The hiring coordinator shall determine whether newly hired Assistant Attorneys General or other employees are required to be screened from particular matters and, if so, notify the chief of the division handling the matter and the division to which the new staff is assigned.

11.6.4.3 Responsibility: Division Chief

- Ensures that screening or other separation-of-function mechanism is implemented in circumstances where appropriate.

- Upon becoming aware of a staff person who or a matter that should be subject to screening or other separation-of-function mechanism, implements such and/or notifies the division chief of other affected divisions of the situation.
- Monitors the effectiveness of techniques used for screening and other separation-of-function mechanisms, and modifies as necessary.
- Reports situations or issues relating to the screening of conflicts to the Attorney General or his designee.
- If a screen or other separation-of-function mechanism is compromised, ensures that appropriate notification is made if required by the applicable the Rules of Professional Conduct and reestablishes the screen or other separation-of-function mechanism in an appropriate manner.
- Ensures that Assistant Attorneys General who leave the Office are advised that notice required by RPC 1.11 should be addressed to the Office of the Attorney General, as the “appropriate government agency.”

11.6.4.4 Responsibility: Management Committee

The Management Committee is responsible for monitoring the office-wide implementation of this policy.

11.7 Recusal and Affidavit of Prejudice

11.7.1 Full and First Access to the Courts for Dispute Resolution

It is the policy of the Office of the Attorney General that persons and business entities shall have full and first access to the courts for resolution of disputes with government agencies as provided by law.

11.7.2 Requests for Assignment of Judges

Once a trial judge or hearing officer has been assigned to handle a matter involving the government, a request for assignment of a different judge, through the use of an affidavit of prejudice, shall be used only in exceptional situations. Requests to file an affidavit will be reviewed and considered by the respective division chief and the Attorney General on a case-by-case basis. Requests must include specific reasons supporting

recusal, i.e., previous experience involving similar interests, issues, government agencies, parties, or the same assistant attorney general, along with the government agency's concerns about impartiality.

11.7.3 Procedures for Implementation

11.7.3.1 Responsibility: Assistant Attorney General

- If an Assistant Attorney General handling a lawsuit on behalf of the government is aware of any information or factors which a judge or hearing officer assigned to hear a particular case should or may wish to consider as a basis for a recusal from handling a case, he or she shall consult with the division chief to determine if the Office should notify the judge/hearing officer and opposing counsel of the information for due consideration.
- The Assistant Attorney General must obtain approval from the Division Chief and the Attorney General before filing a request for reassignment of a judge or hearing officer.

11.7.3.2 Responsibility: Division Chief

The division chiefs shall review requests for recusal of judges. If the respective division chief determines that seeking recusal is justified, he or she shall submit the request to the Attorney General or his or her designee for approval.

12 Leave

(Source: NMIAC §§ 10-10.210(h), (i), and (j); § 10-10-215-290; 10-20.2-601-650, 10-20.2-620(g))

12.1 Consistency in Leave Management

In an effort to ensure consistency in leave management, Civil and Excepted Service employees of the Attorney General's Office shall adhere to the following policies. These internal proceedings shall not be deemed to create or restrict leave policies otherwise established or restricted by law or regulation.

12.2 Approval of Leave

The Attorney General or his designee must approve leave for employees of this Office. Approval must be made in writing on Form OPM-11.

12.3 Exhaustion of Accrued Annual Leave Hours within the Year

All employees are encouraged to use their accrued annual leave hours within the year in which it is accrued. There will be no lump-sum payment of annual leave at the end of a contract period or in the event of a voluntary separation of employment, unless otherwise approved by the Attorney General.

12.4 Use of Form OPM-11 Required

All requests for leave must be made on Form OPM-11, which may be obtained from the Administrative Support Division supervisor. No employee may take leave without prior approval from the Attorney General or designee Form OPM-11 is attached as Appendix B.

12.5 Types of Leave

12.5.1 Administrative Leave

Administrative leave is defined as an absence from duty administratively authorized without loss of pay and without charge to accrued leave. Administrative leave may be available to Civil Service employees as set forth in NMIAC § 10-20.2-620(g) of the Personnel Service Rules and Regulations NMIAC § 10-20.2-620(g) and for excepted service employees as set forth in NMIAC § 10-10-225 of the Excepted Service Regulations. For members of this Office, administrative leave requires the approval of the Attorney General.

12.5.2 Advance Leave

Advance of annual or sick leave may be available as set forth in NMIAC § 10-20.2-620(d) of the Personnel Service System Rules and Regulations and NMIAC § 10-10-235 of the Excepted Service Regulations. Employees may avail of advance leave after exhausting all sick and annual leave. Employees are required to write a letter of request to the Attorney General, and the Attorney General will consider said request in good faith.

Advance leave is governed by the provisions of the applicable Civil or Excepted Service regulations.

12.5.3 Annual Leave

Annual leave may be available to Civil Service employees as set forth in NMIAC § 10-20.2-620(a) of the Personnel Service System Rules and Regulations and NMIAC § 10-10-210 of the Excepted Service Regulations. Requests for annual leave must be submitted to the Attorney General or his designee employee's immediate supervisor two (2) days in advance prior to taking the leave hours. Employees are responsible for arranging Arrangements must be made for alternate coverage for court appearances and other time-sensitive matters that are scheduled to occur or become due while the employee is on approved leave. .

12.5.4 Compassionate Leave

Compassionate leave is defined as leave in cases of death in the immediate family of the employee. Compassionate leave may be available to Civil Service employees as set forth in NMIAC § 10-20.2-620(f) of the Personnel Service Rules and Regulations and NMIAC §10-10-245 of the Excepted Service Regulations.

12.5.5 Court Leave

Court leave may be available to employees as set forth in NMIAC § 10-20.2-620(h) of the Personnel Service Rules and Regulations and NMIAC § 10-10-240 of the Excepted Service Regulations.

12.5.6 Family Medical Leave Act (FMLA)

Family Medical Leave Act (FMLA) leave may be available to Civil Service employees as set forth in NMIAC § 10-20.2-625(f) and to Excepted Service employees as set forth in NMIAC §10-10-275.

12.5.7 Holidays

The CNMI's legal holidays are codified in 1 CMC § 311. The following days of each year are hereby declared as legal holidays within the Commonwealth:

New Year's Day -- January 1

Martin Luther King, Jr. Day -- Third Monday in January

President's Day -- Third Monday in February

Commonwealth Covenant Day -- March 24

Good Friday -- As Designated in the Annual Calendar

Memorial Day -- Last Monday in May

Independence Day -- July 4

Labor Day -- First Monday in September

Commonwealth Cultural Day -- Second Monday in October

Election Day -- the Tuesday after the first Monday in November in even-numbered years

Citizenship Day -- November 4

Veteran's Day -- November 11

Thanksgiving Day -- Fourth Thursday in November

Constitution Day -- December 8

Christmas Day -- December 25

All employees shall be released from work for holidays according to the schedule published by the Office of the Governor and in accordance with NMIAC § 10-20.2-346 for Civil Service employees and in accordance with NMIAC § 10-10-230 for Excepted Service employees.

12.5.8 Inclement Weather Leave

12.5.8.1 Eligibility

Employee safety and well-being are primary concerns of the Office of the Attorney General. In the event of severe inclement weather or dangerous

conditions caused by natural or other disasters, the Office of the Attorney General will make every effort to ensure employee safety and well-being.

12.5.8.2 Employee Unable to Report

If the offices of the Attorney General are fully operational but employees are unable to report to work or continue scheduled work due to inclement weather or disaster, the employee will be charged Administrative Leave, unless otherwise determined by the Attorney General.

12.5.8.3 Procedures for Implementing Inclement Weather Leave

12.5.8.3.1 Responsibility: Attorney General or Designee; Deputy Attorney General and/or Division Chief

In the event of severe inclement weather or dangerous conditions caused by natural or other disasters, the Attorney General shall assess the situation and, when appropriate, direct the Deputy Attorney General, division chief, and/or lead professional staff regarding Office closure.

12.5.8.3.2 Responsibility: Employee

Employees shall contact their supervisor, secretary, or receptionist, or other staff to report absence due to inclement weather. Upon returning to work, the Employee shall complete a Leave Request Form and submit it to the Attorney General or his designee for approval.

12.5.8.3.3 Responsibility: Supervisor

Supervisors are responsible for reviewing leave requests and submitting signed leave slips to the Time Keeper.

12.5.9 Leave without Pay

Leave without pay may be available for Civil Service employees as set forth in NMIAC § 10-20.2-625 of the Personnel Service Rules and Regulations and NMIAC § 10-10-220 of the Excepted Service Regulations. Requests for leave without pay by an excepted service employee for more than four hours requires advance written approval by the employee's supervisor and the Attorney General.

12.5.10 Maternity Leave

Maternity Leave may be available to Civil Service employees as set forth in NMIAC § 10-20.2-620(j) of the Personnel Service Rules and Regulations and NMIAC § 10-10-260 of the Excepted Service Regulations.

12.5.11 Military Leave

Military leave may be available to Civil Service employees as set forth in NMIAC § 10-20.2-620(i) of the Personnel Service Rules and Regulations and NMIAC §§ 10-10-265 and 10-10-270 of the Excepted Service Regulations. Military leave may be available as set forth in applicable federal law.

12.5.12 Paternity Leave

Paternity leave may be available to Civil Service employees as set forth in NMIAC § 10-20.2-620(k) of the Personnel Service Rules and Regulations and NMIAC § 10-10-260 of the Excepted Service Regulations.

12.5.13 Sick Leave

12.5.13.1 Eligibility

Sick leave may be available to Civil Service employees as set forth in NMIAC § 10-20.2-620(c) of the Personnel Service Rules and Regulations and NMIAC § 10-10-215 of the Excepted Service Regulations.

12.5.13.2 Conditions for Use

Sick leave may be used whenever an employee on permanent status is to be absent from duty because of illness or injury or because of quarantine of the family and/or residence. Use of sick leave is also appropriate for medicinal, dental, optometric, or mental health counseling or treatment, or to attend to an immediate family member who is sick. An employee who is absent from work for a period of three (3) consecutive days for one or more of the foregoing reasons must submit a doctor's note for the period the employee was absent. Subject to the provisions set forth below regarding Family Medical Leave Act benefits, a failure to furnish a doctor's certification will be deemed an Absence without Leave (AWOL).

12.5.13.3 Separation

An employee separated from the Personnel Service for any reason shall have all sick leave accrued to the employee's account held in the leave records for three years. If the person be reemployed in the Personnel Service at any time during that three-year period, the sick leave balance shall be re-credited to the employee's sick leave account and available for use from the first day of re-employment. Provided, however, that an employee separated from the Personnel Service for retirement purposes, and whose unused sick leave has been converted to service time to determine eligibility in the retirement program, shall not be re-credited for such sick leave balance. (See 1 CMC § 8301, as amended.)

12.5.14 Training & Educational Leave

Training and Educational Leave may be available to Civil Service employees as set forth in NMIAC § 10-20.2-620(e) of the Personnel Service Rules and Regulations. The Personnel Officer, with the recommendation of the appointing authority, may authorize employees on permanent status to take leave for the purpose of job-related training and education. Such leave may not exceed one (1) year. No training and educational leave outside of the CNMI shall be approved if such training is available locally.

If the training or educational leave is funded by the Office, employees may be required to sign a training agreement which would require the employee to work for the Office for a specific period of time or otherwise reimburse the Office for the costs of the training.

12.5.15 Unauthorized Leave

12.5.15.1 Absence without Leave

Unauthorized Leave (Absent Without Leave or AWOL), under the NMIAC § 10-20.2-635 of the Personnel Service Rules and Regulations, is absence from duty without appropriate authorization. Employees who are absent from duty without prior approval, except in bona fide emergencies, shall be charged as being AWOL. Employees who are AWOL are subject to loss of pay and possible disciplinary action.

12.5.15.2 Uncertified Illness

If an employee is absent because of illness, injury, or quarantine in excess of three days, the employee may be required to furnish a certification as to the incapacity from the attending physician. The appointing authority may require certification for such other period(s) of illness as is appropriate. If the required certification is not furnished, the period of absence that would have been covered by such certification shall be indicated on the time and attendance record and the payroll as absent without leave (AWOL). (See NMIAC § 10-20.2-620(c)).

13 Legal Resources

13.1 Law Revision Commission Website

The Law Revision website (www.cnmlaw.org) has available the primary sources of CNMI law which includes the following:

- The Covenant;
- The NMI Constitution;
- The Commonwealth Code;
- The Administrative Code;
- NMI Supreme Court Opinions;
- NMI Superior Court Opinions; and
- NMI Court Rules.

13.2 U.S. District Court for the NMI Website

The website for the United States District Court of the Northern Mariana Islands (www.nmid.uscourts.gov) has available for viewing and printing its Admiralty Local Rules, Bankruptcy Local Rules, Civil Local Rules, Criminal Local Rules, and Disciplinary Local Rules. The website also has the federal rules of Appellate Procedure, Bankruptcy Procedure, Civil Procedure, Criminal Procedure, Evidence Procedure, published orders, and other information for practitioners.

13.3 Attorney Access to Online Legal Research

Each Assistant Attorney General will have access to Office's designated online research site to perform legal research. The online legal research site shall be used only for work-related purposes.

13.4 Capitol Hill Law Library

The library of the Capitol Hill office has a collection of legal books for the use of staff. The books may be removed from the office library to individual offices only. They are not to be removed from the Capitol Hill office.

13.4.1 Publications Available for General Public Viewing in Capitol Hill Office

The Commonwealth Register and published Attorney General opinions are available to the general public for viewing in the Capitol Hill office. These publications are not to be removed from the library. All other books in the library are reserved for use by the office staff only.

13.4.2 Requests for New Legal Resources

Any requests for new legal resources shall be made to the Management Committee.

14 Legislative Comments

14.1 Assignment of Responsibility for Comments

The Office is periodically requested to comment on proposed legislation in both houses of the legislature. The Attorney General or designee will assign responsibility for the comments to the appropriate Assistant Attorney General.

14.2 Commenting on Appropriateness of Legislation

Assistant Attorneys General may comment on the appropriateness of the legislation in regard to public policy. However, attorneys should confer with the Attorney General prior to making such comments.

14.3 Review of Legislation

The legislation should also be reviewed for technical sufficiency, format, and constitutionality.

14.4 Review by Attorney General

All legislative comments must be reviewed by the Attorney General or his designee before being sent to the legislature.

14.5 Submittal of Proposed Legislative Comments or Testimony Require Review and Approval by Attorney General

Assistant Attorneys General shall submit all proposed legislative comments or testimony to the Attorney General for review and approval.

15 Non-Discrimination/Equal Opportunity Policy

15.1 The Government's Non-Discriminatory/Equal Opportunity Policy

15.1.1 No Discrimination Based on Several Factors

The Office of the Attorney General is an equal opportunity employer. Discrimination by anyone associated with the Office of the Attorney General, including, but not limited to, elected officials, employees, contractors, interns, externs, and volunteers, that is based upon race, color, religion, national origin, ancestry, sex, age, or disability is prohibited.

15.1.2 Definitions

“Disability” is defined in 29 C.F.R. § 1630.2.

“Harassment” is unwelcome conduct where enduring the conduct is a condition of continued employment, or where the conduct is severe or pervasive enough to create a work environment that a reasonable person would consider intimidating, hostile, or abusive. Harassment may include speech, documents, electronic communications, art, music, physical gestures or contact, or any other form of communication, and may constitute harassment regardless of whether the person who is offended by the conduct was intended to view or hear it.

15.2 Prohibited Conduct

15.2.1 Job Advertisements

The Office of the Attorney General shall not publish a job advertisement that shows a preference for or against a potential applicant because of race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability, genetic information, creed, ancestry, sexual orientation, or organizational membership.

15.2.2 Recruitment

The Office of the Attorney General shall not recruit new employees, contractors, interns, externs, or volunteers in a way that shows a preference for or against a potential applicant because of race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability, or genetic information.

15.2.3 Application and Hiring

The Office of the Attorney General shall not discriminate against a job applicant because of race, color, religion, national origin, sex (including pregnancy), national origin, age (40 or older), disability, or genetic information.

The Office of the Attorney General shall not base hiring decisions on stereotypes and assumptions about a person's race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability, or genetic information.

If a qualified applicant with a disability needs a reasonable accommodation to apply for a job with the Office of the Attorney General, the Office shall provide a reasonable accommodation, unless doing so would cause the Office undue hardship.

If an applicant needs an accommodation for their religious beliefs to apply for a job with the Office of the Attorney General, the Office shall provide the accommodation, unless the accommodation causes the Office undue hardship.

15.2.4 Terms and Conditions of Employment

The Office of the Attorney General shall not discriminate against any person based on race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability, or genetic information regarding any terms or conditions of employment, including job assignments, promotions, pay, and benefits.

15.2.5 Discipline and Discharge

The Office of the Attorney General shall not take into account any person's race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability, or genetic information when making decisions about discipline or discharge.

15.2.6 Employment References

The Office of the Attorney General shall not give a negative or false employment reference, or refuse to give a reference, to any person because of race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability, or genetic information.

15.2.7 Harassment

No person associated with the Office of the Attorney General shall harass anyone while on duty because of race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability, or genetic information.

15.2.8 Retaliation

No person associated with the Office of the Attorney General shall take any adverse action against anyone because they have complained about discrimination, filed a charge of discrimination, or participated in an employment discrimination investigation or lawsuit.

15.3 Filing a Complaint and Procedures for Filing a Complaint

15.3.1 Who May File a Complaint?

Any staff member or citizen who believes he/she has been subjected to unlawful discrimination as defined in this Policy and Procedures Manual may initiate formal actions for complaint resolution.

15.3.2 Filing a Complaint

All complaints of discrimination will be handled promptly and with as much discretion as practicable. Access to information provided by the complainant will be available only to those persons on a reasonable “need-to-know” basis.

15.3.3 Fact-Based Determination

Distinguishing between conduct that constitutes unlawful discrimination and conduct that is purely person or social without a discriminatory work effect requires a determination based on all of the facts pertaining to the situation. Initiating a complaint in bad faith may result in disciplinary action. A finding for the accused does not necessarily constitute a finding that the complaint was made in bad faith.

15.3.4 Informal Procedure

15.3.4.1 Initiation

A complainant may initiate a complaint by contacting any supervisory employee, who shall immediately inform the Attorney General.

15.3.4.2 Counseling

The complainant will be counseled on the options available under the anti-discrimination policy and, at the complainant’s request, the Attorney General will designate someone to help the complainant mediate the complaint informally.

15.3.4.3 Informal Response

If the allegations do not identify a complex problem, the allegations do not involve a number of employees, the allegations do not threaten the ability of the Judiciary to provide equal justice under law, or the facts are not

likely to be in dispute, the Attorney General may respond to the allegations without further investigation. The Attorney General may respond through any corrective action necessary to resolve the dispute. The Attorney General must respond, either informally or by initiating the formal response process, within 10 business days.

15.3.4.4 Summary

The Attorney General shall maintain a written record of any informal complaint and response.

15.3.4.5 Deadline for Complaint

An informal complaint must be made within 180 days of the alleged incident.

15.3.5 Formal Procedures

If the allegations require further investigation, the Attorney General shall immediately appoint an investigator to conduct a formal investigation, and may take reasonable interim actions to prevent discrimination from occurring while the investigation is underway.

15.3.5.1 Qualifications of Investigator

The investigator shall be neutral, objective, and free of perceived bias. The Attorney General may appoint an investigator who is not associated with the Office, if necessary to provide an effective investigation. The investigator shall maintain the confidentiality of the investigation.

15.3.5.2 Conduct of Investigation

The investigation shall include an outline of the planned investigation, including the issues to be investigated and the facts as alleged by the complainant. The investigator shall have the power to access Office records and to interview people associated with the Office during the course of the investigation. The investigator shall inform any interviewed people of the following:

- (a) The purpose of the investigation;

- (b) What is expected of the interviewee;
- (c) The fact that the Office has not yet made any findings;
- (d) The interviewee's duty to respond to the investigator's questions;
- (e) The interviewee's duty to disclose all relevant information to the investigator;
- (f) Failure to cooperate with the investigation may result in disciplinary action, up to and including termination;
- (g) The interviewee's obligation not to discuss the investigation with anyone until it is complete;
- (h) The Office's policy prohibiting retaliation; and
- (i) How to contact the investigator if the interviewee remembers any more pertinent information.

15.3.5.3 Investigator's Report

The investigator shall provide a report of their findings to the Attorney General. This report shall be maintained separately from personnel files. The investigator shall provide the report within 20 business days of appointment, unless the investigator submits a written request to the Attorney General explaining why the investigation cannot be completed within 20 business days.

15.3.5.4 Corrective and/or Disciplinary Action

After the investigation and report is completed, the Attorney General shall determine whether corrective and/or disciplinary action is necessary. The corrective and/or disciplinary action must be sufficient to end the discriminatory conduct. The determination of final disposition shall take place within 10 business days of the receipt of the investigator's report.

15.3.5.5 Complaints Against the Attorney General

If the Attorney General is the subject of the complaint, the Deputy Attorney General shall substitute for the Attorney General in the complaint process.

15.4 Sanctions

15.4.1 Possible Remedial Actions

Remedial actions will depend upon the severity of the incident. Because of the private nature of sexual harassment incidents, and the emotional and moral complexities surrounding such issues, every effort will be made to resolve problems on an informal basis if possible. A confidential record of the investigation and settlement will be kept on file in the Office.

15.4.2 Examples of Possible Sanctions

Examples of possible sanctions include, but are not limited to: participation in developmental educational programs related to sexual harassment; warning letters; poor-job- performance ratings impacting salary; work assignment; promotion forfeiture; non-renewal of contract, and suspension, expulsion, or termination. The sanction or penalty administered under this Policy will depend upon all circumstances including, but not limited to, the offending party's prior record and the nature of the violation.

15.5 Reasonable Accommodations

15.5.1 Reasonable Accommodations for Disabilities

Upon request from a person associated with the Office of the Attorney General, the Office shall provide reasonable accommodations to qualified individuals with disabilities that enable them to enjoy equal employment opportunities. Potential accommodations include, but are not limited to:

- (a) Making existing facilities accessible;
- (b) Job restructuring;
- (c) Part-time or modified work schedules;
- (d) Acquiring or modifying equipment;
- (e) Changing tests, training materials, or policies;

- (f) Providing qualified readers or interpreters; and
- (g) Reassignment to a vacant position.

15.5.1.1 Requesting a Reasonable Accommodation

Any person associated with the Office of the Attorney General requiring a reasonable accommodation for disability shall request the accommodation from the supervisor of the Administrative Support Division.

15.5.1.2 Discussion of Potential Accommodations.

The Administrative Support supervisor and the person requesting the accommodation shall interactively discuss the potential accommodation within 10 business days after the request. The Administrative Support supervisor may request documentation of the disability if it is not obvious.

15.5.1.3 Decision

If the Administrative Support supervisor determines that a reasonable accommodation for disability is necessary and can be met without undue hardship, the Administrative Support supervisor shall approve the accommodation within 10 business days of the meeting. If the Administrative Support supervisor determines that no accommodation is reasonable or necessary, the supervisor shall discuss the matter with the Attorney General within 10 business days of the meeting before rejecting the accommodation.

15.5.2 Reasonable Accommodation for Religious Belief

Upon request from a person associated with the Office of the Attorney General or applicants, the Office shall provide reasonable accommodations to allow individuals to comply with their religious beliefs.

15.5.2.1 Requesting a Reasonable Accommodation

Any person associated with the Office requiring a reasonable accommodation for religious beliefs shall request the accommodation from the Administrative Support supervisor.

15.5.2.2 Discussion of Potential Accommodations

The Administrative Support supervisor and the person requesting the accommodation shall interactively discuss the potential accommodation within 10 business days after the request. The Administrative Support supervisor shall not attempt to verify the person's beliefs unless the director has reason to doubt that the belief or practice at issue is religious or sincerely held.

15.5.2.3 Decision

If the Administrative Support supervisor determines that an accommodation for religious belief can be met without difficulty or expense, the supervisor shall approve the accommodation within 10 business days of the meeting. If the supervisor determines that no accommodation is reasonable, the director shall discuss the matter with the Attorney General within 10 business days of the meeting before rejecting the accommodation.

16 Open Government Act (See OAG Memorandum at Appendix C)

17 Opinions of the Attorney General/Requests for Legal Services

17.1 Requests for Written Opinions/Request for Legal Services

17.1.1 Format for Requests

Requests for written Attorney General opinions or legal services must be in writing, directed to the Attorney General, and signed by the head of the agency involved with the submission of the Office's Legal Services Request Form attached as Appendix D.

17.1.2 Content of Requests

All requests must contain a clear, concise question of law and a complete statement of the facts describing the situation out of which the legal issues arise. The Attorney General will not seek out the facts or infer the question from enclosed correspondence. All requests should name a person whom the staff of the Attorney General may contact to discuss the request.

17.2 Rendering Opinions

The Office may render opinions and advice only to the governor, executive departments, agencies, offices, instrumentalities, autonomous agencies, public corporations, and other government entities it is authorized by law to advise.

17.3 Comments on Legislation

The Attorney General may provide comments on legislation to the Legislature upon request.

17.4 No Opinion Rendered Where there is Factual Dispute

The Office will not render an opinion where there is a factual dispute.

17.5 No Opinion on Matter in Litigation or Administrative Hearing

The office will not render an opinion on a matter in litigation or before an administrative agency.

17.6 Handling Requests for Written Opinion

When a request for written opinion is received by the Office, it shall be referred to the Chief of the Solicitor's Division. The Chief will assign the request a number and log it into Office's database. The request shall be filed by agency and by topic.

17.7 Publication of Attorney General Opinions

Attorney General opinions may be published at the discretion of the Attorney General.

17.8 Suggested Written Opinion Format

Attorney General opinions shall be written according to the following format:

- Statement of the Question Presented
- Statement of the Issues
- Summary of the Answer

- Factual Background
- Analysis
- Conclusion
- Recommendation

18 Outside Employment

(Source: 1 CMC §§ 8501-8577 (Government Ethics Act); NMIAC § 10-20.2-452)

18.1 Office of the Attorney General Policy on Outside Employment

18.1.1 Outside Employment

Civil Service employees may consult the regulations on outside employment and interests. It is important that outside employment not conflict with an employee's ability to carry out assigned duties for the Office of the Attorney General and that it be consistent with the provisions of the Government Ethics Act of 1992, as amended, which establishes a Code of Ethics for public officers and employees. Outside employment should also conform to the Office's Policy and Procedures on conflict of interest and all provisions of law and regulations pertaining to employee discipline.

18.1.2 Reporting Requirements

Employees must report all outside employment to his or her supervisor or division chief for approval. For purposes of this policy, outside employment regardless of hours worked, includes, but is not limited to: employment by another office of government or agency; private employment; owning or operating a private business; employment as a consultant or advisor; or work under personal service contracts with the Commonwealth. Volunteer unpaid work does not need to be reported.

18.2 Factors Triggering Attorney General's Approval

Approval of Attorney General is required if the following factors apply:

- The outside employment involves the same or similar kind of work as the employee's job with the Office.
- The outside employment gives rise to an appearance that the outside employer could be influencing the judgment of the employee or the Office on matters that affect the outside employer.
- The outside employer has interests that could be significantly affected by the performance or non-performance of the employee's duties with the Office.
- There is the potential that the outside employment could actually or appear to conflict or interfere with the duties, objectives, or interests of the Office in any manner not indicated by the previous factors.
- The outside employer is another agency of the Commonwealth Government.

Employees should consult the Personnel Service System Rules and Regulations at NMIAC § 10-20.2-452 for further guidance on Outside Work and Interests.

18.3 Notification of Supervisor or Chief Regarding Significant Changes in Outside Employment Duties

Employees must notify their appropriate supervisor or chief whenever the duties of their outside employment change significantly.

18.4 Withdrawal of Attorney General Approval

The Attorney General may, at any time, disapprove or withdraw previously approved outside employment for any situation which is determined to present a perceived, potential, or actual conflict of interest.

18.5 Use of Office Time and Equipment for Outside Employment Prohibited

An employee shall not use office time, material, facilities, equipment, or telephone service in connection with outside employment.

18.6 Outside Compensation for Employee's Assigned Office Responsibilities Prohibited

An employee shall not receive compensation from outside sources for services which are part of the employee's assigned responsibilities with the office.

18.7 Use of Position for Private Gain Prohibited

An employee shall not use his or her position within the Office to create the opportunity for private gain.

19 Part-Time Employment (Reserved)

20 Political Activities

(Source: 1 CMC §§ 8141-8153, §§ 8501-8577 (Government Ethics Act))

20.1 Office and Staff Subject to Commonwealth Laws and Rules Restricting Political Activities

The Office and its staff are subject to Commonwealth laws and rules which restrict political activities. The Office has official duties with respect to ballot issues, defense of Commonwealth laws, and various other matters relating to elections and campaigns which may conflict with a particular employee's desire to engage in certain political activity.

20.2 Use of Government Facilities for Political Activity Prohibited

Commonwealth law prohibits the use of government facilities for political activity, including the use of public funds, equipment, computers, email systems, materials and supplies and the use of one's position as a government employee to coerce political contributions. To that end, no campaigning or fundraising shall be allowed at any time in any of the offices, nor shall any equipment, supplies, materials or other facilities of the office be used, directly or indirectly, for the purpose of assisting a campaign. Political contributions are solely within the discretion of the contributor and no staff of the Office of the Attorney General shall use his or her position to coerce or induce political contributions from other staff.

20.3 Outside Political Activity Permissible under Certain Conditions

Outside political activity is permissible if it complies with this policy and the applicable statutes and rules, and does not conflict with the employee's job duties. When an employee will be an officer of any political campaign, the employee shall first discuss workload, potential conflicts of interest, conflicts with job duties, and related issues with his or her supervisor and, if needed, shall develop a plan which appropriately addresses any office concerns. An employee who has been certified as a candidate for any elective office must take leave pursuant to 1 CMC § 8245(i).

20.4 Avoid the Appearance of Purporting to Represent the Office or Office Position When Campaigning

When participating in a political activity, whether as a candidate, a campaign worker, or otherwise, an employee must avoid the appearance of purporting to represent the Office or Office position (e.g., do not use your title or affiliation with this Office in conjunction with letters, advertisements, personal appearances, etc.).

20.5 Holding an Elective Office

An employee of the Office of the Attorney General may not hold an elective office.

21 Resignation

(Source: 1 CMC § 82602(d))

21.1 Notice Requirement

In the event that an Assistant Attorney General intends to resign his or her employment with the office, a written notice of resignation specifying the date of termination must be sent to the Attorney General. For staff attorneys or exempt staff, the written notice must be received by the Attorney General within 60 days of the termination date. The written notice may be waived by the Attorney General. Upon submitting his or her resignation, the resignation decision is deemed effective, unless mutually revoked by the employee and the Attorney General. An exit interview will be scheduled prior to departure.

21.2 Annual Leave Lump-Sum Payment

Upon separation of employment, the Attorney General may authorize pursuant to 1 CMC § 82602(d) the payment to an employee for unused annual leave of up to 360 hours.

21.3 Surrender of Office Property

All employees must tender all Office property, including equipment, keys, and ID cards, to the Administrative Support Division on or before the last day of their employment.

22 Return to Work (Reserved)

23 Whistleblowers

(Source: 1 CMC § 7841)

23.1 Whistle Blowers Statute

The “Protection of Whistle Blowers” statute, codified as 1 CMC § 7841, was enacted to encourage government employees to report improper governmental actions to the Office of the Public Auditor. “Improper government action” means any action by an employee that violates government law, abuses authority, wastes public funds or endangers public health or safety. “Improper government action” does not include personnel actions involving employee grievances and related complaints.

23.2 Attorney General Acknowledges and Values Importance of Whistle Blowing

The Attorney General recognizes the importance and value of employees reporting government misconduct without fear of retaliation or reprisal, and supports the reporting of misconduct to the Office of the Public Auditor as outlined below.

23.3 Who Can Be a Whistleblower?

A whistleblower is entitled to protection from reprisal or retaliatory action. “Whistleblower” includes an employee who provides information to the Auditor during the course of an investigation, as well as the employee who makes the original report. If a whistleblower believes he or she has been

the subject of such action, the whistleblower may file a claim with the Office of the Public Auditor. The Office of the Public Auditor will investigate the claim and take appropriate action.

APPENDICES follow:

Appendix A: OPM Leave Form and Attorney General Memo Re Taking of Leave

Appendix B: Confidentiality Agreement Form

Appendix C: Internal Memo re Open Government Act requests

Appendix D: Legal Services Request Form

Appendix E: Attorney General Memo Re Travel Policy

**APPENDIX A: LEAVE FORM (OPM-11);
ATTORNEY GENERAL MEMO RE TAKING
OF LEAVE**

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
OFFICE OF THE GOVERNOR
OFFICE OF PERSONNEL MANAGEMENT

OPM - 11

APPLICATION FOR LEAVE

NAME (Print or type - Last, First, Middle Initial)		SOCIAL SECURITY NUMBER	EMPLOYEE NUMBER
DEPARTMENT / ACTIVITY		FROM (Mo., Day, Hour)	NUMBER OF HOURS
TYPE OF LEAVE	<input type="checkbox"/> ANNUAL <input type="checkbox"/> SICK-Complete other side of this form <input type="checkbox"/> WITHOUT PAY <input type="checkbox"/> OTHER (Specify)	TO (Mo., Day, Hour)	
			<input type="checkbox"/> ADVANCE <input type="checkbox"/> SICK LEAVE BANK
REMARKS		SIGNATURE OF EMPLOYEE	DATE

INSTRUCTIONS: Complete the above part of this form. If applying for sick leave, check appropriate box on back (top) of form. If you were under care of a doctor, you should complete "CERTIFICATE OF PHYSICIAN OR PRACTITIONER" also on back.

<input type="checkbox"/> APPROVED	<input type="checkbox"/> DISAPPROVED (If disapproved, given reason)	SIGNATURE AND DATE
-----------------------------------	---------------------------------------------------------------------	--------------------

EMPLOYEE <small>(If applying for sick leave)</small>	DURING THIS ABSENCE I WAS	INCAPACITATED DUTY BY: <input type="checkbox"/> SICKNESS <input type="checkbox"/> ON THE JOB INJURY <input type="checkbox"/> OFF THE JOB INJURY <input type="checkbox"/> PREGNANCY AND CONFINEMENT <input type="checkbox"/> UNDERGOING MEDICAL, DENTAL, OR OPTICAL EXAMINATION OR TREATMENT		
		<input type="checkbox"/> Required to care for a member of my family with a contagious disease (Give name and relationship of member of family, and name of disease.)		<input type="checkbox"/> Required to be absent or exposure to contagious disease (Give name of disease and circumstances of exposure)
CERTIFICATE OF PHYSICIAN OR PRACTITIONER	NAME OF EMPLOYEE		PERIOD UNDER PROFESSIONAL CARE	FROM (Mo., Day, Year)
	POSITION OCCUPIED			TO (Mo., Day, Year)
	REMARKS:			
	THE EMPLOYEE NAMED WAS UNDER MY PROFESSIONAL CARE DURING THE PERIOD STATED ABOVE. From the medical standpoint his condition during the period was such that I considered it in advisable for him to report to work			
SIGNATURE: _____			DATE _____	



Commonwealth of the Northern Mariana Islands
Office of the Attorney General

2nd Floor Hon. Juan A. Sablan Memorial Bldg
Caller Box 10007, Capitol Hill
Saipan, MP 96950

EDWARD MANIBUSAN
Attorney General

LILLIAN A. TENORIO
Deputy Attorney General

OAGMEMO 2015-36

MEMORANDUM

DATE: 7/29/15

TO : ALL EMPLOYEES
FROM : Attorney General
SUBJECT: Leave Policy – All Personnel (Civil and Excepted Service)

In an effort to ensure consistency in leave management I am hereby establishing a leave policy for the both Civil Service and Excepted Service employees of the Office of the Attorney General. These are internal procedures and shall not be deemed to create or restrict leave policies otherwise established or restricted by law or regulation.

All employees are encouraged to utilize their accrued annual leave hours within the year. Subject to the provisions of NMIAC §10-10-210(h), (i), and (j) which are applicable to contract renewals, there will be no lump sum payment of annual leave at the end of a contract period or in the event of a voluntary separation of employment.

Although, I have the authority to approve leave for employees of this office, I am delegating this authority to the Deputy Attorney General to review and approve leave applications for the Civil Division staff and attorneys and Criminal Division staff. The Chief of the Criminal Division is hereby authorized to review and approve leave applications for prosecutors, staff of the Attorney General Investigative Division and Victim Services Unit.

All requests for leave must be made utilizing Form OPM-11 which is attached for your reference. No employee shall take leave without prior approval from their immediate supervisor. Assumptions that leave can be taken after an employee has submitted the leave application shall not be deemed as approved.

Annual Leave

Requests for annual leave must be submitted to their immediate supervisor two (2) days in advance prior to taking the leave hours. Arrangements must be made for alternate coverage for pre-scheduled court appearances and other time sensitive matters to which an employee has been previously assigned.

Sick Leave

Sick leave may be used whenever an employee on permanent status is to be absent from duty because of illness or injury or because of quarantine of the family and/or residence. Use of sick leave is

Civil Division
Telephone: (670) 237-7500
Facsimile: (670) 664-2349

Criminal Division
Telephone: (670) 237-7600
Facsimile: (670) 234-7016

Attorney General's Investigative Division
Telephone: (670) 237-7625
Facsimile: (670) 234-7016

Domestic Violence Intervention Center
Telephone: (670) 664-4583
Facsimile: (670) 664-4589

appropriate for medicinal, dental, optometric, or mental health counseling or treatment. An employee who is absent from work for a period of three (3) consecutive days for one or more of the foregoing reasons must submit a doctor's note for the period the employee was absent. Subject to the provisions set forth below regarding Family Medical Leave Act benefits, a failure to furnish a doctor's certification will be deemed an Absence Without Leave (AWOL).

Advance Leave

Employees may avail of leave advance after exhausting all sick and annual leave. Employees are required to write a letter of request to the Attorney General and the Attorney General will consider said request in good faith. Advance leave will be governed by the provisions of the applicable Civil or Excepted Service regulations applicable to the requesting employee.

FMLA

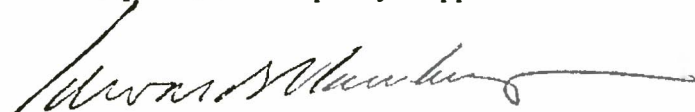
In an event of a "Triggering Event" (as defined below), the Office of Personnel Management will be consulted for a determination of FMLA eligibility. The Office of the Attorney General will comply with such determination.

FMLA leave may be "triggered" by one or more of the following, each of which shall be considered a "Triggering Event."

- A. Request. When the need for FMLA leave is foreseeable, thirty (30) days advance written notice is required. When thirty (30) days notice is not possible, you must notify your immediate supervisor, the Deputy Attorney General and the timekeeper of your request as soon as is practicable.
- B. Illness. When you have called in sick three (3) consecutive days due to a serious health condition of yourself or an immediate family member; or Constructive Notice. When the Office of Attorney General is "on notice" that your absence may be for a FMLA qualifying reason

For your reference, a copy of regulations encompassing leave is provided for your reference. For Civil Service employees NMIAC §10-20.2-601-650 and for Excepted Service employees NMIAC §10-10-215-290.

Your cooperation to this policy is appreciated.



EDWARD MANIBUSAN

§ 10-10-210 Annual Leave

(a) Annual leave, or vacation, shall be granted for the purpose of rest and relaxation. Except as provided in this section, employees who have less than three years of creditable service shall earn annual leave at the rate of four hours per pay period. Employees with three but less than six years of creditable service shall earn annual leave at the rate of six hours per pay period. Employees with six or more years of creditable service shall earn annual leave at the rate of eight hours per pay period.

(b) Activity heads, division directors, deputy secretaries, executive secretaries, special assistants of the Governor, Lieutenant Governor and department heads, medical doctors, practicing attorneys, and executive directors of principal boards and commissions shall earn annual leave at the rate of eight hours per pay period.

(c) Annual leave accrual rate per pay period for health care professionals, engineers, and other professionally qualified excepted service employees with advanced degrees and/or exceptional skills or experience shall be at a rate not to exceed eight hours, and:

(1) Based, specific to each employee, upon:

(i) The critical need to fill the position;

(ii) The availability of qualified applicants; and

(iii) The amount and quality of related education, training, and experience possessed by the employee.

(2) An employee employed in the first year of the initial contract shall not be entitled to use annual leave during the first ninety days of employment. Annual leave earned during this period will be credited to the employee upon completion of this initial period. This restriction does not apply to employees employed on an immediately subsequent contract.

(d) Excepted service employees shall accrue annual leave at the rate set forth in their employment contract. If the employee takes leave without pay (LWOP) or is in an absence without leave (AWOL) status there will be no leave accrual for that pay period.

(e) Annual leave may be used only upon prior written approval of the employer and will be scheduled based upon the needs of the employer. Annual leave requests must be made in advance, except in cases of bona fide emergencies, on a leave request form provided by the Office of Personnel Management. All annual leave requests must be approved by the immediate supervisor and division director. In smaller organizations where division may not exist, the heads of such organizations shall approve annual leave. The employer will approve all properly submitted leave requests unless the needs of the government prevent the absence of the employee.

(f) Employees serving on government boards and commissions who elect to take leave without pay during their performance of duties on a board or commission shall accrue annual leave for that service time.

(g) Annual leave must be utilized during the contract period. Except as provided in subsections (h), (j), and (k) below, any annual leave not utilized will be converted to sick leave at the end of the employment term. No cash payment will

be made for unused annual leave, except as provided for in subsections (j) and (k) below

(h) If an offer and acceptance for a new employment contract is agreed upon, or if an excepted service employee accepts conversion to civil service status, accrued and unused annual leave credits from the prior period of employment, not to exceed 160 hours, shall be carried over to the new employment contract, or status in cases of conversion to civil service status. Notwithstanding this limit on leave, in order to comply with the 160-hour limit, due to the critical nature and need for the services by the Commonwealth government, the employer may allow, with the approval of the Director of Personnel, the employee to accumulate up to 240 hours of annual leave and carry this amount over into a subsequent employment period. Unused annual leave in excess of the limits cited above will be converted to sick leave.

(i) Employees converting from the civil service to excepted service status will be authorized to carry over not more than 160 hours of annual leave. Hours in excess of this amount will be converted to sick leave if not used prior to conversion.

(j) The Director of Personnel may, upon the recommendation of the employer and with the concurrence of the Governor, approve a lump-sum cash payment of up to 160 hours of unused annual leave in cases of involuntary separation due to reasons of bona fide personal emergency beyond the control of the employee.

(Expand)

§ 10-10-215 Sick Leave

Sick leave shall accrue to the employee at the rate of four hours per pay period, provided the employee has been in pay status as required by the excepted service employment contract. If the employee takes leave without pay (LWOP) or is in an absence without leave (AWOL) status there will be no leave accrual for that pay period. Government employees serving on government boards and commissions who elect to take leave without pay (LWOP) during such performance shall accrue leave for that service time.

(a) The employee is entitled to use accrued sick leave from the time sick leave is first earned.

(b) Any absence on sick leave where the employee misses more than three continuous days of work must have the illness verified by a note from a medical doctor in order to claim sick leave.

(c) The employee is not entitled to any payment for accrued and unused sick leave upon completion of an employment contract or termination of employment.

(d) If an offer and acceptance for a new period of employment is agreed upon under a new employment contract/appointment, all accrued and unused sick leave credits from the prior contract/appointment will be carried over, provided that if the employee is separated from government service for a period longer than three years, the employee shall be divested of accumulated sick leave.

(e) If the employer has reasonable grounds to believe that the employee is misusing sick leave or requesting sick leave for purposes other than illness, the employer may request proof of illness from a health care professional for any period of illness. If the certification is not provided, or is unpersuasive, the supervisor may deny the sick leave request.

(f) Sick leave may be accumulated without limit.

(g) Excepted service employees are eligible for the sick leave bank program pursuant to applicable regulations adopted on October 16, 1997 and published in the Commonwealth Register, Vol 19, No 11, on November 15, 1997, at pages 15748-15757. (See NMIAC title 100, chapter 50).

History/Comment [Expand]

§ 10-10-220 Leave Without Pay

Leave without pay for 90 days or less may be taken only after obtaining the written approval of the department director. Leave without pay in excess of 90 days must be approved by the Director of Personnel upon recommendation by employer.

History/Comment [Expand]

§ 10-10-225 Administrative Leave with Pay

Administrative leave with pay may be granted by the Governor for a public purpose. Administrative leave with pay may be granted by the employer to an employee serving on government boards, councils, and commissions, provided the employee does not receive compensation from the board, council, or commission, and, if deemed for an employment related purpose, for a period of not to exceed ten days per annum.

History/Comment [Expand]

§ 10-10-230 Holidays

The employee shall be released from work on all legal holidays, except during emergencies, without loss of pay or charge to leave account.

History/Comment [Expand]

§ 10-10-235 Advance Leave

Where, for good reason, the employee requires an advance of annual or sick leave, the Director of Personnel may grant leave in advance up to a maximum of one-half of the total earnable leave credits for one year from the date the request is approved or for the remainder of the employment contract/appointment, whichever is shorter. Subsequent leave earnings shall serve to replace the amount of advance leave taken. In the event an employee resigns from his or her employment, any annual or sick leave overdraft must be paid as part of the final clearance.

History/Comment [Expand]

§ 10-10-240 Court Leave

The government encourages its employees to fulfill their obligations as citizens and residents of the Commonwealth and the federal government. Thus, employees who are called upon to serve as jurors and witnesses may, at their option, be granted court leave for such period as required by the court. Employees who are called to jury duty or as witnesses shall present their summons to their immediate supervisor together with a completed request for leave for his signature and processing. Employees using court leave to cover the period of absence shall turn over to the Commonwealth Treasurer such jury or witness fees (as distinct from expense allowances) as they receive from the court or summoning party. Expense allowances paid the employee for whatever purpose may be retained by the employee to defray the expenses for which granted.

History/Comment [Expand]

§ 10-10-245 Compassionate Leave

Full-time excepted service employees may be granted compassionate leave of no more than five workdays, not necessarily consecutive, in cases of death in the immediate family of the employee. For the purpose of this section, the term immediate family shall include a mother, father, brother, sister, spouse, immediate offspring (natural and culturally or legally adopted), stillborn child, grandfather, grandmother, grandchild, mother-in-law, or father-in-law. Compassionate leave must be taken within eighteen days after the death of the immediate family member.

History/Comment [Expand]

§ 10-10-250 Miscarriage Leave

Miscarriage leave shall be granted to an excepted service employee who is absent from work because of miscarriage or the subsequent convalescence. Such miscarriage leave shall not exceed five work days, and shall be in addition to any accumulated sick leave. An employee who wishes to claim miscarriage leave must have the miscarriage verified by a note from a medical doctor in order to claim miscarriage leave. Any additional leave taken after five work days shall be charged against accumulated sick leave.

History/Comment [Expand]

§ 10-10-255 Pregnancy Disability Leave

Pregnancy disability leave shall be granted to an excepted service employee who is absent from work because of childbirth or the subsequent convalescence. Such pregnancy disability leave shall not exceed thirteen work days, shall be in addition to any maternity leave or accumulated sick leave, and shall be any thirteen work days encompassing the date of childbirth. Any additional leave taken for such childbirth purposes shall be charged against accumulated sick leave. Pregnancy disability leave shall be available to an excepted service employee who suffers a still birth.

History/Comment [Expand]

§ 10-10-260 Maternity and Paternity Leave

Maternity or paternity leave shall be granted to an excepted service employee who is absent from work because of the employee (maternity leave) or the employee's wife (paternity leave) giving birth. Such maternity or paternity leave shall not exceed two work-days and shall be taken within one week of the date of childbirth. Paternity leave will only be

granted in cases of legal marriage.

History/Comment [Expand]

§ 10-10-265 Military Leave

Military leave with pay may be granted to excepted service employees for a period not to exceed fifteen working days in any calendar year, regardless of the number of training periods in the year.

History/Comment [Expand]

§ 10-10-270 Extended Military Leave

Extended military leave shall be granted to excepted service employees pursuant to the federal Uniformed Services Employment and Reemployment Act (USERRA).

History/Comment [Expand]

§ 10-10-275 FMLA Leave

Leave under the federal Family and Medical Leave Act of 1993 (FMLA) shall be granted to excepted service employees as provided in FMLA.

History/Comment [Expand]

§ 10-10-280 Part-time Accrual

Part-time or intermittent employees with regular scheduled tours of duty of forty to less than eighty hours during a biweekly period will accrue annual leave and sick leave at a prorated amount of the full time benefit, rounded off to the nearest quarter hour per pay period, and will be eligible for other paid leaves, provided is* this part, at this rate. Part-time or intermittent employees with regular scheduled tours of duty of less than forty hours during a biweekly pay period will not accrue annual or sick leave or be eligible for the other paid leave benefits. If a part-time or intermittent employee takes leave without pay (LWOP) or is in an absence without leave (AWOL) status for a scheduled duty period there will be no leave accrual for that pay period.

* So in original.

History/Comment [Expand]

§ 10-10-285 Transfer within the Executive Branch

If an excepted service employee transfers to another excepted service position within the executive branch, the new employer will assume any liability for the payment or transfer of all earned contractual benefits. Transfers to similar positions within the executive branch with no change in salary may be affected by the employer with or without the employee's permission.

History/Comment [Expand]

§ 10-10-290 Transfer to Other Government Entity

If an excepted service employee transfers to another government entity, the receiving entity will assume any liability for the payment or transfer of all earned contractual benefits. Similarly, the executive branch will assume a similar liability for the payment or transfer of all earned contractual benefits if it accepts the transfer of an employee contractually entitled to such benefits from another government entity.

History/Comment [Expand]

§ 10-20.2-601 Policy

It is the policy of the government to provide benefits and services to its employees in keeping with the general practices of government and private enterprise and as limited or prescribed by law. This part delineates those benefits and services which include:

(a) Leaves of absence, and

(b) Benefits, such as group life and health insurance, accident and health insurance, and worker's compensation coverage.

History/Comment [Expand]

Subpart A - Leaves of Absence

§ 10-20.2-605 Purpose

Leaves of absence from the Personnel Service are for the mutual benefit of the employee and employer. When leaves of absence are granted, they are considered to be for legitimate reasons not detrimental to the Personnel Service.

History/Comment [Expand]

§ 10-20.2-610 Creditable Service for Leave Purposes

(a) Trust Territory Public Service experience since United States administration took over (including when actually employed [WAE] until June 30, 1972).

(1) Includes trainees. Includes employment under 61 TTC, paragraph 9(d), (f), (h), (l), (m), (n) and (o).

(2) By Director of Personnel memorandum, dated January 26, 1972, to all Trust Territory of the Pacific Islands (TTPI) departments and districts, WAE appointments were to be terminated or converted to appointments per Administrative Directive 72-1 dated January 16, 1972. WAE appointments until June 30, 1972, are to be considered as full-time employment and service credited accordingly. After June 30, 1972, for WAE or intermittent employment, time actually worked will be used to compute creditable service.

(b) Marianas administration under U.S. Navy and NTTU. Until 1962, when TTPI Headquarters moved to Saipan, the Marianas (Saipan and Tinian) were under Naval Administration prior to 1962.

(c) Personnel under municipal governments.

(d) All employment within TTPI including Peace Corps, Micronesian Claims Commission, National Weather Service, and U.S. Coast Guard.

(e) U.S. military and civilian service in the Trust Territory; active military service in United States Armed Forces in the TTP).

(f) Employees of judiciary and legislative branches (Congress of Micronesia, municipal councils, and district legislatures). Judiciary, including district court judges who may have been or are presently on WAE appointments.

(g) Service in the Commonwealth government since April 1, 1976.

(h) Trust Territory Government employment under the Seaman's Act.

(i) Employees of agencies and instrumentalities within the Commonwealth.

History/Comment [Expand]

§ 10-20.2-615 Kinds

Broadly characterized, leaves of absence are either with pay or without pay.

History/Comment [Expand]

§ 10-20.2-620 Leaves with Pay

Notice
Portions of this section may be superseded. See the Commission Comment.

(a) Annual Leave.

(1) Annual leave or vacation, shall be granted for the purpose of rest and relaxation. Personnel Service System employees who have less than three years of creditable service shall earn annual leave at the rate of four hours per pay period, except that newly appointed employees shall undergo a waiting period of ninety calendar days before being credited with annual leave. Employees with three but less than six years of creditable service shall earn annual leave at the rate of six hours per pay period. Employees who have six or more years of creditable service shall earn annual leave at the rate of eight hours per pay period.

(2) Annual leave requests of more than three working days must be made in advance on a leave request form. All annual leave requests must be approved by the employee's division head upon recommendation of such employee's immediate supervisor. In smaller organizations where divisions may not exist, the heads of such organizations shall

approve annual leave. A denial of request for annual leave is subject to employees' grievance rights

(b) Maximum Accumulation. The maximum accumulation of annual leave for Personnel Service System employees shall be three hundred sixty hours. Accrued annual leave in excess of 360 hours remaining at the end of the leave year shall be converted to sick leave.

(c) Sick Leave.

(1) Sick leave shall be allowed whenever the employee on permanent status is to be absent from duty because of illness or injury or because of quarantine of the family and/or residence. Use of sick leave is appropriate only for medical, dental, optometric, or mental health counseling or treatment which the employee personally must undergo.

(2) If an employee is absent because of illness, injury, or quarantine in excess of three days, the employee may be required to furnish a certification as to the incapacity from the attending physician. The appointing authority may require certification for such other period(s) of illness as is appropriate.

(3) If the required certification is not furnished, all absence which would have been covered by such certification shall be indicated on the time and attendance record and the payroll as absent without leave (AWOL).

(4) Employees on permanent status shall earn sick leave at the rate of four hours for each biweekly pay period in which they are in pay status for the entire ten days. Sick leave may be accumulated and carried over to succeeding leave years without limitation. A report showing the accrued sick leave balance will be provided the employee each pay period.

(5) The generality of the foregoing is subject to the following special provisions:

(i) Falsification of an illness report shall be considered sufficient cause for disciplinary action, including dismissal from the government service for repeated offenses.

(ii) Sick leave with pay shall be allowed during leaves of absence or vacations; provided, however, that any sick leave taken by an employee while on vacation must be supported by a certificate issued by the attending physician. No employee shall be allowed to undertake gainful employment while on sick leave status.

(iii) Sick leave with pay may be granted in advance of earning sick leave as provided under § 10-20.2-620(d). If an employee is separated from the service without having earned all of the sick leave allowed and taken, there shall be deducted from any money due the employee at the time of separation an amount equal to salary for the period of unearned sick leave allowed and taken.

(6) Sick leave accrued for service with the government shall vest in the employee upon accrual and shall remain vested so long as the individual is employed by the government, provided that if such employee is separated from government service (other than through retirement) for a period longer than three years, the employee shall be divested of accumulated sick leave. (See § 10-20.2-640)

(d) Leave Advance.

(1) Where, for good reason, an employee on permanent or limited term status requires additional annual or sick leave in addition to the amounts accrued, the Director of Personnel, with recommendation of the appointing authority, may grant advance leave up to a maximum of one-half of the total earnable leave credits for which the employee is eligible for one year from the date the application is received, or, in the case of limited term employees, up to a maximum of one-half of the total earnable leave credits for which the employee is eligible during the remainder of the employment term, whichever is shorter. Subsequent accrued leave earnings shall serve to replace the amount of advance leave granted and taken. Request for leave advance must be in writing from the employee with recommendation from the

appointing authority.

(2) Leave advance granted and taken:

(i) Constitutes a legal contract between the employee and the government; and

(ii) Must be repaid, even if the employee separates from government service. Recovery of advance leave that is unpaid may be through the government's assumption of employee's accrued unused leave, payroll deductions, matched reduction of service time, and/or recourse to the courts.

(e) Training and Education Leave. Leaves for the purpose of job-related training and education may be granted employees on permanent status for a period not to exceed one year, by the Personnel Officer with the recommendation of the appointing authority. No training and educational leave, outside of the CNM1, shall be approved if such training is available locally

shall be subject to immediate decertification and appropriate disciplinary actions(s).*

*So in original, see the commission comment to this section.

(f) Compassionate Leave. Employees on permanent or limited term may be granted compassionate leave with pay of no more than five consecutive work days in cases of death in the immediate family of the employee. For the purpose of this subpart, the term "immediate family" shall be defined as an employee's mother, father, brother, sister, spouse, immediate off-spring (natural and culturally or legally adopted), grandfather, grandmother, grandchild, mother-in-law, or father-in-law. Compassionate leave must be taken within eighteen days after the death of the immediate family member. The appointing authority is responsible for approving compassionate leave requests.

(g) Administrative Leaves. An absence from duty administratively authorized, without loss of pay and without charge to accrued leave, is administrative leave. The governor, appointing authorities or their designees have the responsibility for approving administrative leave requests. The following are the three general classes into which administrative leaves fall:

(1) Administrative leave is absence authorized under emergency conditions beyond the control of management, e.g., typhoons, or for participation in civic activities of interest to the government, or employment connected examinations, or for such reasons as the Governor may determine (such as a shortened work day on Christmas Eve).

(2) Administrative leaves related to disciplinary actions. Managers may place an employee in non-working status with pay for up to three work days pending preparation of a notice of proposed suspension for up to thirty calendar days or removal from the Personnel Service.

(3) Administrative leave may be granted to employees serving on government boards and commissions, provided such employees do not receive compensation from the boards and commissions.

(h) Court Leave. The government encourages its employees to fulfill their obligations as citizens of the Commonwealth. Thus, employees who are called upon to serve as jurors may, at their option, be granted court leave for such period as the jury may be impaneled. Employees who are called to jury duty shall present their juror summons to their immediate supervisor together with a completed request for leave, for the supervisor's signature and processing. Employees who serve as jurors using court leave to cover the period of absence shall turn over to the Commonwealth Treasurer such jury fees (as distinct from expense allowances) as they receive from the court. Expense allowances paid the employee for whatever purpose may be retained by the employee to defray the expenses for which granted. An employee

subpoenaed as witness, except as a government witness, shall charge such absence to annual leave or leave without pay. Court leave shall be granted to an employee subpoenaed in litigation in which the government has no interest, to serve as a witness in the employee's present or past official capacity as a government employee and who may be required to present government records in testimony. Such employee must inform the appointing authority of the required testimony as soon as possible after being subpoenaed.

(i) **Military Leave.** Military leaves of absence with pay, not to exceed fifteen working days in any calendar year, regardless of the number of training periods in the year, may be granted by the Personnel Officer to employees on permanent status who are members of the United States National Guard and reserve components of the United States Armed Forces, when directed under orders issued by proper military authority. Administrative leave will not be granted in order to extend leave time for any additional training days.

(j) **Maternity Leave.** Maternity leave shall be granted to a female employee on permanent or limited term status who is absent from work because of confinement for childbirth. The appointing authority shall have the responsibility for approving maternity leave requests. Such maternity leave shall not exceed fifteen work days, shall be in addition to any accumulated sick leave, and shall be any fifteen work days encompassing the date of childbirth. Any additional leave taken for such childbirth purposes shall be charged against accumulated sick leave.

(k) **Paternity Leave.** Paternity leave shall be granted to a male employee on permanent or limited term status who is absent from work because of his wife's confinement for childbirth. Such paternity leave shall not exceed two work days encompassing the date of childbirth. The appointing authority shall have the responsibility for approving paternity leave requests.

History/Comment [Expand]

§ 10-20.2-625 Leaves Without Pay

(a)(1) An employee on permanent status may be granted leave without pay not to exceed ninety consecutive work days if the appointing authority considers it justified. Leave without pay may be extended up to ninety additional consecutive work days ONLY with the approval of the Personnel Officer, upon recommendation by the appointing authority. Such leave without pay may be granted to permit the employee to attend to important family affairs, such as settling an estate or for justifiable personal or business reasons.

(2) An employee desiring extended leave without pay shall prepare a memorandum of explanation addressed to the immediate supervisor explaining in detail the reasons for the request.

(b) **Training and Education Leave.** Employees on permanent status who wish to pursue their education on a full-time basis without financial assistance by the government, may be granted leaves of absence without pay for a period not to exceed one year. Such employees shall have the right to return to their positions at the satisfactory conclusion of their education or training, and their service anniversary dates shall be adjusted by the amount of leave without pay taken. The Personnel Officer is responsible for approving or disapproving requests for training and education leave, upon recommendation by the appointing authority.

(c) Leave Without Pay in Extension of Annual or Sick Leave. Employees on permanent status may be granted leave without pay (LWOP) for the purpose of extending annual or sick leave. When sick leave is so extended, the attending physician must certify to the necessity of the extension. The Personnel Officer is responsible for approving or disapproving requests for leave without pay, upon recommendation by the appointing authority.

(d) Tardiness.

(1) At the end of each pay period tardiness shall be charged to leave without pay (LWOP) or absence without leave (AWOL). In respect to each incident of tardiness,

(i) If the period of lateness is less than one hour it will be charged to LWOP.

(ii) If the period of lateness is more than one hour it will be charged to AWOL.

(2) The period of tardiness shall be calculated in the same manner as hours worked are calculated for time keeping purposes.

(e) Extended Military Leave. The federal Uniformed Services Employment and Reemployment Act (USERRA) generally requires the Commonwealth government to provide extended military leave for its career employees, regardless of whether the service is voluntary or involuntary. The cumulative length of all absences due to military leave and extended military leave shall not exceed five years, unless extended for good reason documented in writing by the appointing authority. The employee must give advance notice to the appointing authority, unless military necessity or circumstances make this impossible or unreasonable. In most cases, the employee is guaranteed reinstatement rights and certain seniority rights upon return from leave. The employee must also comply with requests for documentation and with the requirements of this subchapter regarding the timing of applications for reemployment. For details, employees and appointing authorities should contact the U.S. Department of Labor.

(f) FMLA Leave.

(1) The federal Family and Medical Leave Act of 1993 (FMLA) entitles employees who have worked for the Commonwealth for at least one year and who worked at least 1,250 hours over the previous 12 months to take up to 12 weeks of LWOP for any of the following reasons:

(i) To care for the employee's child after birth or placement for adoption or foster care;

(ii) To care for the employee's spouse, son or daughter, or parent, who has a serious health condition; or

(iii) For a serious health condition that makes the employee unable to perform the employee's job.

(2) At the option of the employee or the employing agency, annual leave, sick leave, maternity leave, or paternity leave may be substituted for LWOP for FMLA purposes. All leave qualifying under the FMLA shall be documented as FMLA leave either before it is taken or promptly thereafter. In most cases, participation in the government group health insurance program shall continue during FMLA leave. Agencies should contact the U.S. Department of Labor for detailed guidance regarding the requirements of the FMLA.

History/Comment [Expand]

§ 10-20.2-630 Basis for Accrual

Employees shall accrue annual leave and sick leave for each biweekly pay period in which they are in pay status for the entire ten days; otherwise there shall be no accrual for such period. Provided, however, employees serving on government boards and commissions who elect to take leave without pay (LWOP) during such performance shall accrue leave for that service time. Part-time employees with regular scheduled tours of duty of forty to seventy hours during a biweekly pay period will accrue annual and sick leave at one-half the rate of full-time employees and will be eligible for other paid leaves, as provided in § 10-20 2-620 at this rate. Part-time employees with regular scheduled tours of duty of less than forty hours during a biweekly pay period will not accrue annual or sick leave benefits or be eligible for the other paid leave benefits. Part-time employees must be in a pay status for their full regular scheduled tour of duty for the entire ten days; otherwise there shall be no accrual for such period.

History/Comment [Expand]

§ 10-20.2-635 Unauthorized Leave

(a) Unauthorized leave (absent without leave, AWOL) is absence from duty without appropriate authorization. Employees who are absent from duty without prior approval, except in bona fide emergencies, shall be charged as being AWOL. Employees who are AWOL are subject to loss of pay and possible disciplinary action.

(b) If an employee is absent because of illness, injury, or quarantine in excess of three days, the employee may be required to furnish a certification as to the incapacity from the attending physician. The appointing authority may require certification for such other period(s) of illness as is appropriate. If the required certification is not furnished, all absence which would have been covered by such certification shall be indicated on the time and attendance record and the payroll as absent without leave (AWOL). (See § 10-20 2-620(c))

History/Comment [Expand]

§ 10-20.2-640 Disposition of Leave upon Separation

(a) Annual Leave

(1) An employee separated from the Personnel Service for any reason shall receive a lump-sum payment for all annual leave accrued to the employee's credit and remaining unused at the time of separation. If the employee returns to duty in any capacity with the government before the accumulated term of leave would have expired, had it been liquidated in the normal course of employment, the employee must return to the government the gross value of such unused leave and have those hours of leave re-credited to the employee's annual leave account.

(2) For example, if an employee has 360 hours annual leave to his credit upon separation, that represents 45 days of annual leave. If the employee returns to government employment before the passage of 45 work days, the employee is required to make a refund for the unexpired term of leave remaining.

(3) If the employee in the above example separates from government employment December 31, is offered an opportunity to return to duty with the same classification and pay, accepts, and returns to work March 15, 34 work days or 272 hours would have elapsed (one holiday occurred in February) between separation and return to duty. Such employee would be required to repay to the government the value of 88 work hours, the difference between the 360

accumulated hours granted through lump-sum payment, and the 272 hours of elapsed time between separation and return to duty. Repayment may be through lump-sum cash prior to resuming duty status, payroll deduction or assigning to the government all annual leave accrued subsequent to returning to duty until the repayment is completed.

(b) Sick Leave. An employee separated from the Personnel Service for any reason shall have all sick leave accrued to the employee's account held in the leave records for three years. Should the person be reemployed in the Personnel Service at any time during that three year period, the sick leave balance shall be re-credited to the employee's sick leave account and available for use from the first day of reemployment. Provided, however, that an employee separated from the Personnel Service for retirement purposes, and whose unused sick leave has been converted to service time to determine eligibility in the retirement program, shall not be recredited for such sick leave balance. (See 1 CMC § 8301 as amended.)

History/Comment [Expand]

§ 10-20.2-645 Responsibilities

(a) The employee shall be responsible for initiating a request for leave using such forms, documentation, and explanatory material as may be required. Such request shall be initiated, sufficiently in advance so as to enable management to make the necessary staff adjustments. Management shall review all leave requests and may approve, disapprove or modify any leave request.

(b) The Personnel Officer shall be available for advice and assistance to the employees and to all management agencies in matters concerning leaves and shall be responsible for the final decision in leave disputes and interpretation and application of leave policy.

History/Comment [Expand]

§ 10-20.2-650 Administration of the System

(a) Leave Year. For administrative convenience, leave accumulations and usages are based upon the leave year. A "leave year" is that period of 52 consecutive weeks (26 pay periods) which begins on the first day of the first full pay period of the calendar year and ends on the last day of the last pay period which ends in that calendar year. For example, if the first day of the first pay period in the new year is January 11, then the leave year ends on January 10 the following year.

(b) Employee's Right to Annual Leave. Employees have a legal right to accumulate annual leave, but the right to use that leave is contingent upon management's requirements. Thus, it is incumbent upon managers and employees to agree mutually as to the duration of annual leave and the period of taking. A manager is wholly within managerial rights to deny an employee's request for annual leave if that denial is based upon demands of the Personnel Service. The manager is obligated, in event of a denial, to suggest to the employee a more appropriate time for taking annual leave.

(c) **Vacation Scheduling.** The government urges and encourages employees to use annual leave for the purpose for which it is intended. That is for rest and relaxation. The government considers that a "vacation" of not less than two consecutive weeks of annual leave meets the basic intent of annual leave provisions. To avoid confusion, recriminations, disappointments, and grievances, managers are urged to schedule vacation periods for their employees, bearing in mind employees' preferences, needs and desires, so that the work force will not be unduly affected by employee absences. In event of conflict between employees over choice of a vacation period, government seniority or some other device, consistently applied, may be used to resolve such conflicts.

(d) **Lump Sum Leave Payment Upon Separation.** When an employee is separated from the Personnel Service, the employee is entitled to the payment of unused annual leave in a lump sum. However, lump-sum leave payment shall not be processed for an employee who has not completed the requirements of § 10-20.2-256

History/Comment [Expand]

APPENDIX B: CONFIDENTIALITY FORM



Commonwealth of the Northern Mariana Islands
Office of the Attorney General

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Caller Box 10007, Capitol Hill
Saipan, MP 96950

EDWARD MANIBUSAN
Attorney General

LILLIAN A. TENORIO
Deputy Attorney General

CONFIDENTIALITY AGREEMENT AND POLICY

It is the policy of the Office of the Attorney General ("Office") to maintain the Confidentiality of all information received and maintained. Information within our Office's Custody and control are all confidential unless otherwise deemed public by the respective Chiefs. All information should be treated with the same care, regardless if they refer to victim(s), perpetrator(s), person(s) of interest, staff, or pending cases.

As an employee of the Attorney General's Office, I understand that I am never to discuss or review, for any personal reasons, any information maintained by the Office. I also understand that I am never to reveal any information maintained by the Office to anyone not employed by the Office without first obtaining the written authorization of the Attorney General. In addition, if I am ever faced with a situation where I may be revealing confidential information, I will always err on the side of caution and refer to my Chief or anyone above him/her.

Furthermore, I pledge that I will not disclose any information received or maintained by the Office, in a manner that is inconsistent with this Confidentiality and Policy Agreement. I understand that any violation of this Confidentiality and Policy Agreement could result in the immediate termination of my employment.

Employee's Full Name (Please Print)

Date: _____

Employee's Signature

Date: _____

Edward E. Manibusan
Attorney General

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Facsimile: (670) 664-2349

Criminal Division
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Facsimile: (670) 234-7016

Attorney General's Investigative Division
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APPENDIX C: INTERNAL MEMO RE OPEN
GOVERNMENT ACT



Commonwealth of the Northern Mariana Islands
Office of the Attorney General

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To: Governor, Lt. Governor, Cabinet Secretaries
From: W. Allen Hazlip, Assist. Attorney General
Date: July 13, 2011
Re: Protocol for Disclosure of Public Records under the Open Government Act

Introduction

The government annually receives scores of requests from individuals seeking access to public records under the Open Government Act (1 CMC §§ 9901-9918) ("OGA"). Requests are addressed to the individual public offices, departments and instrumentalities ("agencies") of the Commonwealth and it is the responsibility of the agency that receives a request for public records to comply with the requirements of the OGA.

The statute does not provide a procedure for making or responding to a request for public records, however, but does provide a very technical list of specific kinds of information that are exempt from public disclosure. This often leaves recipient agencies uncertain of how to respond to an OGA request. The result is that some public records requests are neglected entirely and the government's responses to OGA requests are inconsistent as between the different agencies. The uncoordinated handling of OGA requests by individual agencies through ad hoc procedures also prevents making any assessment of the total number of requests received by the government or any statistical evaluation of requests, including the Commonwealth's compliance costs.

This memorandum is intended to provide a suggested protocol or procedure for department heads to follow when faced with a request for public records made under the OGA. The procedure relies upon prompt and effective communication between a responsible employee familiar with agency records and a central legal advisor at the Office of Attorney General. Although legal guidance is available at every step, the responsible agency employee processing the request should have a general understanding of the requirements of the OGA.

Basics of OGA Public Records Disclosure

1. **Policy:** The statute essentially guarantees that public records will be freely accessible to the public. Public policy requires the government to conduct its affairs in a manner that permits public scrutiny, so the records of a public agency that show official conduct or the operations of government must be made available for public inspection. All persons are entitled to full and complete information about the actions of the government and are entitled to be informed so that they can fully participate in the democratic process.

The public interest promoted by the statute is the interest of every person in knowing “what the government is doing.” The statute recognizes that the public also has an interest in personal privacy and in the effective functioning of government, providing particular exemptions to the general rule of disclosure based upon these competing interests. The OGA does not recognize a personal interest on the part of a person requesting documents or any particularized interest of a public agency in withholding records. Therefore, the identity of the requester and their purpose for examining the records is irrelevant to the operation of the OGA; compliance focuses only on the correct identification and characterization of the requested records.

It is important to keep in mind the legislative purpose and public policy embodied in the Open Government Act because the statute itself provides very little guidance for making or responding to public records requests. The particular requirements for accommodating such requests can only be inferred from the sparse provisions of the statute considered together with its purpose.

2. Statutory Requirement: The CNMI’s public records disclosure law is contained in only two sections of the Open Government Act, at 1 CMC §§ 9917-9918. Section 9917(a) imposes a strict duty on government agencies to make public records “available for inspection by any person during established office hours” within 10 days of a request. Subsection (b) of § 9917 requires the agency to provide copies of records to the requester on payment of a reasonable fee and also authorizes a direct action in the superior court by any person unlawfully denied access to public records.

The statute only applies to an agency’s public records. A “public record” is defined as any record the agency is “required by law to keep,” or which “it is necessary for the agency to keep in discharge of duties imposed by law.” 1 CMC § 9902(f). This is a narrower definition of “public record” than is found in the public records laws of most states. It reflects the intention that the records to be made available by the OGA are the records that show the actions of government, and it structurally serves to minimize the number of specific exemptions that a broader definition would require.¹

The OGA does not define “request” and sets forth the duty of the public agency in a passive form (“shall be available”), avoiding any prescription for the proper form or manner of making or responding to a request for public records. The strict obligation to have the requested records available within 10 days of a request, however, implies the more particular duties that are necessary for its satisfaction. An agency, for example, must maintain its records in a manner that makes records accessible upon request and it must be able to activate a command and control procedure that is sufficient to accommodate the request within the prescribed time period. On the other hand, the requester must present the request in a form and manner that makes it possible for the public agency to fulfill this duty.

3. Exemptions: Section 9918(a) of the Open Government Act lists thirteen categories of records or information that are exempt from the disclosure obligation imposed by Section 9917(a). The individual exemptions are each crafted to exempt material that, if publicly disseminated, would interfere

¹ For example, the Florida Public Records Act broadly defines “public records” to include all documents “made or received... in connection with the transaction of official business.” Fla. Stats. § 119.011(12). The State of Washington defines “public records” as any kind of writing “relating to” the conduct of government, including its proprietary functions, which is “prepared, owned, used, or retained by any state or local agency.” Rev. Code Wash. § 42.56.010(2).

Washington’s Public Records Act specifically exempts from public disclosure 131 kinds of records or information and establishes a permanent committee to review and recommend additional exemptions. RCW § 42.56.140. Florida has a total of 714 exemptions to its Public Records Act: forty-four are included in the Act itself, and 670 were enacted and appear in separate legislation. By comparison, the CNMI Open Government Act contains only thirteen specific exemptions. 1 CMC § 9118(a)(1)-(13).

with one or both of the countervailing public interests mentioned above: i.e., personal privacy (including safety) or the effective functioning of government. The exemptions are not applied on the basis of these principles, however, but are strictly construed and narrowly applied according to the precise language of each exemption. Conversely, if a record falls under the literal terms of an exemption, but disclosure of the particular record would cause no actual harm to these interests, the exemption will not apply and the record must be released. 1 CMC § 9918(b).

A public record containing exempt material is not exempted from disclosure if it is possible to delete the exempt portions of the record prior to its release. § 9918(b). An agency must notify the requester if it has withheld or redacted a record on the basis of an exemption, and must cite the specific exemption and explain why it applies to the record. § 9918(d).

Procedure for Processing OGA Requests for Public Records

The head of an agency is the legal custodian of the agency's records and agency personnel are ultimately responsible for determining what documents are responsive to each request. Neither the requester nor the assistant attorneys general who assist with the request can be expected to know what records an agency keeps or the manner in which its files are organized. Problems with the interpretation of a request—for example, whether improperly described records or an overbroad request would make it unreasonable to conduct a search—can only be resolved by applying an understanding of the statutory requirements to a knowledge of what records the agency actually possesses. Initiating and maintaining communication between the recipient agency and the Office of Attorney General is therefore essential to the effective processing of requests.

STEP ONE: Receive, Calendar and Copy

The written request must be date-stamped as received by the agency. The request must be copied and an employee familiar with agency records must be designated as the responsible contact person for processing the request. A final response date must be calendared for 10 calendar (not working) days after the date the request is received. A copy of the request must be forwarded to the Office of Attorney General. If the responsible agency employee upon initial examination of the request finds that it is unclear or presents issues that may prevent the successful processing of the request, these issues and any questions are to be communicated to the Office of Attorney General along with the delivery of a copy of the request.

STEP TWO: Identify and Locate Requested Records

The agency employee must interpret the request in light of the kinds of records that the agency keeps. Requesters rarely ask to see a specific file or a discrete record of an agency, but almost always ask for some kind of information. It is typical for requests to be written in very broad terms and often requests (usually from lawyers) appear to be demands for an excessive amount of documentary minutia (e.g., "each and every/any and all... documents, notes, letters, emails, phone logs..." etc.). Avoid reading the request so strictly that it makes any compliance impossible. "Interpreting" a request is simply understanding or figuring out in general what information the requester is looking for, so that the existing agency records that possibly contain this information can be identified (see, IV., *Infra*).

A search should include all records that may contain the requested information. Records that are potentially responsive to the request should be gathered without regard to whether they contain exempt material or could later be found to be outside the scope of the request. Resolve any doubts by including potentially responsive documents.

The search should begin immediately after the request is received by the agency, even when questions have been submitted about parts of the request. If the search reveals additional problems with the request or it appears that the quantity of requested records cannot be gathered within the remaining time, communicate these issues at once to the Office of Attorney General. The OAG may contact the requester, if necessary, to seek a clarification or limitation of the request, or an agreement to make records available at a later date or on an installment basis.

STEP THREE: Legal Review of Gathered Records

Once the potentially responsive records have been collected and set aside, the entire set of documents must be submitted for legal review. The OAG will review the collected records for overall responsiveness and to determine which documents or parts of documents are exempt from public disclosure. The request will be entered on a log recording the name of the requester and/or requester's legal representative, date of receipt, the records requested, the records collected in response to the request and the dates that the records were submitted for legal review, returned to the submitting agency and made available to the requester. The OAG will promptly return the collected records to the agency with a detailed memorandum identifying each document or item within the set of records that must be withheld or redacted and explaining the statutory basis for each exemption claimed.

STEP FOUR: Finalization and Release of Records

The OAG will return the submitted set of records after segregating documents that are exempt from disclosure and specifically explaining which parts of the remaining documents require redaction. The agency must perform the actual redactions and re-copying of documents as may be required to make its records properly available to the requester.

When the necessary deletions have been completed, the agency should notify the requester and the OAG that the processing is complete and that the requested records are currently available for public examination. Public examination of the records should take place in a space provided by the agency where the requester is reasonably free from intimidation or interference but is not so private that it creates a risk of loss or damage to the records.

Summary & Further Issues

The goal is to process all requests for public records made under the Open Government Act through the Office of Attorney General where the requests will receive a centralized review. The purpose of this procedure is to provide a consistent interpretation and application of the technical requirements of the Act to enable the uniform treatment of all OGA requests that are made to government agencies. This requires some agencies to break from their existing practices of referring OGA requests to their own legal counsel or simply responding to requests without seeking any legal guidance at all.

Although the proposed procedure is simple in form, there are significant challenges to its successful implementation. Some obstacles derive from the difficulties inherent in the OGA itself. Unlike its model legislation, the OGA does not provide for its administration by establishing and authorizing disclosure personnel, creating an administrative body, or by enabling any existing agency to promulgate public disclosure regulations. In the CNMI, therefore, government agencies do not employ dedicated "disclosure specialists" who know both the law and the records of the agency.

The situation is complicated by the fact that agency record-keeping in the CNMI is not regulated and standardized to the extent that it is in the jurisdictions that supplied the model for the OGA, making

the model of compliance presumed by those statutes (identifying the responsive files and retrieving them from an indexed archive) unrealistic in the Commonwealth. The absence of a public records-keeping policy in the CNMI combined with the lack of a public information-disclosure administration has the result that most of our searches for public records require what these jurisdictions would classify as an “extraordinary” or “extensive” search.²

Moreover, the person conducting the search must make “mixed” judgments of law and fact even at the first steps of the search process. A remote legal adviser unfamiliar with the nature or state of the agency’s records can only provide general explanations of what the statute requires. The agency employee may be discouraged from proceeding with the search by uncertainty or a belief in the risk that a subsequent legal review will find that their efforts have been wasted.

Government agencies with assigned or employed legal counsel, and counsel themselves, will naturally feel a reluctance to refer OGA requests outside the agency for legal review. Attorneys working at a government agency will likely be familiar with its records and be in a better position to provide efficient assistance. An agency may find the proposed procedure cumbersome and a waste of time for simple OGA requests that raise no apparent legal questions, particularly if it routinely responds to such requests. For requests that are unproblematic or can be efficiently handled by agency counsel, there may appear to be no benefit to the agency in sending the request off for review and there will be little motivation to copy the OAG on these requests.

OAG review of public records requests has sometimes produced the opposite motivational effect as well. Agency personnel may take the general view that an OGA request is a problem—a “legal problem” in particular—presented to the agency. By delivering a copy of the request to the Office of Attorney General they may feel that they have appropriately dealt with the request by referring the “legal problem” to the lawyers to handle. Consequently, even where the request is clear on its face and no questions were raised by the agency in its notice to the OAG, the agency may take no further action on the request.

Communication and training are essential to overcoming these obstacles. The CNMI Open Government Act imposes a strict obligation on the government and provides no excuse for noncompliance. At the same time, the public records provisions of the OGA, particularly its exemptions, are difficult to interpret and there are reasonable disagreements among lawyers regarding the practical requirements of the statute.

It is important that the Commonwealth government should have one policy on the issue and respond to public records requests in a consistent manner. The majority of OGA requests are received from a few requesters who make serial requests of certain agencies or blanket requests from multiple agencies all at the same time. In any action brought by a requester to enforce the provisions of the OGA, the Commonwealth courts will liberally construe the statute in favor of the requester and strictly construe the statute against the government. The Commonwealth will be found liable if the position it has taken in

² See, Fla. Stats. 119.07(4)(d), which provides in part that an agency may charge the requester for its labor costs in cases where the volume or nature of the records requested “is such as to require extensive use of information technology resources or extensive clerical or supervisory assistance by personnel of the agency involved.” The statute does not define “extensive.” Regulations adopted by the Florida Department of Corrections, however, incorporated the statutory language and added the following definition: “For the purpose of this rule, ‘extensive’ means that it will take more than 15 minutes to locate, review for confidential information, copy and refile the requested material.” Rule 33-1.004(3), F.A.C. The FDOC’s regulatory definition of “extensive” was upheld as reasonable by the Florida appellate court and has been followed by other state agencies. *Florida Institutional Legal Services, Inc. v. Florida Dept. of Corrections*, 579 So.2d 267 (Fla. 1st DCA 1991), *rev. denied*, 592 So.2d 680 (Fla. 1991).

response to an OGA request is concluded by the court to be incorrect; but such conclusion is inevitable if the Commonwealth has taken multiple positions in response to the same request.

It is also important to track and record the public records requests received by the individual public agencies. As noted above, the CNMI's Open Government Act uniquely lacks provisions that would enable a government office or entity with the responsibility to manage public records disclosure. Two unremedied consequences of this omission are that: (1) Neither the Office of the Governor nor any other office or branch of the Commonwealth government knows how many or what kinds of OGA requests the government receives, the source and frequency of the requests, or the government's success rate for satisfying requests; and (2) appropriation that could be made for the administration of an act is generally unavailable to cover the costs of simple compliance with the statute, but the "administrative" cost of diverting agency resources from agency functions to the processing of OGA requests is presumably significant and presently unknown.

Central monitoring and tracking of all OGA requests is essential to obtaining the information the Commonwealth needs to effectively manage its compliance with the Open Government Act. This will allow the Commonwealth to coordinate responses to multiple requests, prompt agencies to provide timely responses, and to assess the overall impact of the OGA on the government and make informed policy. The OGA imposes on every government agency a distinct affirmative duty different from the functional duties of each agency, but which is uniform throughout the Commonwealth. For the government to have a consistent policy with respect to its obligations under the OGA, individual agencies must refrain from developing their own interpretations of the OGA in consultation with agency counsel. The procedure proposed herein is aimed to consolidate the review of OGA requests under one roof so that separate agencies are guided by one interpretation of the statute.

W. Allen Hazlip, T0067
Assistant Attorney General

Attachments

- A. OGA Public Records Disclosure Protocol
- B. Public Records Provisions of the Open Government Act of 1992
- C. Responding to OGA Requests for Public Records

A.

CNMI Open Government Act

Protocol for Processing OGA Requests for Public Records

STEP ONE: Receive, Calendar and Copy the Request

- Stamp the request with the date received and scan it to make a record.
- Deliver the request to the employee responsible for coordinating the department's response.
- Record ten (10) calendar days from the date of receipt as the last possible date for compliance.
- Forward a copy of the request to the Office of Attorney General. Include any initial questions or issues that you may have regarding the request.

STEP TWO: Identify and Locate Requested Records

- Begin immediately to look for the requested records, even if there are questions about the request. The government office that receives an OGA request is the one responsible for providing a response to the request and this must be done within 10 days.
- Analyze the request to determine what kind of information the requester is looking for and then consider what kinds of records there are which could contain this information.
- Collect all records that are potentially responsive to the request. If there are doubts about a particular document, include that document as well. If there are doubts about a particular class of documents and it would require an extensive effort to collect documents of that kind, contact the Office of Attorney General for instructions.
- Assemble the potentially responsive records in the form that they would be presented to the requester. Deliver the records to the Office of Attorney General for legal review.

STEP THREE: Legal Review of Collected Records

- The collected records are examined for actual responsiveness and to determine which documents or parts of documents are exempt from public disclosure.
- The set of records are returned with a memorandum indicating the documents to be released or withheld and any redactions to be made, citing the legal basis for each nondisclosure.

STEP FOUR: Finalization and Release of Records

- Perform any redactions as instructed by the means that are most feasible.
- Contact the requester to schedule a time and location for examining the records. Copy the Office of Attorney General with this communication and any subsequent communications with the requester.

B.

Public Records Provisions of the CNMI Open Government Act

**COMMONWEALTH CODE
TITLE 1: GOVERNMENT
DIVISION 9 MISCELLANEOUS PROVISIONS**

CHAPTER 9. Open Government Meetings and Records.

§ 9901. Legislative Declaration.

The legislature finds and declares that all public commissions, boards, councils, committees, subcommittees, departments, divisions, offices, and all other public agencies of this Commonwealth exist to aid in the conduct of the peoples business. It is the intent of this chapter that their actions be taken openly and that their deliberations be conducted openly.

The people of the Commonwealth do not yield their sovereignty to the agencies which serve them. The people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know. The people insist on remaining informed so that they may retain control over the instruments they have created.

The provisions requiring open meetings and open records shall be liberally construed, and the provisions providing for exceptions to the open meeting requirements and open records requirements shall be strictly construed against closed meetings and nondisclosure of records.

§ 9902. Definitions.

As used in this chapter, unless the context indicates otherwise:

* * *

(e) Public agency means:

(1) Any Commonwealth board, commission, committee, department, education institution, or other Commonwealth agency which is created by or pursuant to statute, constitution, or the Covenant, except the judiciary;

(2) Any municipality or political subdivision of the Commonwealth; and

(3) Any subagency of a public agency which is created by or pursuant to statute, ordinance, or other legislative act.

(f) Public record means any record which a public agency is required by law to keep or which it is necessary to keep in discharge of duties imposed by law. Such public records may include, but are not limited to, any written or printed report, book or paper, map or plan, but shall not include records which invade the right of privacy of an individual or business entity.

§ 9903. Right of Privacy.

A persons right to privacy, right of privacy, or personal privacy, as these terms are used in this chapter, and as guaranteed by N.M.I. Const. art. I, § 10, is invaded or violated when an intrusion

into an individual's right of privacy is beyond what is necessary to accomplish a compelling governmental interest in protecting the health, safety or welfare of the community. For the purposes of this chapter, protecting the health, safety or welfare of the community includes, but is not limited to, enforcing laws, protecting the health of the people, and permitting the dissemination of public information.

* * *

§ 9913. Legislative Branch: Applicability.

The public records of the Legislative Bureau shall be subject to 1 CMC 9917. Any request to make a public record available for inspection or copying pursuant to 1 CMC 9917 shall be subject to the exemptions listed in 1 CMC 9918.

* * *

§ 9915. Violations: Personal Liability Penalty; Attorney Fees and Costs.

(a) * * *

(b) Any person who prevails against a public agency in any action of the courts for a violation of this chapter shall be awarded all costs, including reasonable attorney fees, incurred in connection with such legal action. Any public agency which prevails in any action in the courts for a violation of this chapter may be awarded reasonable expenses and attorney fees upon final judgment and written findings by the trial judge that the action was frivolous and advanced without reasonable cause.

§ 9916. Violations: Mandamus or Injunction.

(a) Any person may commence an act either by mandamus or injunction for the purpose of stopping violations or preventing threatened violations of this chapter by members of a governing body.

(b) *Accelerated Hearing: Immediate Compliance.*

(1) Whenever an action is filed to enforce the provisions of this section, the court shall set an immediate hearing, giving the case priority over other pending cases.

(2) Whenever a court orders an agency to open its records for inspection in accordance with this section, the agency shall comply with such order within 48 hours, unless otherwise provided by the court issuing such order, or unless the appellate court issues a stay order within such 48 hour period.

(3) A stay order shall not be issued unless the court determines that there is a substantial probability that opening the records for inspection will result in significant damage.

(4) Upon service of a complaint, counterclaim, or cross-claim in a civil action brought to enforce the provisions of this section, the custodian of the public record that is the subject matter of such civil action shall not transfer custody, alter, destroy, or otherwise dispose of the public record sought to be inspected and examined, notwithstanding the applicability of an exemption or the assertion that the requested record is not a public record subject to inspection and examination under 1 CMC 9918, until the court directs otherwise. The person who has custody of such public record may, however, at any time permit inspection of the requested record as provided in 1 CMC 9918 and other provisions of law.

§ 9917. Public Records: Availability for Inspection; Cost of Copies.

(a) Within 10 days of a request, all public records shall be available for inspection by any person during established office hours unless public inspection of such records is in violation of any Commonwealth or federal law; provided that, except where such records are open under any rule of court, the Commonwealth Attorney General or designated assistant attorney general and the responsible attorneys for federal agencies may determine which such records in their offices may be withheld from public inspection when such records pertain to the preparation of the prosecution or defense of any action or proceeding, prior to its commencement, to which the Commonwealth is a party, or when such records do not relate to a matter in violation of law and are deemed necessary for the protection of the character or reputation of any person.

(b) Copies of public records shall be given by the officer having custody to any person demanding the same and paying a reasonable charge for duplication. Charges shall not exceed the amount necessary to reimburse the agency for its actual cost incident to such copying. No charge or fee shall be charged for the mere inspection of public records. Recourse may be had to the Commonwealth Superior Court by any person unlawfully denied access to public records. Cost of suit and reasonable attorney fees shall be awarded to the prevailing party in such a suit.

(c) *Penalties.* Any public officer who violates any provision of this section is guilty of a noncriminal infraction, punishable by a fine not exceeding \$500. Any person willfully and knowingly violating any of the provisions of this section is guilty of a misdemeanor punishable by a term of imprisonment not exceeding one year, or by a fine of up to \$1,000, or both.

§ 9918. Certain Personal and Other Records Exempt.

(a) The following are exempt from public inspection and copying:

(1) Personal information in any files maintained for students in public schools, patients or clients of public institutions or public health agencies, welfare recipients, prisoners, probationers, or parolees.

(2) Personal information in files maintained for employees, appointees, or elected officials of any public agency other than names, present and past position titles, grades, salaries and duty stations.

(3) Information required of any taxpayer in connection with the assessment or collection of any tax.

(4) Specific intelligence information and specific investigative records compiled by investigative law enforcement, the Attorney General's office, penology agencies and Commonwealth agencies vested with the responsibility to discipline members of any profession, the nondisclosure of which is essential to effective law enforcement or for the protection of any persons right to privacy.

(5) Information revealing the identity of persons who file complaints with or volunteer information to investigative agencies, law enforcement agencies, the Attorney General's office, or penology agencies, if disclosure would endanger the persons life, physical safety, or

property; provided, that if at the time the complaint is filed the complainant indicates a desire for disclosure or nondisclosure, such desire shall govern.

(6) Test questions, scoring keys, and other examination data used to administer a license, employment, or academic examination.

(7) Preliminary drafts, notes, recommendations, and intra-agency memoranda, including lawyers work product and lawyer legal opinions in which opinions are expressed or policies formulated or recommended, except that a specific record shall not be exempt when publicly cited by an agency in connection with any agency action.

(8) Records which are relevant to a controversy to which an agency is a party but which records would not be available to another party under the rules of pretrial discovery for causes pending in the courts.

(9) Records, maps, or other information identifying the location of archaeological and specially protected environmental sites in order to avoid the looting, destruction or degradation of such sites.

(10) Any library record, the primary purpose of which is to maintain control of library materials, or to gain access to information, which discloses or could be used to disclose the identity of a library user.

(11) The residential addresses and residential telephone numbers of the customers of a public utility contained in the records or lists held by the public utility of which they are customers.

(12) Juvenile, delinquency or dependency records, and any personal information which discloses or could be used to disclose the identity of, or otherwise could identify to the public, a juvenile who is the victim or alleged victim of a violent or abusive crime, including but not limited to rape, sexual molestation of any degree, or assault and battery.

(13) Department of Public Safety internal investigation records.

(b) The exemptions of this section are inapplicable to the extent that the information, the disclosure of which would violate personal privacy or vital governmental interests, can be deleted from the specific records sought. No exemption may be construed to permit the nondisclosure of statistical information not descriptive of any readily identifiable person or persons.

(c) Inspection or copying of any specific records exempt under the provisions of this section may be permitted if the Commonwealth Superior Court finds, after a hearing with notice thereof to every person in interest and the agency, that the exemption of such records is clearly unnecessary; to protect any individuals right of privacy or any vital governmental function.

(d) Agency responses refusing, in whole or in part, inspection of any public record shall include a statement of the specific exemption authorizing the withholding of the record (or part thereof) and a brief explanation of how the exemption applies to the record withheld.

[END OF CHAPTER]

C.

W. Allen Hazlip
May 21, 2010

Responding to OGA Requests for Public Records

The "Public Records" sections of the Open Government Act only requires government agencies to make public records "available for inspection by any person during established office hours" within 10 days of a request, and to provide copies of records to the requester on payment of a copying fee. 9 CMC § 9917(a), (b). A "public record" is any record the agency is "required by law to keep," or which it is necessary for the agency to keep "in discharge of duties imposed by law." § 9902(f).

The OGA only applies to records already in existence at the time of a request. It is inappropriate for an agency employee to generate a new record in response to a request. The agency's obligation in responding to a request is to identify which of the records in its custody may contain the information sought by the requester and to make these available for inspection. Agency personnel are required to make every reasonable effort to *search* for records that are responsive to a request, but are not required to *research* the records to provide answers to questions or to compile a new document or file.

Often, the individuals making OGA requests do not understand the nature of the government's basic obligation under the Act. The agency is commonly asked to answer topical questions or to provide explanations for government policy or actions and the requester will sometimes ask the agency to report back in a prescribed format. Requesters typically frame their requests in terms of "all information on..." or "all files showing..." or "related to..." followed by a reference to a newsworthy individual, a stated issue of current public concern, or even to a legal conclusion (e.g., "...the government's breach of fiduciary duty."). Although such requests are overly broad and go well beyond the demand to view an existing public record, they should not be rejected on this basis.

A person requesting access to public records cannot be expected to know the format in which the records are kept or the filing system of the particular agency. On receiving a written request, the first step required of the custodian of records is to interpret the request as one made under the OGA. This means examining the written request, however it may be phrased, to find anything that may be translated into a request to see specific records. The "information" sought through the request is relevant only for the purpose of identifying the record or set of records that contain the information, so these records may be located and made available. The OGA does not require the compilation of data the agency does not ordinarily keep.

The custodian of records will not be able to take even this first step in cases of certain improper requests, particularly those requiring the records clerk to *interpret* the documents in the public records. An example is where the request is for all documents "used for," "which support," "demonstrating," "verifying," or "justifying" some stated fact or conclusion. The identification and gathering of records according to these criteria would require the custodian to exercise his or her own judgment as to the meaning, prior use and relative importance of various items within the public record. The custodian's delivery of records on this basis could be regarded as an admission of the agency's position regarding the issue posed by the requester.

The OGA prescribes no format or procedure for making requests. Other than setting a 10-day response period and requiring the copying of documents for a fee, the OGA prescribes no procedures for government bodies to follow when responding to a request. 9 CMC § 9917(a), (b). A proper request and a proper response from the agency, therefore, are determined by the test of reasonableness in relation to fulfilling the terms and policy of the OGA. In states with similar public records laws, and under the federal Freedom of Information Act (FOIA), a proper request for public records must contain: (1) a request for records; and (2) a reasonable description of the records sought, which must be sufficient to enable an agency employee familiar with the records to locate the requested records with a reasonable amount of effort.

A request that is either vague or so broadly stated that the clerk would have to guess which records are responsive to the request or would require the clerk to spend hours fishing through agency files to locate the responsive documents is not a proper request because it fails to “reasonably describe” the records sought. This kind of request, however, should be distinguished from one that is simply burdensome. A request is sufficient in form if it describes the records sought with enough clarity to permit the records to be located with reasonable effort; it does not matter that the identifiable records are voluminous. In some cases, courts have upheld a government agency’s refusal to conduct an unreasonably burdensome *search* for specifically described records, but the general rule is that a person is entitled to access all non-exempt public records maintained by the agency without regard to the quantity of documents requested.

Sometimes a request that appears to be overly burdensome is in reality just vague. Requesters often feel compelled to describe every possible type of documentary minutia that they want the custodian to look for and they may even include explicit search instructions. Examples are requests for “all letters, ‘post-its,’ e-mails, personal notes, journal entries... [etc.]” or “documents segregated by each office in which they are located and containing the words ‘casino’ and ‘board’ but not ‘Tinian.’” These statements are superfluous and do not affect the steps that the agency must take to make its public records available. Because the OGA defines a “public record” by its function, whatever its written form, a long list of many kinds of writings adds nothing to the scope or quantity of public records requested. There is no obligation to follow the requester’s instructions, look for particular forms of writings, or to do anything other than allow the requester access to the “public records” (not “documents”) specified in the request. Insofar as the request is made in terms of “document-types” or “manner of search,” it neglects to describe an identifiable public record and to this extent it is vague.

The second step to be taken by the custodian at this point depends upon whether or not the particular request is proper; i.e., whether it can be fairly interpreted as a request to view reasonably described public records that are under the control of the agency. If the writing appears to be an OGA request, but is truly insufficient in this respect, the custodian should respond in writing to the requester with a notation as to each deficiency in the request that prevents the government from complying. Courts have held that government agencies have an implied duty under public records laws to assist requesters in reformulating their requests to clarify the scope of the request and to facilitate the requester’s designation of the relevant public records according to the manner in which they are kept by the agency. A response seeking clarification from an OGA requester must not appear dismissive or defensive in tone, but should be genuinely aimed at helping the person to locate the information they are seeking.

If the request is sufficiently stated, the custodian's second step is to review the agency's records to correlate the items of information or kinds of documents described in the request with the content of the actual records as they are actually kept, so that specific records matching the requester's criteria can be located. It is expected that an agency employee with responsibility for maintaining the records will have an organizational knowledge sufficient to identify the kinds of files or other repositories which contain the requested public records. If there are no responsive records because the public records are actually the records of another department or agency, the request should be referred with this explanation to the other department or agency with a copy of the referral sent to the requester.

The initial correlation of the items requested with the contents of the agency's actual files and records may show that the requested documents are disbursed among a broad range of files, incorporated within larger documents and records, or may only exist in an unorganized and non-indexed form within the entirety of the agency's public records. In this event, as always, the adequacy of the search effort is determined by the test of what is reasonable. There is no requirement to search through all record systems or to manually sift through all documents in the possession of the agency. The fundamental objective is to provide public access to public records, not to provide personal research services for private individuals.

The search is reasonable if there is a good faith attempt to locate the relevant records by methods which can be reasonably expected to produce the information requested. An attempt is in "good faith" when the search is conducted in the same manner and to the same extent as would be done if the agency were looking for the same records to fulfill its own purposes. One difference, however, is that the search for OGA purposes is limited to finding the relevant public records so they may be inspected; it is not for the purpose of pulling the various documents from their prior location within the public records and reassembling these into a new record. The existing public records must not be reformatted or reorganized in response to an OGA request.

When the request calls for an extraordinary search effort, it is reasonable to respond to the requester with an explanation of the practical difficulties involved in locating the requested items and to possibly offer a suggestion for reformulating the request or for realistically accommodating the requester's own examination of a large quantity of records. Frequently, the request is for all records containing a person's name or a certain type of document. Where the agency's records are not organized or indexed by these identifiers and an excessively time-consuming manual search would be required, the custodian should propose a means by which the most generally relevant records may be made available for the requester's own search.

An objective "cut-off point" beyond which employee time spent on a search would be excessive is impossible to specify for all cases. This judgment will turn on the distinctive problem presented by the request, the function and organization of the recipient government entity, its system of records and the degree to which the search process interferes with its other operational duties. However, where the public records law of Florida permitted an agency to charge the requester for the full labor costs of performing an "extensive" search, that state's courts upheld a regulation defining "extensive" to mean "that it will take more than 15 minutes to locate, review for confidential information, copy and refile the requested material." On the other hand, courts will reject any claim that a search is excessively burdensome if the difficulty is traceable to the agency's failure to maintain appropriate records in an accessible form. If the latter consideration is not the issue, my rule-of-thumb for OGA requests is that employees should not be required to spend longer than 30 minutes per request searching for records.

Public records include all those stored on electronic media. The principles governing the availability of public records generally under the OGA also apply to computer records. In application, however, the accessibility of electronically stored data and the method for making electronically stored public records available for inspection raise practical issues concerning the agency's proper response to a request. A "public record" is a record that the agency is legally required to keep or which is necessary for its function, and it must already be in existence when the request is made. Printing an electronic record or making redacted copies of documents, however, is not considered to be "creating a new record," provided the contents of the records are unaltered.

Under the OGA, a person has the right to examine on request all of the non-exempt public records that a government agency keeps. The only limitation on such a request, implied by law, is that it be presented in a form and manner that reasonably permits practical compliance by the government. Because an agency cannot hand over all of its records at once, a request for "all of your records" is unreasonable in scope. The request is too vague because it fails to specify any particular records that are capable of being retrieved, or examined, at one time.

Requests approaching this level of generality will usually be too vague to process. In the context of the Freedom of Information Act, federal regulations cite requests for "all records concerning my client" or "all records containing my name" as examples of requests that must be rejected as vague under FOIA. But these are regulations promulgated by individual agencies on the basis of their particular and well-defined records systems. For OGA purposes, the question of the sufficiency of the request should always be determined in light of what records are actually available, not by a simple comparison with these examples. If the custodian is aware that the agency possesses only one discrete and easily retrievable public record that concerns the requester, it would be improper to deny the requester's request for "all records concerning me" on the ground that the request is vague.

Because the sufficiency of a request for public records is tied to the practical feasibility of retrieving records based upon the request, an agency that keeps records in a searchable electronic database may be required to respond to a request that would legitimately be rejected as too vague to process by another agency that lacked these resources. Assuming even that the two agencies kept the same records, the request could sufficiently describe the identifiable public records of one agency but not the other, due solely to the different modes of recordkeeping used by the respective agencies.

The recipient of an OGA request, prior to rejecting the request or embarking upon a search for records, must interpret the request to discover whether the requester is properly seeking public records which exist in some identifiable form within the agency's records. It seems inescapable that a reasonable interpretation of the request must be grounded in knowledge of the agency's records. This element is problematic insofar as the analysis is made subjective and it becomes difficult for the custodian to solicit the benefit of legal opinion on the matter. It is unavoidable, however, because the test of reasonableness that measures the sufficiency of the request can only be applied in relation to the agency receiving the request.

APPENDIX D: LEGAL SERVICES REQUEST FORM



Commonwealth of the Northern Mariana Islands
 Office of the Attorney General
 2nd Floor Hon. Juan A. Sablan Memorial Bldg.
 Caller Box 10007, Capitol Hill
 Saipan, MP 96950

EDWARD MANIBUSAN
 Attorney General

LILLIAN A. TENORIO
 Deputy Attorney General

FORM 1
 2015-_____

LSR NO:

**PRIVILEGED AND CONFIDENTIAL
 ATTORNEY-CLIENT COMMUNICATION**

LEGAL SERVICES REQUEST FORM

Date: _____

Requestor/Contact Name: _____

Name of Department/Public Corporation/Autonomous Agency: _____

Phone No.: _____ Fax No. _____

Email: _____

1. Nature of Request

Summarize your request and the nature of the department/public corporation/autonomous agency's involvement (e.g., contract review, respond to a subpoena, request for legal opinion, etc.). Attach any relevant documents (*Please use another sheet if you need more space*)

2. Date for Response- indicate the date for which a response is expected. _____

3. Do you wish for a written opinion or oral response? _____

All request must be approved by principal head of the department/public corporation/autonomous agency.

Civil Division
 Telephone: (670) 237-7500
 Facsimile: (670) 664-2349

Criminal Division
 Telephone: (670) 237-7600
 Facsimile: (670) 234-7016

Attorney General's Investigative
 Telephone: (670) 237-7625
 Facsimile: (670) 234-7016

Division Domestic Violence Intervention Center
 Telephone: (670) 664-4583
 Facsimile: (670) 664-4589

Name of Approving Party: _____

Signature of Approving Party: _____

Please submit the completed form via mail/email/fax/hand delivery to: Edward Manibusan, Attorney General, 2nd Flr. Hon. Juan A. Sablan Memorial Building, Capitol Hill, Caller Box 10007, Saipan, MP 96950; fax: 670-664-2349; email: attorney_general@cnmioag.org.

This request is confidential communication and should be treated as such. Indicate "Confidential" on the envelope, email, or fax cover sheet.

APPENDIX E: ATTORNEY GENERAL
MEMO RE TRAVEL POLICY



Commonwealth of the Mariana Islands
Office of the Attorney General

2nd Floor Hon. Juan A. Sablan Memorial Bldg.
Caller Box 10007, Capitol Hill
Saipan, MP 96950

EDWARD MANIBUSAN
Attorney General

LILLIAN A. TENORIO
Deputy Attorney General

MEMORANDUM

DATE: 4/24/15
OAGMEMO: 2015-012

TO : ALL EMPLOYEES
FROM : Attorney General
SUBJECT: Travel Policy

It has become necessary that a written policy on official travel be established for the smooth processing and compliance with requirements set by the Department of Finance and the Office of the Governor. By putting a policy in place, it will lessen the burden on the Administrative Section and other agencies of rushing unplanned travel requests.

As a general rule, all requests for official travel must be concurred by the Division Chiefs and approved by the Attorney General or the Deputy Attorney General in my absence. Requests must state the purpose and dates of travel. Upon approval, the request will be forwarded to the Administrative Section for processing.

Please be advised that it has been the Government's policy that official travels outside the CNMI be submitted three to four weeks in advance and inter-island travels one week in advance. I realize that there may be exceptions beyond the control of this office but proper planning on all other cases should be observed.

Additionally, upon the completion of travel, employees are required to complete and submit a Travel Voucher, a form provided by the Department of Finance. In addition, the traveler must submit to the Attorney General with a copy to the Division Chiefs, a report regarding the nature of the travel performed. The report must be submitted no later than 10 business days from the date of return.

Your cooperation to this policy is appreciated.


EDWARD MANIBUSAN

Civil Division
Telephone: (670) 237-7500
Facsimile: (670) 664-2349

Criminal Division
Telephone: (670) 237-7600
Facsimile: (670) 234-7016

Attorney General's Investigative Division
Telephone: (670) 237-7625
Facsimile: (670) 234-7016

Domestic Violence Intervention Center
Telephone: (670) 664-4583
Facsimile: (670) 664-4589

DIRECTIVEDATE: NOV 18 1994
No. 140

TO : All Department and Activity Heads
 FROM : Governor
 SUBJ. : Procedures for Official Travel

In order to attain a more consistent, effective, and efficient travel operation, I have included herein the new procedures for all official travel. I am urging that all department and activity heads inform, and more importantly, educate your employees of these new changes and requirements which will become effective on November 14, 1994. They are as follows:

TRAVEL AUTHORIZATIONS (TAs)

All TA's are to be submitted to the Travel Section in the Office of the Special Assistant for Administration (SAA). As previously stated in my memorandum dated February 22, 1994, the Travel Section is responsible for arranging ALL travel reservations and for purchasing ALL airline tickets (a few exceptions are set forth in the memorandum). In addition, the following procedures shall be followed:

1. All TA forms must be fully completed and submitted to the Travel Section along with all supporting documents including, but not limited to, programs, itinerary, and agenda, pertaining to the purpose of travel. Departments, agencies and allocated units are advised to fully screen and finalize TAs before they are submitted to the Travel Section. The TAs must include the social security number of the traveler.
2. Any type of fee associated with the purpose of travel should be included on the TA; for example, a registration fee for a conference, training, seminar, car rental and land transportation.
3. Any TA that is requested for travelers whose destination requires a flight of five hours or more (point to point), one way, may be accommodated by the Government in flying Business Class or other comparable class. TAs requested for travelers whose destination requires less than five (5) hours will be provided with Economy Class or other comparable class.
4. Any TA that is requested for travel beyond the CNMI, as opposed to inter-island, must be submitted three to four weeks in advance. Any inter-island TA must be submitted one week in advance. The Travel Section and/or the Department of Finance will not be responsible for rushing the processing of any TA in order to meet the travel date.
5. After-the-fact TA requests must be submitted, with justification, to the Governor for review and approval.
6. Outstanding Travel Advance A Traveler with an outstanding travel advance shall not be authorized an additional travel advance unless a travel voucher has been submitted clearing all previous travel advance or, unless the traveler was required to travel within two weeks or less from the last travel performed.

PER DIEM

The amount of per diem allowable for individual traveler varies by destination, and is calculated based on the following fixed scale:

a. Within the CNMI	\$ 85.00/day
b. Guam	\$175.00/day
c. U.S. Mainland (excluding Hawaii, California, New York and Washington, D.C.)	\$200.00/day
d. Hawaii, California, New York and Washington, D.C.	\$250.00/day
e. Far East and Southeast Asia	\$200.00/day
f. Japan	\$275.00/day
g. FSM, Palau, and Marshalls	\$125.00/day

Per diem rates for regions not shown herein will be calculated based on the previously established rates.

GOVERNMENT TRAVEL REQUESTS (GTRs)

GTRs will no longer be picked up at the Department of Finance by the traveler or the department/agency. The authority to issue GTRs is hereby transferred to the SAA. A traveler or department/agency will pick up a ticket at the Travel Section in the Office of the SAA.

In addition, the following changes have been made on the GTR forms:

1. GTRs will indicate the remarks, "Tickets cannot be Reissued or Re-routed". Once the tickets are issued to the traveler or the department/agency, NO changes can be made.
2. GTRs will clearly indicate that any Upgrading of Class assignment will be at the traveler's expense, not the Government's.
3. The last statement of Condition #1 on the present GTR will be deleted because it provides a loophole for the flexibility of change in the GTR.
4. All GTR forms will indicate the name of the Carrier or Y Travel Agent tendered to. This will ensure that all Travel Agencies on the island are equally patronized by the Government.

TRAVEL VOUCHERS (TVs)

As stated in the CNMI-FN-206-76, the filing of a TV is mandatory when funds for per diem and other expenses, honorarium, travel allowance have been obligated on a TA. I emphasize that, for more effective compliance with this rule, department and activity heads will also be held accountable for the filing of TVs by their employees. Therefore, travelers should be aware that it is their responsibility to prepare and submit TVs, complete with social security number, within 15 days after the completion of their travel.

In cases where a travel advance is issued to a traveler, a traveler's non-filing of a TV, within the 15 days grace period will result in the issuance of a notice to the traveler by the Finance Department. A traveler's failure to file a TV within 10 days after the 15 days grace period will

authorize the Finance Department to make a payroll deduction for that certain individual. Please be aware that this notice is also indicated in the Travel Advance forms.

UNUSED TICKETS

If your trip is canceled after a TA is prepared, fill out the Traveler Information portion of the TV. In the Itinerary section of the TV, please print "Trip was canceled". If you received a travel advance check but did not cash it, write the word "VOID" in large letters across the face of the check and attach it with the TA to the voucher. If you have an unused GTR, write "CANCELED" across the face of it and submit it with a TV. If you have any unused airline tickets, please turn them in with the original TA and the TV to the Department of Finance, Finance & Accounting Division. **DO NOT WRITE ON THE TICKETS.** All unused tickets must be accompanied by a report justifying the trip cancellation.

LOST/STOLEN TICKETS

It is the responsibility of the traveler and the department/agency for the security of a ticket once it is issued by the Travel Section. The traveler is responsible for informing the Travel Section/SAA of any lost/stolen ticket. Any fees involved in the retrieving process is at the expense of the traveler.

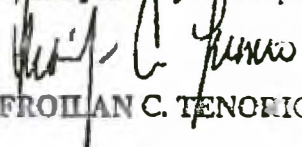
After verification of lost/stolen tickets, a Journal Voucher to the account for the lost ticket will be made by the Department of Finance, and a new GTR will be issued for the procurement of another ticket.

NORTHWEST AIRLINES TRAVEL

Discussions with Northwest Airlines have resulted in the successful negotiation of a discount fare for all travel on official business. This discounted fare will result in substantial savings for the Government. As a result of the agreement entered into with Northwest, the Government must coordinate its travel arrangement. Therefore, each Government traveler must clear through the Travel Section/SAA all reservations and the issuance of travel tickets. You may not contact a travel agency to make Government travel arrangements. We are continuing discussions with Continental Micronesia and United Airlines.

It is very important for the viability of this improved travel operation that we work together in adhering to these new procedures. The Lt. Governor and I believe that, once they are put into practice, the government will be providing a more cost effective and efficient travel operation.

Thank you for your cooperation.


FROILAN C. TENORIO

DIRECTIVE

DATE : JAN 19 1995
NO. 154



TO : ALL DEPARTMENT AND ACTIVITY HEADS

FROM : GOVERNOR

SUBJECT : AMENDMENT TO DIRECTIVE 140-PROCEDURES FOR OFFICIAL TRAVEL

In order to attain a more consistent, effective, and efficient travel operation, I have included herein the new procedures for all official travel. I am urging that all department and activity heads inform, and more importantly, educate your employees of these new changes and requirements which will become effective on November 14, 1994. They are as follows:

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2. Any type of fee associated with the purpose of travel should be included on the TA; for example, registration fee for a conference, training, seminar, car rental and land transportation.
3. Any TA that is requested for travelers whose destination requires a flight of five (5) hours or more (point to point), one way, may be accommodated by the government in flying Business Class or other comparable class. TAs requested for travelers whose destination requires less than five (5) hours will be provided with Economy Class or other comparable class.
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5. After-the-fact TA requests must be submitted, with justification, to the Governor for review and approval.
6. Outstanding Travel Advance A Traveler with outstanding travel advance shall not be authorized an additional travel advance, unless a travel voucher has been submitted clearing all previous travel advances or the traveler was required to travel within two (2) weeks or less

Handwritten notes:
Call the Sec. for...
1/19/95

from the last travel performed.

PER DIEM

The amount of per diem allocated for individual travelers varies by destination, and is calculated based on the following fixed scale:

a. Within the CNMI	\$ 85.00/day
b. Guam	\$ 175.00/day
c. U. S. Mainland (excluding Hawaii, California, New York, and Washington, D. C.	\$ 200.00/day
d. Hawaii, California, New York, and Washington, D. C.	\$ 250.00/day
e. Far East and Southeast Asia	\$ 200.00/day
f. Japan (all locations)	\$ 275.00/day
g. F. S. M., Palau, and Marshalls	\$ 150.00/day

Per diem rates for regions not shown herein will be calculated based on the previously established rates.

GOVERNMENT TRAVEL REQUESTS (GTRs)

GTRs will no longer be picked up at the Department of Finance by the traveler or the department/agency. The authority to issue GTRs is hereby transferred to the SAA. A traveler or department/agency will then pick up a ticket at the Travel Section, SAA.

In addition, the following changes have been made on the GTR forms:

1. GTRs will indicate the remarks, "Tickets cannot be Reissued or Rerouted". Once the tickets are issued to the traveler or the department/agency, **NO** changes can be made.
2. GTRs will clearly indicate that any Upgrading of Class assignment will be at the travelers expense, not the governments.
3. The last statement of Condition #1 on the present GTR will be deleted because it provides a loophole for the flexibility of change in the GTR.
4. All GTR forms will indicate the name of the Carrier or Travel Agent tendered to. This will ensure that all Travel Agencies on the island are equally patronized by the government.

TRAVEL VOUCHERS (TVs)

As stated in CNMI-FN-206-76, the filing of a Travel Voucher is mandatory when funds for per diem and other expenses, honorarium, travel allowance have been obligated on a TA. I emphasize that, for a more effective compliance with this rule, department and activity heads will also be held accountable in the filing of TVs by their employees. Therefore, travelers should be aware that it is their responsibility to prepare and submit TVs, complete with social security number, within 15 days after the completion of their travel.

In cases where a travel advance was issued to the traveler, a traveler's non-filing of a TV, within the 15 days grace period, will result in the issuance of a notice to the traveler by the Finance Department. A travelers failure to file a TV within 10 days after the 15 days grace period will authorize the Finance Department to make a payroll deduction on that certain individual. Please be aware that this notice is also indicated in the Travel Advance forms.

In addition, aside from all the information and documents presently required on TVs, any

programs, itinerary, or agenda pertaining to the travel, and all boarding passes acquired during the travel, as well as a trip report by memo shall be included in the TV. All travel vouchers must contain the signature of your appointing authority.

UNUSED TICKETS

If your trip is cancelled after a TV is prepared, fill out the Traveler Information portion of the TV. In the Itinerary section of the TV, please print "Trip was cancelled". If you received a travel advance check but did not cash it, write the word "VOID" in large letters across the face of the check and attach it with the TA to the voucher. If you have an unused GTR, write "CANCELLED" across the face of it and submit it with a TV. If you have any unused airline tickets, turn them in with the original TA and the TV to the Department of Finance, Finance & Accounting Division. **DO NOT WRITE ON THE TICKETS.** All unused tickets must be accompanied by a report justifying the trip cancellation.

LOST/STOLEN TICKETS

It is the responsibility of the traveler and the department/agency for the security of the ticket once issued by the Travel Section. The traveler is responsible for informing the Travel Section/SAA of the lost/stolen ticket. Any fees involved in the retrieving process is at the expense of the traveler.


After verification of lost/stolen tickets, a Journal Voucher to the account for the lost ticket will be made by the Department of Finance, and a new GTR will be issued for the procurement of another ticket.

NORTHWEST AIRLINES TRAVEL

Discussions with Northwest Airlines have resulted in the successful negotiation of a discount fare for all travel on official business. This discounted fare will result in substantial savings for the Government. As a result of the agreement entered into with Northwest, the Government must coordinate its travel arrangement. Therefore, each Government traveler must clear through the Travel Section/SAA all reservations and issuance of travel tickets. You will not contact a travel agency to make travel arrangements. We are continuing discussions with Continental Micronesia and United Airlines.

It is very important for the viability of this improved travel operation that we work together in adhering to these new procedures. The Lt. Governor and I believe that, once they are put into practice, the government will be providing a more cost effective and efficient travel operation.

Thank you for your cooperation,


FROILAN C. TENORIO