SUBCHAPTER 70-40.5
OPERATION OF PACHINKO SLOT MACHINES RULES AND REGULATIONS

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Subchapter Authority: 1 CMC §§ 2553 and 2557; 4 CMC §§ 1505(c) and 1507; PL 14-35 § 4 (§ 2001) (to be codified at 4 CMC § 1901).


Commission Comment: 1 CMC § 2551 creates the Department of Finance within the Commonwealth government. 1 CMC § 2553 authorizes the Department, among other things, to collect and deposit all local revenues from any source, including taxes, custom duties and license fees. The Department is authorized to adopt rules and regulations regarding those matters within its jurisdiction. See 1 CMC § 2557. 1 CMC § 2571 establishes the Division of Revenue and Taxation, headed by a Chief (now the Director) with supervision over all matters concerning revenue and taxation on a day-to-day basis.

4 CMC §§ 1503-1510 govern the licensing and use of amusement machines in the Commonwealth, including pachinko slot machines. 4 CMC § 1505(c) authorizes the Secretary of Finance to promulgate regulations to impose a tax on jackpot winning from pachinko machines. 4 CMC § 1507 directs the Secretary to promulgate rules and regulations regarding amusement machines.

In addition, PL 14-35 § 4 (§ 2001), to be codified at 4 CMC § 1901, grants the Secretary of Finance broad authority to prescribe necessary rules and regulations to implement the CNMI tax laws.

PL 10-89 (effective Feb. 20, 1998), codified at 4 CMC § 1510, provides:

§ 1510. Repeal of Certain Pachinko Regulations; Restriction on Regulations.

Section 2400.3(p) and (q) of the “Rules and Regulations for the Operation of Pachinko Slot Machines in the Commonwealth of the Northern Mariana Islands” promulgated by the Department of Finance and published on July 15, 1995 in Volume 17, Number 07 of the Commonwealth Register are here by repealed. The Secretary of Finance shall publish no rules and/or regulations with respect to the definition of “pachinko” or “pachinko slot machine” which differs from or exceeds the definition provided therefore in section 3 of Public Law 9-29 [4 CMC § 1503].

Public Law 15-78 (effective August 20, 2007) amended the definition of pachinko slot machine and repealed and reenacted 4 CMC § 1503 regarding licensing fees for amusement machines. Public Law 15-78 supersedes any section in this subchapter that conflicts with the provisions of PL 15-78.

Part 001 - General Provisions

§ 70-40.5-001 Rule Making Authority

The rules and regulations in this subchapter hereinafter set forth, and from time to time amended, are promulgated pursuant to the authority and directions set forth in the Commonwealth Code including, but not limited to, 1 CMC § 2553, 1 CMC § 2557, 4 CMC § 1506(a), and the Commonwealth Administrative Procedure Act, 1 CMC §§ 9101, et seq.

Modified, 1 CMC § 3806(d).


§ 70-40.5-005 Introduction and Purpose

The rules and regulations set forth in this subchapter, and from time to time amended, are enacted to implement, interpret, prescribe and clarify the policies and procedures required to implement, license, regulate, and supervise the operation of pachinko slot machines in the Commonwealth of the Northern Mariana Islands. Where permissible or appropriate,
these rules and regulations shall have the force of law. These rules and regulations are subject to continuing review and modification and may be amended, modified, or repealed as deemed appropriate by the Secretary of Finance. In regard to the definition of a pachinko slot machine, it is the intent of the rules and regulations in this subchapter that the definition be liberally interpreted so as to authorize the operation of pachinko slot machines in operation in Japan.

Modified, 1 CMC § 3806(d), (f).


Commission Comment: The Commission inserted a comma after the word “regulate” pursuant to 1 CMC § 3806(g).

§ 70-40.5-010 Definitions

For purposes of the Pachinko Slot Machine Rules and Regulations, codified in this subchapter, unless otherwise specifically expressed:

(a) “Beneficial interest” in an owner or organization means an interest (other than solely as a creditor) held by a person directly or indirectly:
   (1) That entitles such person to control, directly or indirectly, such organization; or
   (2) Which permits a person to share in any income or profit earned from a licensed pachinko slot machine; or
   (3) Which constitutes more than five percent of the shares of voting stock or other voting securities which control or regulate the operation of the organization; or
   (4) That entitles such person to more than five percent of the earnings and profits or distributions of such organization; or
   (5) That entitles such person to five percent or more of the assets of such corporation upon the liquidation or dissolution of such organization; or
   (6) From which such person receives or is legally entitled to receive over a period of time, interest payments, dividends, or other payments totaling more than five thousand dollars, other than payments with respect to bonds, certificates of deposits, notes or other evidences of indebtedness which are generally offered to members of the public and for which such person paid a fair market value.

(b) “Big bonus” allows 30 plays to hit three regular bonuses. The machine ends the big bonus mode when the player hits the regular bonus three times before completing 30 plays or when the player finishes 30 plays before hitting three regular bonuses. Each of the three regular bonuses is hit within the software probability range of 1/10 to 9/10.

(c) “Reflex” means a defined point in the software which is used to control the game’s payout percentage based on the performance history of the machine.

(d) “Chi-squared test” means a statistical test used to measure the randomness of a random number generator.
(e) “Coin acceptor” means a device that determines the validity of a coin or token inserted into the pachinko slot machine.

(f) “CRC (cyclical redundancy check)” means a commonly used method of checking the validity of stored memory.

(g) “Drop” means the total amount of coins, tokens, bills, or tickets removed from the drop box or for credit play, the amounts deducted from a player’s game account as a result of machine play.

(h) “Drop box” means a container in a locked portion of the machine or its cabinet used to collect the coins, tokens, bills, or tickets retained by the machine that is not used to make automatic payouts from the machine.

(i) “Free play”: A prize for free play is one chance of play without inserting a coin or token. No coin or token will be paid out as a prize. The machine will automatically grant the same amount of bet as for the previous play. Free play occurs with the software probability of 1/7.3 or higher.

(j) “Hardware” means the physical components of the pachinko slot machine, or other related equipment.

(k) “Hit frequency” means the ratio of games played to the number of winning outcomes.

(l) “Interflag”: Interflag as used for regular bonus and big bonus to ensure the bonus round, is awarded to the player when it is selected by the random number generator. This interflag mode may last one to several games depending upon the player’s ability to line up the selected bonus combination.

(m) “Moral turpitude” means a crime, whether a felony or misdemeanor, that involves illegal gambling, bookmaking, embezzlement, theft, bribery, use of controlled substance, corruption, abuse of a minor, contribution to the delinquency of a minor, or any other act or conduct that could or may impair a person’s ability to perform his or her duties related to the supervision of the operation of a pachinko slot machine;

(n) “On-line” means that the machine can be queried for information at any time by a remote monitoring device and information is gathered away from the machine.

(o) “Organization” means a corporation, partnership, joint stock association, sole proprietorship, joint venture, business association, cooperative association, professional corporation, or other entity existing for any purpose.

(p) “Pachinko slot machine” means any electric or electro-mechanical device or contrivance which meets all of the following requirements:

(1) General Requirements:
(i) A random number generator must be used to select any winning symbol combination for each game. The random number generator must have a minimum of 95% confidence level, using a chi-squared test for goodness of fit;

(ii) The game must have three spinning reels. Each reel must contain 22 symbols or less;

(iii) The game must accept one to three U.S. quarters or an approved token having a value of one U.S. quarter (hereinafter “coins” or “tokens”) per game. One token validates the centrally positioned horizontal payline, while two tokens validate additional two horizontal lines, top and bottom. If three tokens are inserted, all five lines -- three horizontal lines and two diagonal lines -- become valid. Each time a token is inserted, the corresponding payline lamp(s) on the left side of the reel glass light up, indicating the number of tokens inserted. The game does not accept any more than three tokens. Therefore, a fourth token, if inserted, will be rejected and returned into the token tray located at the bottom of the machine unless the player has selected the credit mode, in which case the extra tokens will go to the credit meter;

(iv) The game must be able to count the number of coins or tokens paid out;

(v) The pay table must show all possible winning symbol combinations and their prizes;

(vi) Any inserted coins or tokens exceeding the maximum capacity of one game must be returned to the player.

(2) Game Requirements:

(i) The machine must have six payout levels for each coin or token wagered selectable by the operator within the range of 55 percent to 120 percent. Level 1 must show the lowest payout with other levels in ascending order;

(ii) Winning prizes must not exceed 15 coins or tokens;

(iii) No two different winning combinations shall be allowed to occur for any one play;

(iv) The minimum number of winning combinations shall be 10 percent of all possible combinations, while the maximum shall be 50 percent of all possible combinations. Any identical combinations, which may appear when more than one coin is played, shall be counted as one;

(v) The game shall have two sets of probability tables for regular plays: one set of low probability tables and one set of high probability tables. If the coin-in/out counter is used to determine the selection of the high probability tables or the low probability tables, the reflex point shall be between 0.35 and 0.9 for regular plays, and between 0.35 and 2.0 for regular plays in big bonus;

(vi) Wins shall consist of small wins, free play, and a choice of up to three different kinds of bonuses: single bonus, regular bonus, and big bonus. When the random number generator selects regular bonus or big bonus, the machine will continue to search for these combinations until they are hit. This is referred to as “interflag mode.” The interflag mode does not apply to small wins, free play, and single bonus;

(vii) The number of coins or tokens paid out for single bonus, regular bonus, and big bonus hits must not exceed 70 percent of the total number of coins or tokens paid out for all winning hits;
(viii) The number of coins or tokens paid out for regular bonus and big bonus hits must not exceed 60 percent of the total number of coins or tokens paid out for all winnings hits.

(3) Function Requirements:
(i) The reels must start spinning when the start lever is pressed. All the reels must spin simultaneously with the speed of 80 rpm or less. The machine may not allow any two plays within a time period of 4.1 seconds, which shall be measured at the moment of the start switch activation. If a second play is initiated before 4.1 seconds have elapsed, the play will be suspended until this cycle is complete;
(ii) Upon actuation of a stop button, the corresponding reel must be stopped within 190m seconds. The game must not acknowledge subsequent stop buttons until a minimum of 0.2 seconds have passed from the previous actuation of a stop button. No two reels may be stopped simultaneously; if tried, only one that is detected first will be valid. Only the stop button actuated first shall be valid;
(iii) The machine shall not accept coins after the start switch is actuated and until all the reels have stopped;
(iv) If the stop buttons are not actuated, the reels must stop automatically after 30 seconds of spinning in the following order: the left reel, the center reel, and the right reel.

(4) Hardware Requirements:
(i) The “bet” button must be dedicated to wagering and may not be used for any other purpose;
(ii) The machine must have a key switch that allows selection of the payout level.

(5) Machine Requirements:
(i) Each possible permutation or combination of game elements which produce winning or losing game outcomes must be available for random selection at the initiation of each play;
(ii) The machine must have a graphic display, the description of possible bets, denomination, winning combinations, amounts won for each winning combination, and prize count;
(iii) The machine must have a microprocessor, ROM (read only memory) to contain programs, RAM (random access memory), and a random number generator (hardware or software).

(6) Program Requirements:
(i) The machine must be capable of automatically clearing the RAM (random access memory) if any error condition occurs. However, errors are to be cleared only as provided by § 70-40.5-205.
(ii) The machine must be able to provide at a minimum the following cumulative and retentive metered information on a meter which is easily readable from the outside of the machine:
(A) Coin-in meter;
(iii) The machine must be capable of displaying the number of coins wagered, the number of coins credited, and the number of coins paid out;
(iv) The machine must be capable of displaying the current payout level. This display shall be allowed only by the payout level key;
(v) The startup and reset procedures of each machine must detect 99.9% of any possible program failures;
(vi) Each machine’s program must not be alterable by the machine itself;

(7) Coin Acceptors

(i) Each machine’s coin acceptor (if applicable) must be designed to accept approved coins or tokens and reject all others;

(ii) Each machine must be designed to minimize known cheating methods.

(q) “Pachinko slot machine or similar amusement machines” means a machine defined by subsection (p) of this section. A “similar amusement machine” for purposes of PL 9-29 [4 CMC §§ 1503-1509] is a machine known by some other name which meets the definition of a pachinko slot machine in subsection (p) of this section.

(r) “Payback percentage” means the ratio of monetary units theoretically returned to players versus the monetary units wagered over time.

(s) “Person” includes an individual, association, corporation, club, trust, estate, society, company, joint stock company, receiver, trustee, organization, or any other person acting in a fiduciary or representative capacity, or any combination of individuals. “Person” includes any department, commission, agency, or instrumentality of the Commonwealth, including any municipality or political subdivision and any agency or instrumentality thereof.

(t) “Progressive” means a machine with a jackpot amount that is increased by a predetermined amount as the game is played, with the jackpot amount exhibited at all times to the public.

(u) “RAM (random access memory)” means an electronic device used for temporary storage of data that can be altered.

(v) “ROM (read only memory)” means an electronic device to store program instructions or data that may not be altered.

(w) “Random number generator” means a hardware device or software program that is used to pick a number at random from a specified range of numbers and present it for use.

(x) “Regular bonus” allows 12 plays to hit eight bonuses. The machine ends the regular bonus mode when the player hits a bonus eight times before completing 12 plays or when the player finishes 12 plays before hitting eight bonuses. Each of the eight bonuses is hit within the software probability range of 1/3 to 2.7/3.

(y) “Single bonus” gives one chance of a bonus play that allows to hit the highest pay combination (15 tokens). In this mode, the game takes only one token and it is played only on the center payline. Single bonus is hit within the software probability range of 1/3 to 2.7/3.
(z) “Skimming”: The skimming of pachinko slot machine proceeds is the intentional exclusion, or the taking of any action in an attempt to exclude any money, proceeds or their value from the deposit, counting, collection, or computation of the gross revenue or net proceeds of the operation of a pachinko slot machine.

(aa) “Software” means the programs or data used to control the machine.

(bb) “Token” means a piece of metal or composite material approved by the Department of Finance for use in the operation of pachinko slot machines which represents a specific monetary value or a U.S. twenty-five cent piece, i.e., a quarter, as the context requires.

Modified, 1 CMC § 3806(c), (d), (e), (f), (g).


Commission Comment: In the original 1995 regulation, the page showing subsections (p)(6)(v) through (w) appears twice. In its second appearance, there is a handwritten notice with an arrow pointing to subsection (q), reading “Repealed P&Q.” See 17 Com. Reg. at 13610 (July 15, 1995).


PL 10-89 (effective Feb. 20, 1998), codified at 4 CMC § 1510, provides:

§ 1510. Repeal of Certain Pachinko Regulations; Restriction on Regulations.

Section 2400.3(p) and (q) of the “Rules and Regulations for the Operation of Pachinko Slot Machines in the Commonwealth of the Northern Mariana Islands” promulgated by the Department of Finance and published on July 15, 1995 in Volume 17, Number 07 of the Commonwealth Register are here by repealed. The Secretary of Finance shall publish no rules and/or regulations with respect to the definition of “pachinko” or “pachinko slot machine” which differs from or exceeds the definition provided therefore in section 3 of Public Law 9-29 [4 CMC § 1503].

In subsection (a)(6), the Commission corrected the spelling of “totaling.” In subsection (p)(2)(vi), the Commission moved the period after “mode” inside of the closing quotation mark. The Commission corrected the phrase “more then” in subsection (p)(2)(iv) to “more than” pursuant to 1 CMC § 3806(g).

Public Law 15-78 (effective August 20, 2007) amended the definition of pachinko slot machine and repealed and reenacted 4 CMC § 1503 regarding licensing fees for amusement machines. Public Law 15-78 supersedes subsections (p) and (q) of this section to the extent that they conflict with the provisions of PL 15-78.

Part 100 - Pachinko Slot Machine Licenses and Tags

§ 70-40.5-101 Pachinko Slot Machines; Applications
TITLE 70: DEPARTMENT OF FINANCE

(a) All applications for a pachinko slot machine license must be submitted by the owner of the machine on the form prescribed by the Department of Finance and must contain --

(1) The make, model, year, brand name, and serial number (or manufacturer identification number if serial number is not applicable) of each machine;

(2) The date each pachinko slot machine was imported into the CNMI and a copy of all required documents establishing that all excise taxes have been paid;

(3) The location by building, village, and island of each machine;

(4) A color photograph of each machine while in operation with its screen illuminated;

(5) A notarized statement by the applicant of the machine:

   (i) Stating the payback percentage range of each machine on the average;

   (ii) Stating the hit frequency range of each machine on the average;

   (iii) Stating whether or not the payback percentage range can be modified and to what extent;

   (iv) Stating that the machine to be licensed qualifies as a “pachinko slot machine” pursuant to § 70-40.5-010(p) or § 70-40.5-010(q) of this subchapter.

(6) The name, address, telephone number, and signature of the owner of the machine and of any person or organization holding a beneficial interest in the owner of the machine. In lieu of providing the signature of each person or organization holding a beneficial interest in the owner of the machine, a primary officer, person in control of such person or organization, or designated representative may affix his or her signature for the person or organization holding a beneficial interest in the owner of the machine;

(7) A photocopy of the applicant’s identification or passport, and a copy of the applicant’s criminal history issued by the proper authorities;

(8) A copy of the corporation’s by-laws, if applicable;

(9) The most recent financial statement;

(10) A memorandum explaining the applicant’s business experience, human and technical resources of the applicant(s);

(11) Social security number and tax identification number of the owner;

(12) A letter of compliance issued by the Division of Revenue and Taxation proving the applicant is not delinquent in payment of taxes. However, this requirement shall not apply to newly organized entities for which the Department of Finance determines that no letter of compliance may be issued;

(13) All other information required by the Department of Finance;

(14) A statement under penalty of perjury that all information related to the application is true and correct.

(b) All applications must be submitted by the owner of the machine to the Secretary, Department of Finance.

(c) Upon written request by an applicant and written approval by the Secretary of Finance, the Secretary may authorize an applicant to omit certain information from an application if the information is not available to the applicant provided such information is provided to the Secretary on or before the date prescribed by the Secretary.

Modified, 1 CMC § 3806(c), (d), (f).
§ 70-40.5-105 Renewal of Licenses

(a) Pachinko slot machines licenses shall be valid for one year from the date of issuance. Pachinko slot machine licenses must be renewed annually. All applications for renewal of a pachinko slot machine license shall be submitted no sooner than sixty days before expiration of such license and must be submitted no later than thirty days before the expiration of such license.

(b) The application procedure for renewal of a pachinko slot machine license is pursuant to § 70-40.5-101 of this subchapter as specified therein. The Department of Finance may prescribe a different application form for renewal of a pachinko slot machine license which may require the same, more, or less information than that required in an initial application.

(c) Except as indicated otherwise, the rules and procedures pertaining to the renewal of a pachinko slot machine license shall be the same as those pertaining to the original license issued.


Commission Comment: The Commission inserted a comma after the word “village” in subsection (a)(3).

§ 70-40.5-110 Distribution and Allocation of Pachinko Slot Machine Licenses

(a) Submission of Declarations of Intent.

(1) All persons interested in applying for a pachinko slot machine license must submit a declaration of intent to the Department of Finance no earlier than the effective date of the rules and regulations in this subchapter and no later than fifteen working days (as determined under CNMI law) after the effective date of these rules and regulations.

(i) All declarations of intent or applications received after the submission deadline date specified in subsection (a)(1) will be considered untimely, will not be accepted, and the applicant will not be eligible for issuance of a pachinko slot machine license sought by the untimely application.

(ii) All declarations of intent or applications submitted prior to the beginning of the submission deadline date specified in subsection (a)(1), in any manner and in any form, are not deemed declarations of intent or applications pursuant to this subchapter.

(iii) All declarations of intent must be received by the Department of Finance prior to the expiration of the submission deadline date specified in subsection (a)(1).
(2)(i) All declarations of intent shall be submitted on the form prescribed by the Secretary of Finance and must contain all information required by the Secretary including the following:
(A) The name, address, telephone number, tax identification number, and signature of the applicant;
(B) The number of licenses for which the applicant is requesting.
(ii) All declarations of intent not submitted in the proper form or not containing all required information shall not be considered by the Department and will be returned to the applicant. Any resubmission of declarations of intent must be done prior to the expiration of the submission deadline date specified in subsection (a)(1), unless the Secretary grants a reasonable extension of time which would not conflict with the intent or purpose of the rules and regulations in this subchapter.
(3) All declarations of intent must be accompanied by an application fee in the amount of one-thousand dollars plus one-hundred dollars for each additional license requested exceeding 10. For example, an applicant requesting 25 licenses must submit an application fee in the amount of $2,500 (i.e., $1,000 plus (15 x 100)).
(i) All application fees shall be applied to license fees as provided in subsection (c)(2)(i). Any persons not receiving licenses equal in value to the application fee submitted shall be refunded the appropriate portion of the application fee within 30 days from the date of the lottery specified in subsection (c)(1).
(ii) The total application fee must be submitted in the form of cash, certified check, or cashier’s check. The Department of Finance will not accept personal checks, business checks, or any other form of compensation for the application fee. All declarations of intent submitted without the total application fee in the proper mode of payment will not be considered by the Department and will be returned to the applicant. Any resubmission of declarations of intent must be done prior to the expiration of the submission deadline date specified in subsection (a)(1) above, unless the Secretary of Finance grants a reasonable extension of time which would not conflict with the intent or purpose of the rules and regulations in this subchapter.
(4) Upon receipt of a declaration of intent for a pachinko slot machine license, the Department of Finance may visit the premises designated in the declaration of intent and determine that the information contained in the declaration of intent is true and correct.

(b) Distribution - In General. Pursuant to PL 9-29 [4 CMC §§ 1503-1509], the total number of pachinko licenses to be issued shall not exceed 500 for the third senatorial and 200 each for the first and second senatorial districts. The licenses allowed to be issued by law as requested by declarations of intent shall be distributed as follows:
(1) Excessive Applicants. To the extent that the total number of licenses requested by declaration of intent in a senatorial district received on or before the expiration of the submission deadline date specified in subsection (a)(1) exceed that allowed to be issued by law, the licenses shall be distributed and issued pursuant to subsection (c) of this section.
(2) Non-excessive Applicants. To the extent that the total number of licenses requested by declaration of intent in a senatorial district received on or before the expiration of the submission deadline date specified in subsection (a)(1) do not exceed
that allowed to be issued by law, licenses shall be distributed and issued pursuant to subsection (d) of this section.

(c) Procedure for Distribution of Licenses – Excessive Applications. Pachinko slot machine licenses shall be distributed and issued pursuant to subsection (c) in instances in which the number of licenses requested by declaration of intent in a senatorial district exceed the amount allowed to be issued under law in that senatorial district. Licenses shall be distributed and issued pursuant to the following procedure:

(1) Lottery. All licenses shall be distributed in a public lottery to be conducted within thirty days after the expiration of the submission deadline date specified in subsection (a)(1). The lottery will be held in a place and at the time specified by the Secretary of Finance and will be open to the public.

(i) At least ten days prior to the date the lottery is to be conducted, the Secretary of Finance shall conduct a public meeting at a time and place specified by the Secretary of Finance for the purpose of discussing the procedure to be followed for the issuance of licenses pursuant subsection (c);

(ii) Prior to the lottery being held, the Secretary of Finance will determine the names and number of applicants from the declarations of intent timely and properly received and the number of licenses requested. For each license requested by an applicant, two lottery tickets will be placed in a lottery pool for the applicant. For example, if an applicant requests 500 licenses, the applicant would be eligible for 1,000 lottery tickets; if an applicant requests 50 licenses, the applicant would be eligible for 100 lottery tickets;

(iii) All lottery tickets will then be placed in a lottery pool. The maximum number of licenses an applicant can be eligible to receive pursuant to the lottery is fifty. As each ticket is drawn from the lottery pool, an applicant is eligible to receive the lesser of 2 pachinko machine licenses or the amount of licenses for which the applicant has applied up to the maximum of fifty licenses. As a ticket is drawn from the lottery pool, it will not be replaced in the lottery pool but will be removed. The lottery will continue until the quota of pachinko machine licenses has been reached in that particular senatorial district;

(iv) All tickets remaining in the lottery pool after the quota of pachinko machine licenses has been reached shall be sealed in the lottery pool and placed in the vault at the Division of Procurement and Supply to be reopened only as provided in subsection (c)(3) of this section.

(v) The Secretary of Finance is permitted to establish any necessary procedure which does not conflict with this subchapter which is necessary for the administration and distribution of licenses distributed pursuant subsection (c). All such procedures established shall be placed in writing and submitted to each license applicant.

(2) Issuance of License and Eligibility. Upon becoming eligible to receive a pachinko slot machine license under the provisions of this subsection, the Department of Finance will issue licenses pursuant to the following procedures:

(i) License Fee. Within 10 days after the lottery is conducted, all applicants eligible to receive a pachinko slot machine license by lottery must submit the full license fees as prescribed by law for the number of licenses awarded. Each applicant is entitled to a credit against the license fee of the application fee submitted pursuant to subsection (a)(3). The total license fee must be submitted in the form of cash, certified check, or
cashier’s check. The Department of Finance will not accept personal checks, business checks, or any other form of compensation for the application fee;

(A) If the pachinko slot machine annual license fee is increased by law on or prior to the deadline by which the license fee must be paid as specified above, each applicant must submit the additional license fee in the mode of payment specified in this subchapter in order to be eligible to receive licenses pursuant to this section;

(B) In addition to any license fee imposed by the Legislature for the right to operate a pachinko slot machine, such pachinko slot machine licenses shall pay to the Department of Finance the amount of US$250.00 per pachinko slot machine for the acquisition and installation of an electronic security and accounting system acceptable to the Secretary of Finance which system shall be installed and maintained in such pachinko slot machine. In addition to the initial acquisition fee which is a one-time charge, payable to the Secretary of Finance with each license application, an annual maintenance fee in the amount of US$50.00 shall also be payable to the Secretary of Finance with each license application or license renewal. The one-time acquisition fee of US$250.00 plus the annual maintenance fee of US$50.00 shall be kept and maintained by the Secretary of Finance solely for the purpose of acquiring, maintaining, repairing and replacing the security and accounting system installed in each pachinko slot machine.

(ii) Applications. Within 60 days after the date of the lottery, all applicants eligible to receive a pachinko slot machine license by lottery must submit an application as prescribed by § 70-40.5-101 of this subchapter;

(iii) Issuance. Upon receipt of a completed application for a pachinko slot machine license:

(A) The Department of Finance will review all applications and supporting documents to ensure full compliance with this subchapter;

(B) The Department of Finance may visit the premises designated in the application and certify that the information contained in the application is true and correct and that the machines and applicants are in full compliance with this subchapter;

(C) If the application meets all requirements, a license will be issued within 60 days from the date of the receipt of the application in the proper form. Said license shall be in writing and must be posted on the premises where the machine is located in such a manner as will be visible to the public.

(iv) Denial.

(A) An application for initial license may be denied as specified under § 70-40.5-301 of this subchapter and pursuant to the procedures prescribed by § 70-40.5-310.

(B) If an applicant is denied a pachinko slot machine license, the licenses allocated to that applicant will be distributed in an additional lottery. Persons eligible to receive licenses in this additional lottery are only those applicants who have tickets remaining in the lottery pool as specified in subsection (c)(1)(iv). The lottery will be open to the public and will be conducted at the time specified by the Secretary of Finance and pursuant to the procedures prescribed by the Secretary of Finance.

(v) Payment of Taxes, Etc. Before a license is issued, all charges, taxes, and fees relating to pachinko slot machines must be fully paid, including applicable penalty and interest charges.

(vi) Proper Identification. All pachinko slot machines imported into the Commonwealth for commercial use must be properly identified pursuant to § 70-40.5-
201 of this subchapter. Pachinko slot machines not properly identified shall not be issued a license.

(3) Return of Application Fee. Within thirty days from the date of the lottery, all applicants not receiving the full amount of licenses requested shall be refunded any application fees paid on licenses not received.

(d) Procedure for Distribution of Licenses – Non-excessive Applications. Pachinko slot machine licenses shall be distributed and issued pursuant to this subsection in instances in which the number of licenses requested by declaration of intent in a senatorial district do not exceed the amount allowed to be issued under law in that senatorial district. Licenses shall be issued as follows:

(1) License Fee. Within 10 days after the expiration of the submission deadline date specified in subsection (a)(1), all applicants must submit the full license fees as prescribed by law for the number of licenses requested. Each applicant is entitled to a credit against the license fee of the application fee submitted pursuant to subsection (a)(3)(i). The total license fee must be submitted in the form of cash, certified check, or cashier’s check. The Department of Finance will not accept personal checks, business checks, or any other form of compensation for the application fee;

(i) If the pachinko slot machine annual license fee is increased by law on or prior to the deadline by which the license fee must be paid as specified above, each applicant must submit the additional license fee in the mode of payment specified in this subchapter in order to be eligible to receive licenses pursuant to this section.

(ii) In addition to any license fee imposed by the Legislature for the right to operate a pachinko slot machine, such pachinko slot machine licenses shall pay to the Department of Finance the amount of US$250.00 per pachinko slot machine for the acquisition and installation of an electronic security and accounting system acceptable to the Secretary of Finance which system shall be installed and maintained in such pachinko slot machine. In addition to the initial acquisition fee which is a one-time charge payable to the Secretary of Finance with each license application, an annual maintenance fee in the amount of US$50.00 shall also be payable to the Secretary of Finance with each license application or license renewal. The one-time acquisition fee of US$250.00 plus the annual maintenance fee of US$50.00 shall be kept and maintained by the Secretary of Finance solely for the purpose of acquiring, maintaining, repairing and replacing the security and accounting system installed in each pachinko slot machine.

(2) Applications. Within 60 days after the expiration of the submission deadline date specified in subsection (a)(1), all applicants must submit an application pursuant to § 70-40.5-101 of this subchapter on the form prescribed by the Secretary of Finance.

(3) Issuance of License and Eligibility. Upon receipt of a completed application for a pachinko slot machine license:

(i) The Department of Finance may visit the premises designated in the application and certify that the information contained in the application is true and correct and that the machines and applicants are in full compliance with this subchapter;

(ii) The Department of Finance will review all applications and supporting documents to ensure full compliance with this subchapter;

(iii) If the application meets all requirements, a license will be issued within 60 days from the date the application was submitted in proper form. Said license shall be in
writing and must be posted on the premises where the machine is located in such a manner as will be visible to the public.

(4) Denial of License. An application for initial license may be denied as specified in § 70-40.5-301 of this subchapter pursuant to the procedure specified in § 70-40.5-310(a) of this subchapter.

(5) Payment of Taxes, Etc. Before a license is issued, all charges, taxes, and fees relating to pachinko slot machines must be fully paid, including applicable penalty and interest charges.

(6) Proper Identification. All pachinko slot machines imported into the Commonwealth for commercial use must be properly identified pursuant to § 70-40.5-201 of this subchapter. Pachinko slot machines not properly identified shall not be issued a license.

(7) Untimely Applications. All licenses requested pursuant to an original declaration of intent received after the expiration of the submission deadline date specified in subsection (a)(1) shall be distributed on a first come, first serve basis pursuant to subsections (d)(1) - (d)(5).

(e) If after the issuance or adoption of the rules and regulations in this subchapter, the restrictions on the number of pachinko slot machine licenses are removed by law so that there is no limit on the number of pachinko slot machine licenses that may be issued, the procedure for the issuance and distribution of pachinko slot machine licenses shall be pursuant to subsection (d) of this section. However, if such occurs, licenses must be issued within sixty days of the later of

(1) The date such bill is signed into law or
(2) The date the application is submitted.

Modified, 1 CMC § 3806(c), (d), (e), (f).


Commission Comment: The original paragraphs of subsection (a)(2) were not designated. The Commission designated subsections (a)(2)(i) and (a)(2)(ii).

The 1986 amendments added new subsections (c)(2)(i)(B) and (d)(1)(ii).

Public Law 15-78 (effective August 20, 2007) repealed and reenacted 4 CMC § 1503, which establishes licensing fees for amusement machines.

The Commission inserted commas after the words “village” in subsection (a)(3) and “taxes” in subsections (c)(2)(v) and (d)(5) pursuant to 1 CMC § 3806(g). The Commission corrected the mathematical equation in subsection (a)(3) pursuant to 1 CMC § 3806(g).

§ 70-40.5-115

[Reserved.]
§ 70-40.5-120

[Reserved.]


§ 70-40.5-125 Tags

(a) Licensed pachinko slot machines must bear a numbered tag on the top right-hand corner (or lower left or right corners) of the screen or viewing window or scoreboard; or for those machines without viewing window, screen or scoreboard, the area designated by the Secretary of Finance. This tag may be removed only by the Department of Finance. A second identical tag shall be placed inside the pachinko slot machine.

(b) No pachinko slot machine may be operated unless it has a valid tag affixed to its cabinet. A replacement tag will be issued and a fee of $25 will be charged and collected for each new tag. The pachinko slot machine owner shall report to the Department of Finance whenever a tag is lost or defaced, and that lost or defaced tag will be promptly replaced by the Department of Finance after the Department verifies the tag number from the identifying tag inside the machine and a replacement fee of $25 is paid to the Department of Finance.


Commission Comment: The 1998 amendments amended subsection (b).

§ 70-40.5-130 Transfer of Tag and License

(a) No pachinko slot machine license tag may be transferred from any machine without the written approval of the Secretary of Finance. A fee of $25.00 will be charged and collected for the transfer of each tag.

(b) [Reserved.]


Part 200 - Other Requirements

§ 70-40.5-201 Identification of Machines

(a) All pachinko slot machines must bear a visible, engraved identification plate which contains the following information:
(1) Name of the manufacturer;
(2) Serial number;
(3) Model number;
(4) Manufacturer’s commercial name.

(b) Until such time as the Division of Customs, Department of Finance, Commonwealth of the Northern Mariana Islands adopts regulations for pachinko slot machines, all pachinko slot machines imported into the CNMI must be processed by the Division of Customs pursuant to the procedures utilized by the Division of Customs for the processing of poker machines. Among those requirements are that the machine must contain an engraved identification plate with all information required in this section.

Modified, 1 CMC § 3806(f).


§ 70-40.5-205 Security Requirements

All pachinko slot machines must comply with the following security requirements in order to be issued a pachinko slot machine license:

(a) The door may not be opened without a key;

(b) The power switch and the payout level key switch must be located inside the cabinet;

(c) The processor board must be enclosed in a transparent plastic case;

(d) Any errors or malfunctions must be displayed by error codes on the machine. The errors must be cleared by an attendant;

(e) The mechanism to accept coins must be capable of detecting a valid coin and rejecting all others. The mechanism must signal an error if any invalid condition is detected;

(f) The machine must resist forced or illegal entry;

(g) Each machine must be capable of detecting and displaying hopper failure to make payment, defective RAM, program error, and reverse coin-in. These errors must be cleared by an attendant;
(h) Each machine must be capable of detecting and displaying coin-in error, and coin-out error;

(i) Any malfunction of the machine must void all pays and plays for that game;

(j) Each machine must indicate that a coin has been accepted. Manual payouts must have a system to call the operator (lights or sound) and must be able to block coins-in until the operator has reset the machine;

Modified, 1 CMC § 3806(f).


§ 70-40.5-210 Electronic Security and Accounting System

(a) Each pachinko slot machine licensed in the CNMI shall contain an electronic security and accounting system acceptable to the Secretary of Finance. Such system shall be compatible with the pachinko slot machine; shall detect any defects or malfunctioning in such machine; shall ensure the integrity of the pachinko slot machine game being played; and shall monitor and calculate the pay of each machine to secure full and complete payment of all applicable CNMI taxes.

(b) Such security and accounting equipment installed in each pachinko slot machine shall be purchased on behalf of the pachinko slot machine licensee by the CNMI Secretary of Finance and shall be the property of the CNMI Secretary of Finance.

(c) The Secretary of Finance may assess an acquisition fee to defray the cost of acquisition of such security and accounting equipment as well as assess an annual fee for the maintenance and repair or replacements of such security and accounting system.

Modified, 1 CMC § 3806(f).


Commission Comment: The 1996 amendments added this section to formerly reserved § 2400.13.

§ 70-40.5-215 Safety Requirements

(a) Electrical Immunity Requirements
(1) Each machine must be totally immune to human electrostatic discharge (up to 20,000 volts DC).
(2) Each machine must completely recover from 20,000-27,000 volt DC discharges, without any data or video corruption.
(3) The random number generator of each machine must be totally immune to all outside interference.

(b) Other Safety Requirements
(1) Each machine shall be manufactured in a way as not to present any electrical, mechanical, or fire hazard.
(2) Each machine must be properly fused or protected by circuit breakers.


Commission Comment: The Commission inserted a comma after the word “mechanical” in subsection (b)(1) pursuant to 1 CMC § 3806(g).

§ 70-40.5-220

[Reserved.]


§ 70-40.5-225 Movement of Machines

(a) Before any pachinko slot machine can be relocated from one building or business location to another, the licensee of the machine must first submit a written request to the Secretary of Finance. The request must be signed by the person who is the licensee of the pachinko slot machine in question under penalty of perjury. The request must include the following information:
(1) Present location of the pachinko slot machine to be moved;
(2) The intended location of the pachinko slot machine to be moved;
(3) The serial number and the CNMI tag number of such machine;
(4) All other information requested by the Department of Finance.

(b) The Secretary of Finance must act on the relocation request within 10 working days after receipt of such request. If any pachinko slot machine is found to have been moved without prior written approval from the Secretary of Finance, the person who is the licensee of such machine shall have his license to operate any pachinko slot machines suspended for no less than 30 days and not more than 180 days.

Modified, 1 CMC § 3806(f).


Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) and (b). The Commission corrected the period at the end of subsection (a)(3) to a semicolon pursuant to 1 CMC § 3806(g).
§ 70-40.5-230 Notification of Machine Location

Within 30 days after the receipt of a pachinko slot machine license pursuant to this subchapter, each person who is the licensee shall give written notice to the Department of Finance of the location, by building, village and island of each of its licensed pachinko slot machines.

Modified, 1 CMC § 3806(d).


§ 70-40.5-235 Separate Room and Minors

(a) Pachinko slot machines operated in an establishment at which any other business is carried on shall be segregated from the other business area(s) of the establishment by a wall or barrier from floor to ceiling, creating a completely separate room. Pachinko slot machines may be operated in a segregated room which contains poker machines to the extent allowed by law. Pachinko slot machines may be operated in hotel or motel lobbies without a wall or barrier.

(b) Only persons 18 years of age or older shall be allowed entry into the pachinko slot machine room. Every person who is a licensee is responsible for ensuring that only those authorized by law are permitted to enter the segregated room and are permitted to operate a pachinko slot machine. A sign must be prominently displayed on the entrance door of the separate room or on the entrance door of the establishment if no separate room is required which reads “No Person Under 18 Years Old Allowed.”

Modified, 1 CMC § 3806(g).


Commission Comment: In subsection (b), the Commission moved the final period inside of the closing quotation mark.

§ 70-40.5-240 Location

Pachinko slot machines may be operated only in locations authorized by law.


§ 70-40.5-245 Inspection of Machines

The Secretary of Finance or his designee has an absolute right at all times to open, inspect, and test any pachinko slot machine to determine compliance with this subchapter and/or applicable law. This right of inspection includes, but is not limited to, the right to
remove any pachinko slot machine, or any components thereof, from the premises where the machine is being operated.

Modified, 1 CMC § 3806(d).


§ 70-40.5-250

[Reserved.]


§ 70-40.5-255 Other Reporting Requirements

Persons who are the licensees of pachinko slot machines must strictly adhere to all reporting requirements under the tax laws of the Commonwealth of the Northern Mariana Islands, including the filing of information returns and payments of taxes. Failure to comply will be grounds for suspension or revocation of an existing pachinko slot machine license or for denying an application for renewal of a pachinko slot machine license.


Part 300 - Violations; Revocation and Suspension Proceedings

§ 70-40.5-301 Violation

The receipt of a CNMI pachinko slot machine license is a privilege not a right. However, any such license once issued is revocable only for cause.

(a) Pursuant to the procedures prescribed within this subchapter, the Secretary of Finance may deny an application for a license or revoke a license issued on any one or more of the factors herein listed:

(1) The financial responsibility and security of the applicant and the business or activity in which the applicant is engaged. Consideration of this factor may include the analysis of the applicant’s credit record, compliance with tax laws or this or other jurisdictions, status of other permits and licenses, results of a criminal background investigation, adequacy of security procedures against theft, the type of construction of the applicant’s facility and whether the location is fixed and permanent, whether the applicant can provide appropriate security, and any other factor that may assist the Secretary of Finance in such evaluation; or

(2) The location of, and public accessibility to, the applicant’s place of business or activity. Consideration of this factor may include analysis of the applicant’s hours of operation, proximity to major transit routes, proximity to large employers, public parking
availability, and any other factor that may assist the Secretary of Finance in such evaluation; or
(3) The applicant has been convicted of a felony, or criminal fraud, or gambling or a gambling-related offense, or any felony or misdemeanor involving moral turpitude, if less than 10 years has elapsed since the termination of the sentence, parole, mandatory supervision, or probation served for the offense; or
(4) The applicant is or has been a professional gambler. A “professional gambler” is a person whose profession is, or whose major source of income derives from, playing games of chance for profit; or
(5) The applicant is delinquent in the payment of any Commonwealth tax, duty, fee or similar charge or any other debt due the Commonwealth at any time after the application is filed but before the Department of Finance acts to grant or deny the license; or
(6) The applicant has a spouse, child, parent, parent-in-law, or spouse’s child who is a person described in subsection (a)(3), (a)(4), or (a)(5) of this section; or
(7) The applicant has violated the Pachinko Slot Machine Act or a rule or regulation adopted pursuant to the Pachinko Slot Machine Act; or
(8) The applicant is not an individual, but an individual described in one or more of subsections (a)(3) - (a)(7) of this section holds a beneficial interest in the applicant; or
(9) The applicant provided false or misleading information on the application form, or failed to provide information required as part of the application or evaluation process; or
(10) The applicant failed to cooperate or to provide any additional or supplemental information which the Secretary of Finance deems necessary in order to determine whether the applicant is suitable to hold a license; or
(11) The applicant operates any pachinko slot machine without a license; or
(12) The applicant fails to comply with any other factor that is or may be helpful in determining whether the applicant’s experience, character, and general fitness are such that the licensing of the person to operate a pachinko slot machine will not detract from the integrity, security, honesty, or fairness of the operation of the pachinko slot machine business. An example of the type of factor considered in this regard is the analysis of the type of product currently sold or form of service currently provided or other business activity currently conducted by the applicant.

(b) Pachinko slot machines operating in violation of law or the rules and regulations in this subchapter shall be dealt with in accordance with the applicable CNMI laws. If a pachinko slot machine is found not to be in compliance with the requirements of the rules and regulations in this subchapter, the person who is the licensee of such machine will have his license to operate pachinko slot machines suspended until compliance with the rules and regulations is met to the satisfaction of the Secretary of Finance.

(c) In addition to the basis of denying or revoking a pachinko slot machine license set forth in subsections (a)(1) - (a)(12), a license once issued may also be revoked if the person holding such license:
(1) Operates a machine without proper documentation or provides or maintains inaccurate or false information; or
(2) Alters the software programs, pay back percentages, jackpots, meters, security and accounting system or related equipment or any other equipment that imply a modification of the condition under which the machines were approved; or

(3) Allows minors to play a pachinko slot machine;

(4) Fails to cooperate with or provide all relevant information requested by the Department of Finance; or

(5) Accepts or exchanges a food stamp coupon, an NAP coupon or similar item for coins or tokens used to play a pachinko slot machine; or

(6) Violates any CNMI or federal law.

(d) If a licensed or unlicensed machine is seized, the owner and/or the person licensed to operate such machine shall be liable for the cost of transporting the machine, a reasonable storage charge of not less than $25 per day per machine, and any labor charges incurred in the seizure and storage of such machine.

(e) The Department of Finance and the Commonwealth government shall not be liable for damages arising from the seizure and/or confiscation of machines, including damages occurring during transfer and storage, provided that reasonable care is used in seizure and confiscation.

Modified, 1 CMC § 3806(d), (f).


Commission Comment: The 1996 amendments amended subsection (c)(2).

§ 70-40.5-305 Continuous Disclosure of Information

(a) Any information provided to the Secretary of Finance under the rules and regulations in this subchapter or on any application, filing or other instrument submitted to the Secretary of Finance that subsequently becomes incorrect or misleading, shall be immediately updated by the applicants or licensees providing an explanation thereof to the Secretary of Finance. Without limiting the foregoing, all applicants or licensees shall notify the Secretary of Finance immediately if any change in the ownership or beneficial interest or location of the applicant or licensee occurs.

(b) The Secretary of Finance may develop forms for pachinko slot machine license applications requesting all such information required by the Pachinko Slot Machine Act or by this subchapter or that is deemed necessary or appropriate to evaluate the applicant’s suitability to hold a license. Such application shall be completed, executed, acknowledged and notarized by the applicant prior to submission to the Secretary of Finance.

Modified, 1 CMC § 3806(d), (f).
§ 70-40.5-310 License Proceedings

(a) Denial of an Application of License. Whenever the Secretary of Finance (“Secretary”) has reason to believe that an applicant is not eligible to receive a license, he may issue a written notice of denial to the applicant. The notice shall set forth the matters of fact and law relied upon in determining that the application should be denied, and shall afford the applicant 15 days from the date of receipt of the notice to submit a written request for reconsideration to the Secretary of Finance wherein the applicant may set forth the basis pursuant to which the applicant believes that the denial of a license was based on either an incorrect understanding of fact or an incorrect application of the law. The Secretary shall promptly review the request for reconsideration and, in writing, either affirm or modify the previous denial of a license. The denial of a pachinko slot machine license by the Secretary is subject to judicial review and may be reversed by the court only upon a finding that the Secretary acted in an arbitrary and capricious manner in denying such license.

(b) Suspension or Revocation of License.
(1) Without any way limiting or restricting the ability of the Secretary of Finance to consider the factors listed in § 70-40.5-301 as grounds for suspension or revocation of a license issued by the Secretary of Finance, the Secretary may also suspend or revoke a license held by a licensee based upon a finding of one or more of the following:
(i) The determination by the Secretary of Finance of the existence of any one or any combination of factors previously listed as grounds for denial of issuance of a license under § 70-40.5-301 of this subchapter or the determination by the Secretary of Finance that the existence of any one or more factors listed in subsections (b)(1)(ii) - (b)(1)(xii) below directly apply to or relate to the holder of the pachinko slot machine license; or
(ii) That the beneficial interest in the ownership of the business premises has changed or the business location of the applicant has changed without approval of the Secretary of Finance; or
(iii) That the licensee has permitted a person under 18 years of age to play a pachinko slot machine; or
(iv) That the licensee has not prominently displayed, at the licensed location, the license issued by the Secretary of Finance; or
(v) That the licensee has violated any directive or instruction issued by the Secretary of Finance; or
(vi) That the licensee has violated any express term or condition of its license, the Pachinko Slot Machine Act, or this subchapter; or
(vii) That the licensee and/or its employee(s) has exhibited discourteous treatment including but not limited to, abusive language toward customers or any government agents, employees or their designees; or
(viii) That the licensee has assigned or transferred or attempted to assign or transfer its license to another party without the prior written approval of the Secretary of Finance; or
(ix) That the licensee engaged in fraud, deceit, misrepresentation, or other conduct prejudicial to public confidence in the pachinko slot machine business; or

(x) That the licensee engaged in telecommunication or printed advertising that the Secretary of Finance determines to have been false, deceptive, or misleading; or
(xi) That the licensee failed to establish or maintain reasonable security precautions with regard to the operation of the licensed pachinko slot machines; or
(xii) That the licensee has engaged in skimming of pachinko slot machine funds; or
(xiii) That the licensee has failed to make payments when due by any pachinko slot machine to the CNMI.

(2) Notice of suspension or revocation of a license shall, if possible, be given to the licensee in writing setting forth the reasons therefore. A suspended or revoked license shall immediately be surrendered to the Secretary of Finance.

Modified, 1 CMC § 3806(c), (d), (f).


§ 70-40.5-315 Hearings

All hearings related to this subchapter shall be conducted in accordance with the CNMI Administrative Procedure Act, 1 CMC §§ 9101, et seq.

Modified, 1 CMC § 3806(d).


Part 400 - Miscellaneous Provisions

§ 70-40.5-401 Confidentiality

All information submitted to the Department of Finance regarding licensing of a pachinko slot machine shall be confidential and shall be disclosed only as follows:

(a) To the license applicant; or

(b) To the Department of Commerce only to the extent necessary to permit that agency to carry into effect its statutory business licensing provisions; or

(c) For the purpose of carrying into effect this subchapter, laws pertaining to pachinko slot machines, or any law imposing taxes or duties payable to the Commonwealth of the Northern Mariana Islands.

Modified, 1 CMC § 3806(d).

§ 70-40.5-405 Presence Upon Opening of Machines

Pursuant to law, the Secretary of Finance is authorized to be present at all times when monies are withdrawn from pachinko slot machines. Accordingly, the Secretary of Finance will establish a schedule in coordination with all applicants receiving pachinko slot machines licenses, to ensure that the Secretary of Finance or his designee is present at all times when monies are withdrawn from pachinko slot machines. Except as otherwise authorized by the Secretary of Finance, no monies may be withdrawn from any pachinko slot machine unless the Secretary of Finance or his designee is present at such time. In the alternative, the Secretary of Finance may promulgate additional or supplemental rules or regulations to accomplish the objectives of this section which are to assure that the integrity of the game is protected and that there is an accurate accounting of income generated from each machine and that any and all fees and taxes due and owing to the CNMI are promptly and fully paid.

Modified, 1 CMC § 3806(f).


§ 70-40.5-410 General Waiver Authority

The Secretary of Finance shall have the authority to waive any provision of this subchapter if such is in the best interests of the industry.

Modified, 1 CMC § 3806(d).


§ 70-40.5-415 Designation of Authority

The Secretary of Finance may delegate all responsibilities and authority under the rules and regulations in this subchapter, if not already delegated by these rules and regulations, to the Director of Revenue and Taxation and/or any other responsible party.

Modified, 1 CMC § 3806(d), (f).