

TITLE 4: ECONOMIC RESOURCES
DIVISION 2: TOURISM

§ 2314. Powers and Duties of the Commission.

The Commission shall have all the powers and authority necessary to carry out the purposes of this chapter, including, without limitation, the responsibility:

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

(b) To promulgate such rules and regulations, as may be necessary to fulfill the intent, policies and purposes of this chapter. The Commission may use such rules and regulations to interpret, enlarge upon, except provisions defining the authority and powers of the Commission, or define, or any provision of this chapter to the extent that such provision is not specifically defined by this chapter. 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 relation to the sole casino 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.

(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.

(11) The exclusion and removal of undesirable persons from the sole casino.

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(12) Civil penalties for the violation of provisions or regulations imposed under this chapter.

(13) Penalties for the late payment of applicable fines, or fees.

(c) To levy fines and penalties for the violation of provisions of this chapter 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, the casino licensee, or any vendor licensee, service provider licensee, or junket licensee on its premises or elsewhere as practical, including inspecting the gross income produced by the licensee'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.

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

(f) The Commission shall also 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 regulate betting or wagering associated with cockfighting.

(h) The Commission shall not have the authority to issue a license to a casino licensee.. The license shall not be suspended or revoked absent finding of clear and convincing evidence during a hearing pursuant to 1 CMC § 9101 *et seq.* by unanimous vote of the Commonwealth Casino Commission.

(i) Information, data deemed confidential; exceptions.

(1) Except as otherwise provided in this chapter, all information required by the Commission to be furnished pursuant to this chapter or the regulations promulgated hereunder, or which may be otherwise be obtained, relative to the internal controls or to the finances, earnings, taxes, or revenue of any applicant or licensee shall be considered to be confidential and shall not be revealed in whole or in part except in the course of the necessary administration of this chapter, or upon the lawful order of a court of competent jurisdiction, or to the Office of the Public Auditor upon request, or to the Attorney General upon request, or to a law enforcement agency of the United States Government upon request, 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 to the Office of the

Public Auditor upon request, or to the Attorney General upon request, or to a law enforcement agency of the United States Government upon request, or, with the approval of the Attorney General, to a duly authorized law enforcement agency.

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(3) 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 check 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.

(j) The Commission may impose reasonable charges and fees for direct costs incurred in 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. Such fees shall be deposited into the CCCRF Fund.

(k) The Commission shall regulate one live training facility of non-permanent 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.

(l) The Commission shall submit to the legislature for approval on or before April 1 of each year a proposed annual budget for the next fiscal year in accord with the budgeting and planning procedure applicable to all departments of the Executive Branch beginning fiscal year 2017. Within its proposed budget, the Commission shall itemize all personnel, travel, and other expenses for the fiscal year in question; the sums required to be expended during the year with respect to

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its casino regulatory responsibilities; and a detailed statement of all other Commission assets, liabilities, revenues and expenditures.

(m) The Commission may hold investigative hearings which may be conducted by one or more members with the concurrence of a majority of the Commission with public notice, or by a hearing examiner appointed by the Commission, with public notice, at such times and places, within the Commonwealth, as may be convenient. The Commission may have open working meetings, with notice, within the Commonwealth, to discuss and deliberate about any matter over which then Commission has jurisdiction. The Commission may attend gaming-related workshops, conferences and trainings which shall not constitute a working meeting. Final action shall only occur in an open meeting after appropriate notice has been given to the public.

(n) Subject to the provisions set forth in 4 CMC § 2314(i), the Commission may determine which information in its possession is unsuitable for public disclosure due to safety or security concerns, and to withhold the same from public inspection, copying or disclosure. The Commission may determine which information is suitable for disclosure and allow the disclosure and dissemination of the information. The Office of the Public Auditor and the Attorney General shall have access and authority to freely inspect, examine, audit, and photocopy all information in the Commission's possession upon request, including but not limited to all forms, applications, contracts, security plans, lists, internal procedures, orders, or documents of any kind, without regard to the manner of storage of the information, be it physical, electronic or otherwise.

(o) The Commission or any of its members with the concurrence of the majority 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 with the concurrence of the majority may appoint hearing examiners who may issue subpoenas, administer oaths, and receive evidence and testimony under oath.

(p) The Commission may pay transportation and other expenses of witnesses as it may deem reasonable and proper. Notwithstanding any other provision of law, 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.

(q) The Commission may initiate regulatory proceedings or actions appropriate to enforce the provisions of the gambling, or gaming laws of the Commonwealth, except for the local gaming initiatives of the First and Second Senatorial Districts and the regulations promulgated thereto, when appropriate shall, in conjunction with the Attorney General, sue civilly to enforce the provisions of the gambling and gaming laws of the Commonwealth, except for the local gaming initiatives of the First and Second Senatorial Districts and the regulations promulgated thereto, and may request that the Attorney General prosecute any public offense committed in violation of any provision of gambling or gaming laws of the Commonwealth.

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(r) To have sole jurisdiction to resolve disputes between patrons of a licensed casino facility subject to regulation by the Commission, and the licensee wherein the patron is attempting to collect a payout or other 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;
- (3) Made upon unlawful procedure;
- (4) Unsupported by any evidence; or
- (5) Arbitrary or capricious or otherwise not in accordance with law.

(s) 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 facility subject to regulation by the Commission, regardless of the location of the person or entity. 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 casino facility regulated by the Commission. Notwithstanding any other law to the contrary, 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;
- (3) Made upon unlawful procedure;
- (4) Unsupported by any evidence; or
- (5) Arbitrary or capricious or otherwise not in accordance with law.

(t) The Commission shall have the authority to require performance and completion bonds in any amount agreeable to the Commission or any other means of assurance in lieu of a "bond" acceptable to the Commission that the project will be timely and fully completed, free of any mechanic's or other liens, prior to or during the construction of any facility that houses a facility or entity which requires a license from the Commission. In addition to other Commonwealth regulatory

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agencies, the Commission may regulate the interior design, cleanliness or sanitation of any portion of the integrated resort, or other facility which requires or has a license issued by the Commission.

(u) To allow gaming to commence at any time, and in such locations in Saipan, as the Commission deems appropriate subject to other applicable CNMI laws and regulations.

(v) Notwithstanding any other provision of law, 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: the commencement of operations and achieving minimum initial investment requirements. The Commission shall approve the casino licensee's set number of games, such as, but not limited to, slot machines or gaming tables, either in total or by category, or by location.

(w) To regulate the advertising, regardless of location, of any casino or other facility subject to licensure by the Commission.

(x) Self-Exclusion: The Commission may create self-exclusion programs in which problem gamblers or problem gamblers, may, and any licensed casino or other facility licensed by the Commission must participate. Such programs may include, but not be limited to, provisions which require problem gamblers to forfeit to the Commonwealth any chips, credits or wagering instruments of any kind on their possession in any facility from which they have been excluded, as well as provisions requiring any licensed facility to forfeit to the Commonwealth any or all of a self-excluded patron's losses if the excluded person is permitted to gamble or game once they have self-excluded.

(y) The Commission may accept money and property from other governments and governmental agencies and entities as a result in inter- and intra- governmental cooperation.

(z) The Commission may exercise all powers incidental, convenient or necessary to enable it to administer or carry out any of the provisions of this chapter.

(aa) The Commission shall cause to be made and kept a record of all proceedings at regular and special meetings of the Commission. These records are open for public inspection, copying, and disclosure.

(bb) The Commission shall maintain a file of applications for licenses under this chapter, together with a record of all actions taken with respect to those applications. The file and record are open for public inspection, photocopying, and disclosure.

(cc) The Commission shall maintain an alphabetical listing of all vendors doing business with the casino licensee, which shall include but not be limited to each vendor's name, registration or license number, mailing address, telephone number, authorized representative, and nature of services. The listing shall be open to public inspection, shall be updated regularly and at a minimum on a monthly basis, and shall be posted online at the Commission's official website.

(dd) The Commission may maintain such other files and records as they may deem desirable, and make these available for public inspection.

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* See Commission Comment.

Source: PL 18-38 § 5(204) (Mar. 21, 2014), modified; subsections (b) and (b)(13) amended and (e) repealed and reenacted by PL 18-43 §§ 12, 13, and 14 (Apr. 1, 2014); repealed by PL 18-56 § 2 and reenacted by PL 18-56 § 7(2314) (July 11, 2014); (h) amended and (i)–(l) enacted by PL 19-24 § 10 (Dec. 4, 2015), modified; subsections (a)–(l) amended by PL 21-38 § 10 (Jan. 7, 2021); subsections (m)–(dd) added by PL 21-38 § 11 (Jan. 7, 2021).

Commission Comment: The Commission changed the semicolon following “Commission” in subsection (h) to a period pursuant to 1 CMC § 3806(g). The Commission struck the figure “(6)” in subsection (h) pursuant to 1 CMC § 3806(e). The Commission substituted “this chapter” for “this act” in subsection (i)(1) pursuant to 1 CMC § 3806(d), (g). The Commission capitalized the term “commission” throughout this section pursuant to 1 CMC § 3806(f).

* Subsection (h) as received by the Commission in PL 19-24 § 10 (Dec. 4, 2015) reads as follows:

(h) The Commission shall not have the authority to issue a license to the exclusive casino licensee. The power to issue such sole casino operator license lies with the Commonwealth Lottery Commission. The license shall not be suspended or revoked absent finding of clear and convincing evidence during a hearing pursuant to 1 CMC § 9101 *et seq.* by unanimous vote of the Commonwealth Casino Commission; ~~provided that any decision of the Commission to revoke the exclusive casino license shall be submitted to the legislature for approval by a majority of the members of each house of the legislature through a joint resolution.~~ The statute of limitation shall prohibit filing of violations not decided within six months of the alleged incident or action.

See also, Commission Comment to 4 CMC §§ 2301 and 2305.