## TITLE 4: ECONOMIC RESOURCES DIVISION 9: LABOR

## § 9302. Definitions.

As used in this chapter:

- (a) "Administrator" means the executive head of the workers' compensation system who shall be the Secretary of the Department of Commerce or a designee of the Secretary of the Department of Commerce.
- (b) "Adoption" or "adopted" refers to a legal adoption prior to the time of the injury.
- (c) "Carrier" includes stock corporations or mutual associations from which any employer has obtained workers' compensation insurance or guaranty insurance in accordance with the provisions of this chapter.
- (d) "Child," "grandchild," "brother," and "sister." The term "child" includes a posthumously born natural child of a deceased employee, a child legally adopted before the injury of the employee, a child in relation to whom the deceased employee stood in loco parentis for at least one year before the time of the injury, a stepchild, or an acknowledged illegitimate child. The term "grandchild" means a child, as defined above. The terms "brother" and "sister" include only siblings of the employee. The terms "child," "grandchild," "brother," and "sister" include only persons who are under 18 years of age or who are over 18 years of age and were dependent for at least one-half of their support upon the deceased employee at the time of his injury and are incapable of full self-support by reason of mental or physical disability. The terms "child," "grandchild," "brother," and "sister," also include persons who are 18 years of age or over but under 22 years of age, who are enrolled on the date of injury in a secondary or postsecondary educational program or in a bona fide vocational training program, and who at the date of injury are dependent upon their parent or parents for more than one-half of their support.
- (e) "Commission" means the Workers' Compensation Commission which shall be the Secretary of the Department of Commerce and no less than four additional commissioners selected/appointed by the Secretary of Commerce provided that at least one member shall be from the First or Second Senatorial District as follows:
  - (i) A member of the community;
  - (ii) A CNMI Licensed Physician;
  - (iii) A Representative of the Saipan, Tinian, or Rota Chambers of Commerce; and
  - (iv) A Representative of the Northern Marianas Insurance Association.
- (f) "Commonwealth" when used in a geographical sense, means the Commonwealth of the Northern Mariana Islands including the waters thereof, extending to the outer limit of the exclusive economic zone established pursuant to the Marine Sovereignty Act of 1980 [2 CMC § 1101 et seq.].
- (g) "Compensation" means the payment for medical services and supplies, the disability benefits payable to an employee or to his dependents, and such other payments arising from the injury of an employee as provided for in this chapter.
- (h) "Date of disability" means the date after which an employee can no longer earn the wages he or she was earning at the time of the injury resulting in the disability. The date of disability is not necessarily the date of injury.

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- (i) "Death" when used as a basis for a right to compensation under this chapter, means only death resulting from an injury.
- (j) "Disability" means incapacity, because of injury, to earn the wages which the employee was receiving at the time of injury in the same or any other employment.
- (k) "Disability benefits" means the money allowance payable periodically to an employee or to his survivors as provided for in this chapter.
- (l) "Employee" means any person in the service of an employer under any appointment or contract of hire or apprenticeship, express or implied, oral or written, whether lawfully or unlawfully employed, and where the employer has the power or right to control and direct the employee in the material details of how the work is to be performed. "Employee" specifically includes aquacultural and agricultural workers. "Employee" excludes any person whose employment is purely casual and not for the purpose of the employer's trade or business, any corporate director not receiving any compensation, independent contractors, and any person employed by the inhabitant of a private dwelling to reside at the dwelling and perform household domestic service.
- (m) "Employer" means any person, corporate or unincorporate, public or private, who employs the services of others in return for wages, salaries or other remuneration and includes the legal representative of a deceased employer. "Employer" excludes a person who employs for a specified recompense for a specified result an independent contractor and who may or may not in turn employ others whose work is directed as to the means of accomplishing such result by the independent contractor. If the employer is insured, it includes his insurer as far as applicable.
- (n) "Independent contractor" means any person who renders service for a specified recompense for a specified result, under the control of his principal as to the result of his work only and not as to the means by which such result is accomplished.
- (o) "Injury" means accidental injury or death arising out of and in the course of employment, and such occupational disease or infection as arises naturally out of such employment or as naturally or unavoidably results from such accident or injury. The term includes an injury caused by the willful act of a third person inflicted upon any employee in the course of his employment.
- (p) "Parent" means a natural parent, step-parent, parent by adoption, parent-inlaw, and any person who for more than three years before the death of the deceased employee stood in the place of a parent to him.
- (q) "Person" means an individual, partnership, corporation, association, governmental entity, or any other entity.
- (r) "Spouse" means the person who was the deceased employee's wife or husband at the time of the employee's death.
- (s) "Wages" means the money rate at which the service rendered is recompensed under the contract of hiring in force at the time of the injury; including the reasonable value of board, rent, housing, lodging, or other similar advantages received from the employer, and gratuities received in the course of employment from other than the employer.

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**Source:** PL 6-33, § 1 (§ 9302); amended by PL 9-33, § 3; (a) and (e) amended by PL 17-88 § 3 (November 9, 2012).

**Commission Comment:** Public Law 17-88, enacted November 9, 2012, provides in addition to savings and severability clauses:

Section 1. <u>Short Title</u>. This Act may be cited as the "The Workers' Compensation Functions Transfer Amendment Act of 2011."

Section 2. Findings and Purposes. The Legislature finds that the Department of Commerce is the appropriate government entity to administer the functions of the Workers' Compensation. The Department of Commerce is an appropriate government entity to administer these functions, due to its status as a permitting and enforcement agency, to ensure compliance with the Worker's Compensation Law, and to facilitate the implementation of "one-stop business processing" procedures.

Section 4. <u>Transition</u>. The currently existing staff and employees of the Workers' Compensation system shall continue in their employment with the same duties, rights and responsibilities during the transition of the Commission from the Northern Mariana Islands Retirement Fund to the Department of Commerce, and all existing contracts executed by the Board of Trustees acting as the Workers' Compensation Commission shall remain in force and effect during the transition to the newly constituted Commission.