

TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH

LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

Regular Session, 2025

H. B. 24-79

A BILL FOR AN ACT

To amend Title 4, Division 2, Chapter 3 of the Commonwealth Code, to amend the Commonwealth Gaming provisions, remove exclusive license, and allow for more casino licenses; and for other purposes.

**BE IT ENACTED BY THE 24TH NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE:**

1 **Section 1. Findings and Purpose.** The Legislature finds that the
2 Commonwealth Casino Law, as originally enacted, provided for an exclusive
3 casino license. This model has proven unsustainable, as the sole licensee became
4 entangled in litigation and was unable to deliver on its commitments. Reviving the
5 industry requires a new framework that fosters competition, attracts credible
6 investment, and restores confidence in the Commonwealth's gaming sector.

7 The Legislature further finds that recent asset transitions in Saipan
8 demonstrate continued investor interest in casino development. These
9 developments present an opportunity to restructure the industry by authorizing
10 multiple non-exclusive licenses under strong regulatory oversight, rather than
11 relying on a single operator. Allowing qualified operators to enter the market will

1 reactivate hotels, unlock construction projects, and create local jobs, while
2 promoting transparency and accountability.

3 The Legislature recognizes that the decline of tourism airlift and visitor
4 arrivals since the pandemic has undermined the assumptions of the prior exclusive
5 model. Diversifying operators and projects will support a broader tourism recovery
6 by re-opening hotel inventory, generating demand for new air routes, and aligning
7 with global travel trends. Modernization is also required: advancements in Internet
8 gaming and digital payment technologies, including stablecoins and municipal
9 tokens, call for updated regulatory authority at the Commonwealth level to ensure
10 consumer protection and compliance with federal law.

11 The Legislature further finds that gaming revenues must be tied directly to
12 a compelling public purpose. Retirees currently receive seventy-five percent (75%)
13 of their pensions from the Settlement Fund, with at least \$12.5 million needed
14 annually to cover the remaining twenty-five percent (25%) obligation. By
15 establishing a performance-based Casino Gross Revenue Tax (CGRT), this Act
16 ensures a reliable stream of revenue prioritized for retirees, while protecting the
17 General Fund for essential government services.

18 Finally, the Legislature affirms that a revitalized industry depends on
19 credible and independent regulation. Nothing in this Act diminishes the powers of
20 the Commonwealth Casino Commission (Commission). Instead, this Act
21 strengthens the Commission's role in licensing, oversight, and enforcement,

1 ensuring that future operators meet the highest standards of suitability and financial
2 integrity. The Commission will be self-funded through dedicated regulatory fees,
3 avoiding any burden on the Commonwealth's general revenues.

4 It is therefore the policy of the Commonwealth to end statutory exclusivity,
5 authorize multiple non-exclusive casino licenses, modernize oversight to reflect
6 current gaming technologies, and dedicate revenues to public priorities, while
7 safeguarding transparency, accountability, and the long-term economic stability of
8 the Commonwealth.

9 **Section 2. Amendment.** Title 4, Division 2, Chapter 3, Articles 1, 2, 3 are
10 amended, and a new Article 6 is hereby enacted, to read as follows:

11 **“Article 1. Gaming Provisions.**

12 § 2301. Exclusion from Gambling Prohibition.

13 Casino gaming and wagering is authorized in the Commonwealth provided
14 that such gaming and wagering occurs in the casino facilities of the casino operator
15 licensed pursuant to this chapter or in a casino licensed pursuant to the laws of a
16 Senatorial District.

17 § 2302. Central Government Taxation.

18 (a) The taxes imposed by 4 CMC § 1505, 4 CMC § 1503, Amusement
19 Machines, 4 CMC § 1504, Limitation on Number of Poker Machine License Issued,
20 and 4 CMC § 1506 Criminal Penalty, and 4 CMC § 1507, Regulations, shall not
21 apply to a licensed casino.

1 (b) Funds received from the casino license fees pursuant to 4 CMC § 2306
2 shall not be Commonwealth general funds and such funds shall be appropriated
3 pursuant to this chapter.

4 (c) No Qualifying Certificates for Casinos in the Third Senatorial District
5 or Saipan.

6 (1) The Investment Incentive Act of 2000 (Public Law 12-32), as
7 amended and re-codified at 4 CMC §§ 50201 *et seq.*, shall not be applicable
8 to the casino located on Saipan and licensed pursuant to this chapter, and
9 such casino shall not be eligible for a qualifying certificate.
10 Notwithstanding any other provision of law, if such casino, located on
11 Saipan is part of a larger business or project for which a qualifying
12 certificate is issued under such act, no tax on or derived from the operation
13 or revenue of such casino, including but not limited, to concession food and
14 beverage sales within a casino, shall be abated or rebated by virtue of such
15 certificate.

16 (2) The Investment Incentive Act of 2000 (Public Law 12-32), as
17 amended and re-codified at 4 CMC §§ 50201 *et seq.*, applies to any business
18 engaged in casino gaming activities conducted within its hotel-casino
19 premises located in the senatorial districts of Tinian or Rota, and any such
20 casino may be eligible for a qualifying certificate except for taxes applicable
21 to casino gaming revenues.

1 (d) After April 2, 2015, no new or additional licenses for poker, pachinko,
2 or similar amusement machines, but not including electronic gaming machines as
3 defined in 6 CMC § 3154(a)(4), shall be granted or allowed to operate outside of
4 the approved casino establishment or hotel, within the Third Senatorial District.
5 The licenses issued for poker, pachinko, and similar amusement machines that
6 began its operation prior to April 2, 2015 shall be allowed to continue operation in
7 the Third Senatorial District.

8 (e) Casino Regulatory Fee: Any fees imposed by the Commonwealth
9 Casino Commission on a casino licensee pursuant to this Act or by regulation are
10 capped on an annual basis as described in 4 CMC § 2309.

11 § 2303. Central Government Fees and Licenses.

12 The casino established pursuant to this chapter shall obtain and keep a valid
13 business license and shall pay all fees associated with such business license
14 prescribed by law unless exempted under this chapter.

15 § 2304. Criminal Penalties.

16 (a) Any person who knowingly and willfully violates any provision of this
17 chapter or any regulation issued by a casino commission shall, upon conviction, be
18 subject to a fine not less than \$10,000 nor more than \$100,000, or be imprisoned
19 for not more than three years, or both.

20 (b) Any penalty imposed under this section shall be in addition to any civil
21 penalty or other sanction imposed by or pursuant to this chapter.

1 § 2305. Administrative Procedure.

2 Any action taken by the Commonwealth Casino Commission, including the
3 promulgation of any rule or regulation and the imposition of any civil penalty, shall
4 be subject to the Administrative Procedure Act (1 CMC §§ 9101 *et seq.*). Provided
5 that Commission orders regarding an applicant or licensee's security or safety
6 procedures and the storage or movement of money shall not be published in the
7 CNMI Register but shall be effective against applicants or licensees as if it had been
8 published in the Register, if the applicant or licensee was given actual notice of the
9 order.

10 § 2306. Fees and Initial Investment.

11 (a) Application Fees. An applicant for a casino license under this chapter
12 shall pay a one-time nonrefundable application fee of five hundred thousand dollars
13 (\$500,000) per location. The applicant must submit an application to the
14 Commonwealth Casino Commission and on the same day deposit the five hundred
15 thousand dollars (\$500,000) fee with the Commission in the Commonwealth
16 Casino Applicant Fund (CCAF). The application fee shall be deemed to include all
17 costs reasonably incurred by the Commission in connection with the review,
18 investigation, and vetting of the applicant and any associated persons, including but
19 not limited to background checks, financial suitability analyses, and other due
20 diligence activities necessary to determine licensure eligibility.

1 (b) Casino License Fees. The annual fee for the casino license shall be one
2 (1) million dollars (\$1,000,000) and shall be paid as follows:

3 (1) Payment of \$2,000,000 shall be paid upon the receipt of the
4 casino license to cover the first and second year.

5 (i) To be eligible for the casino license, the \$2,000,000 required for
6 the first and second year fees shall be deposited in a third-party independent
7 escrow account, to be selected by the Secretary of Finance. Documentation
8 evidencing such deposit shall be submitted to the Commonwealth Casino
9 Commission with the applicant's business plan. The funds and any interest
10 shall be released from escrow to the Commonwealth Treasurer upon the
11 issuance of the casino license to the applicant depositing the funds. If a
12 casino license is not issued to the applicant depositing the funds, the funds
13 minus the non-refundable application fee and any interest shall be released
14 to such applicant upon the denial of the application.

15 (2) The annual license fee of \$1,000,000 shall be paid when the fees
16 for the third through fifth year are due; and

17 (3) The annual license fee of \$1,000,000 plus the adjusted amount,
18 in accordance with the Consumer Price Index (CPI) described in section 4
19 herein shall be paid when the fees for the sixth year are due; and \$1,000,000
20 plus the adjusted amount in accordance with the CPI described in section 4
21 herein for each year thereafter for every 5 year cycle.

1 (4) The annual license fee shall be adjusted every five years based
2 on the cumulative change in the Consumer Price Index developed by the
3 Commonwealth Department of Commerce for Saipan for the previous five
4 years. The license fee shall not be reduced below \$1,000,000.

5 (c) An applicant must satisfy the payment requirements under subsections
6 (a) and (b) of this section to be eligible for a license under this chapter. An applicant
7 who fails to deposit the \$500,000 application fee and the \$2,000,000 Casino
8 License Fee, as required, shall be automatically rejected.

9 (d) An applicant who fulfills the requirements of subsections (a) and (b)
10 shall submit an acceptable business plan to the Commonwealth Casino Commission
11 no later than the date designated by the Commonwealth Casino Commission.

12 (1) The business plan must provide a timeline and cost breakdown
13 that specifically demonstrates how and when the applicant will comply with
14 the requirements of the minimum initial investment under subsection I.

15 (2) The applicant who is granted a license under this chapter shall
16 make an initial investment of at least three hundred million dollars
17 (\$300,000,000) for new construction, to include a casino and a resort with
18 a minimum of 250 guest rooms.

19 (3) In the alternative to subsection (2), an applicant who is granted
20 a license under this chapter may satisfy the initial investment requirement
21 by acquiring and renovating an existing hotel property for the purpose of

1 establishing a casino and resort facility. Such acquisition and renovation
2 shall require a minimum capital investment of not less than fifty million
3 dollars (\$50,000,000), and the renovated facility shall include a casino and
4 a resort with no fewer than 250 guest rooms. The renovated facility shall
5 be upgraded to an upscale hotel and casino resort as defined and determined
6 by the Commonwealth Casino Commission through regulation.

7 (e) Casino License.

8 (1) A Casino License shall be issued with respect to a single, specific
9 location within the Third Senatorial District.

10 (2) Once a Casino License is issued, the licensee may expand its
11 casino facilities within the same licensed location without incurring
12 separate or additional License Fee or Regulatory Fee obligations.

13 (3) If a licensee seeks to operate a casino in another location within
14 the Third Senatorial District, such operation shall constitute as a separate
15 Casino License. Each separate license shall require independent approval
16 by the Commonwealth Casino Commission and shall be subject to payment
17 of a separate and additional License Fee and Regulatory Fee applicable to
18 that specific location.

19 (4) Accordingly, a single casino operator may be issued multiple
20 Casino Licenses for distinct separate locations within the Third Senatorial

1 District, provided that each license is separately approved and that the
2 License Fee and Regulatory Fee are paid in full for each licensed location.

3 (f) Assignment or Transfer of an Existing Casino License.

4 (1) In the event of an assignment or transfer of a casino license, the
5 prospective licensee shall, upon approval by the Commonwealth Casino
6 Commission, pay the non-refundable application fee, the one-time license
7 fee, and the regulatory fee as required under the law in effect prior to the
8 enactment of this Act. Thereafter, all annual license fees and regulatory fees
9 shall be paid in accordance with the provisions of this Act and its
10 amendments. The Commonwealth Casino Commission shall execute a new
11 Casino License Agreement, or amend the existing Casino License
12 Agreement, to incorporate the revised terms, conditions, and requirements
13 established under this Act.

14 § 2307. Disposition of Revenues.

15 (a) All monies collected from casino license fees pursuant to 4 CMC § 2306
16 shall be deposited into the Commonwealth Treasury. Such funds shall be
17 maintained in a separate account, distinct from the general fund of the
18 Commonwealth government, and shall remain subject to legislative appropriation.

19 (b) All non-refundable application fees shall be deposited in the Casino
20 Commission Application Fee (CCAF) Special Fund. Monies in the CCAF Special
21 Fund shall be expended by the Commonwealth Casino Commission for the

1 investigation of license applicants pursuant to 4 CMC § 2318, and for all reasonable
2 costs associated with the review, granting, or denial of a casino license application.
3 The Chairman of the Commonwealth Casino Commission shall serve as the
4 expenditure authority for the CCAF Special Fund.

5 Any unexpended balance in the CCAF Special Fund, after the issuance of a
6 license and payment of all obligations and encumbrances related to application
7 review—including investigative, travel, and meeting costs, etc. shall be transferred
8 to the Commonwealth Casino Commission Regulatory Fee Fund (CCCRF).

9 § 2308. Disposition of Casino Gross Revenue Tax (CGRT).

10 The Secretary of Finance shall establish a special Casino Gross Revenue
11 Tax (CGRT) Account separate from the general funds. The funds in the CGRT
12 Account shall not lapse and are not subject to fiscal year limitation. In addition, the
13 Secretary of Finance shall keep a record of the CGRT funds allocated pursuant to
14 subsections (a) and (b). Notwithstanding 4 CMC §§ 1802 and 1804 or any other
15 laws, gross revenue tax generated from a license holder under this chapter shall be
16 deposited in the special CGRT Account, and shall be appropriated by the
17 Legislature, unless otherwise specifically provided in this section, for the following
18 purposes:

19 (a) The funds deposited into the CGRT Account after the beginning of each
20 calendar year shall be earmarked and available for appropriation by the Legislature
21 to cover or supplement the payment of 25% of class members' full benefits and any

1 bonus to be distributed equally to all Settlement Class Members and CNMI Fund
2 members receiving annuity.

3 (b) Establishment. There is hereby established in the CGRT Account a
4 subaccount designated as the Reserve Fund.

5 (1) The Secretary of Finance shall cause to be deposited in the
6 Reserve Fund 5% of the tax revenue received pursuant to this section and
7 any other funds as may be designated by the Legislature.

8 (2) The Secretary of Finance shall invest and manage Reserve Fund
9 assets as a prudent investor would, by considering the purposes, terms,
10 distribution requirements, and other circumstances of the Reserve Fund.
11 The Secretary shall engage one or more fund custodians to assume
12 responsibility for the physical possession of fund assets or evidences of
13 assets. The custodian shall submit such reports, accountings, and other
14 information in such forms and at such times as requested by the Secretary.
15 All costs incurred for custodial services shall be paid from the fund. The
16 custodian shall hold all assets for the account of the fund and shall act only
17 upon the instruction of the Secretary, its administrator, or a member,
18 committee, or agent so authorized by the Secretary. In order to secure
19 expert advice and counsel, the Secretary may engage one or more
20 investment managers and investment advisors. All costs incurred in this
21 connection shall be paid from the Reserve Fund.

1 (c) After the amounts required pursuant to subsections (a) and (b) are
2 satisfied, the balance of the CGRT Account shall be recorded, maintained, and
3 accounted for to be reserved for appropriation by the Legislature.

4 (d) Within 30 days after each quarter, the Secretary of Finance shall report
5 to the presiding officers of the legislature describing the total funds in the CGRT
6 and the amount reserved for appropriation in accordance with subsections (a), and
7 (b).

8 (e) The Commonwealth Casino Commission shall by regulation define
9 “Casino Gross Revenue Tax” (CGRT) consistent with generally accepted gaming
10 industry principles within the applicable tax laws in the Commonwealth; provided
11 that CGRT shall, at a minimum, mean the total amount wagered on gaming
12 activities less winnings paid out to patrons, excluding non-cashable promotional
13 credits and adjustments allowed by regulation.

14 (f) Imposition and Rate. A tax is hereby imposed on each casino licensee’s
15 CGRT less any rolling commission or rolling rebate approved by the Commission
16 at a rate to be set by the Commission by regulation, not to exceed fifteen percent
17 (15%). The Commission may establish a single uniform rate or a schedule of rates
18 by game type or scale of operations, provided that the maximum rate shall not
19 exceed fifteen percent (15%).

20 (g) In Lieu of Business Gross Revenue Tax (BGRT).

1 The CGRT imposed under this section is in lieu of the Business Gross
2 Revenue Tax (BGRT) with respect to gaming revenues subject to CGRT. All non-
3 gaming revenue streams of a casino licensee, including but not limited to lodging,
4 food and beverage, retail, entertainment, parking, and other amenities, remain
5 subject to the BGRT and the Hotel Occupancy Tax, as applicable under law.

6 (h) Administration and Collection. The Department of Finance (Division of
7 Revenue and Taxation), in coordination with the Commission, shall administer,
8 assess, and collect the CGRT. The Commission shall certify each licensee's
9 monthly CGRT for tax purposes. Each licensee shall file monthly returns and pay
10 CGRT on or before the twentieth (20th) day of the month following the month of
11 activity, on forms prescribed by the Department of Finance.

12 (i) Rules. The Commission shall adopt regulations to implement this
13 section, including definitions, reporting standards, and certification procedures.
14 The Department of Finance may adopt rules and forms to administer, enforce, and
15 collect the tax.

16 (j) Transition. The CGRT under this section applies to casino gross revenue
17 received on or after the effective date of this Act. Any tax obligation under prior
18 law for periods before the effective date remains due and enforceable.

19 § 2309. Commonwealth Casino Commission Regulatory Fee Fund.

20 (a) Casino Regulatory Fee. There is an established Casino Regulatory Fee,
21 which is an annual fee due on or before October 1st of each year per licensee per

1 location beginning October 1, 2026, or whenever paid. The Casino Regulatory Fee
2 is the fee payable by each casino licensee per licensed location to the Commission
3 and will cover costs, including but not limited to, those associated with the
4 licensing, testing certification, auditing and approval of all casino slots and other
5 gaming machines, casino table games and all other casino gaming activities
6 conducted by the casino licensee at the licensed casino and regulated by the
7 Commission as well as the costs of all applications, including their review, renewal
8 and all related investigations, for licensing or permit or consent for casino employee
9 licensees, casino key employee licenses. The Casino Regulatory Fee is due
10 regardless of actual costs incurred by the Commission.

11 (b) Calculation of Casino Regulatory Fee: The Casino Regulatory Fee per
12 license per location will be a flat fee at a fixed rate of \$1,000,000 annually with a
13 five percent increase every five years for the following twenty years. After the
14 twentieth year, the maximum Casino Regulatory Fee per each licensee per each
15 location will be reached and maintained for the remaining duration until the end of
16 the casino license term, including all extensions of the casino license.

17 (c) Authorization: The Commission is authorized to collect the Casino
18 Regulatory Fee as described in 4 CMC § 2309(a) and the receipt of full payment
19 will be sufficient for 4 CMC § 2309(b) purposes.

20 (d) The Commonwealth Casino Commission shall establish and maintain a
21 Commonwealth Casino Commission Regulatory Fee Fund (CCCRF Fund) to be

1 kept separate and apart from the general funds of the Commonwealth government.
2 The non-refundable application fees, investigative fees, Casino Regulatory Fees,
3 and renewal fees for casino employee licenses, casino key employee licenses,
4 casino service provider licenses, casino vendor licenses, casino junket operator
5 licenses, machine and table licenses, casino-related application fees, renewal fees,
6 or casino-gaming related regulatory fees of any kind established by and charged by
7 the Commission shall be deposited into the CCCRF Fund. Regulatory fines or
8 penalties imposed by the Commission shall be deposited into the CCCRF Fund.
9 Any money or property received by the Commission from any other government or
10 governmental agency or entity of any kind whatsoever, except for monies
11 appropriated to the Commission by Commonwealth law shall be deposited into the
12 CCCRF Fund. The CCCRF Fund shall be subject to annual appropriation
13 beginning fiscal year 2026 or thereafter. The Secretary of Finance shall transfer any
14 balance in or owed to its CCCRF Fund existing on the effective date of this Act to
15 the CCCRF Fund established by the Commonwealth Casino Commission. The
16 CCCRF shall be expended by the Commonwealth Casino Commission for the
17 operation, personnel, and all other expenses of the Commission including but not
18 limited to the investigation and licensing of key employees, employees, service
19 providers, vendors, junket applicants, machines, gaming tables, and any other fees
20 and costs associated with reviewing the applications for various licenses. The
21 expenditure authority for the Commission shall be the Chairperson of the

1 Commonwealth Casino Commission or his designee. The CCCRF Funds are
2 earmarked for the Commission's use in regulating the casino licensee and the
3 casino industry and are subject to further appropriation in the annual appropriations
4 and are available without fiscal year limitation. The Commission shall maintain
5 records and account for the expenditures made from both the Commonwealth
6 Casino Applicant Fund (for future license application fees) and the CCCRF Fund
7 and submit reports to the Governor and the presiding officers of the Legislature.

8 (e) Notwithstanding 4 CMC §§ 2309(f) and 2314(l), all Casino Regulatory
9 Fees collected pursuant to this Act, including but not limited to the one million
10 dollars (\$1,000,000) annual regulatory fee per new casino license and any
11 regulatory fees imposed upon the existing licensee of three million one hundred
12 fifty thousand dollars (\$3,150,000), are hereby appropriated to the Commonwealth
13 Casino Commission for its personnel, operations, and regulatory expenditures for
14 FY 2026. The expenditure authority shall be the Chairperson of the Commission
15 or his or her designee. Such appropriations shall remain available without fiscal
16 year limitation and shall not require further legislative action. Subsequent Casino
17 Regulatory Fee payments shall be subject to appropriation as provided in 4 CMC §
18 2314(l). The Commission is authorized to hire or fill the necessary full-time
19 employee positions subject to availability of funds. Thereafter, as an autonomous
20 agency, the Commission shall determine its staffing levels for full-time, part-time,
21 seasonal, and temporary employees depending on the increases in the number of

1 licensees for each of their licensed locations. The Commission may increase the
2 number of staffing provide that the number of licensed locations increase to
3 effectively carry out the regulatory mandates set by the Commission. The CCCRF
4 Fund shall be subject to legislative appropriation, and expenditures shall comply
5 with the oversight and reporting requirements established under Public Law 21-38.

6 (f) Regulations: The Secretary of Finance may promulgate regulations
7 consistent with the purposes of this section.

8 (g) The Commonwealth Casino Commission shall establish and maintain a
9 Commonwealth Casino Commission Appropriations Fund (CCCA Fund) to be kept
10 separate and apart from the general funds of the Commonwealth government. The
11 monies appropriated to it pursuant to law shall be deposited into the CCCA Fund.
12 Unless otherwise directed by the appropriating body, the expenditure authority for
13 the Commission shall be the Chairperson of the Commonwealth Casino
14 Commission or his designee.

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Article 2. Casino Controls.

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§ 2311. Purpose of Article.

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This article provides for and controls casino gambling in the

20

Commonwealth pursuant to this chapter.

21

§ 2312. Definitions.

22

As used in this chapter, the term:

1 (a) “Casino” means a place, area, structure, vessel, communication channel,
2 or other thing, tangible or intangible, subject to licensing pursuant to this chapter
3 for the conduct and playing of one or more games, or the acceptance of bets and
4 wagers, including all associated activities of gaming and wagering, such as money
5 counting, surveillance, accounting, and storage, related to such conduct and
6 playing, provided, that such term shall not include areas of a resort complex or other
7 facility exclusively devoted to other activities, such as a hotel, golf course, etc., in
8 which no game is conducted or played and no wagering occurs;

9 (b) “Casino employee” means any natural person employed by the licensed
10 casino who carries out or conducts casino gaming activities as part of the business
11 of the casino licensee, which person shall be eighteen years of age or older and
12 hold a license granted by the Commission. Persons deemed to be casino employees
13 shall include

14 (1) Table games personnel who attend to or conduct gaming
15 activities, including dealers, floor people, pit managers and shift
16 managers.

17 (2) Cage and count room personnel who support gaming activities
18 within the casino, including cashiers, supervisors and shift
19 managers.

20 (3) Security personnel who work within the casino gaming areas,
21 including guards, supervisors and shift managers.

1 (4) Surveillance personnel who work within the casino gaming
2 areas, including operators, supervisors and shift managers.

3 (5) Marketing personnel who attend to or support gaming activities
4 within the casino gaming areas, including hosts, marketing
5 representatives, supervisors and shift managers.

6 (6) Slot machines personnel who attend to or support gaming
7 activities within the casino, including attendants, technicians,
8 supervisors and shift managers.

9 (7) Accounting personnel who work directly with financial
10 information relating to gaming activities, including revenue auditors
11 staff accountants and supervisors.

12 (8) Information technology personnel who attend to or support
13 gaming activities within the casino, including technicians, engineers
14 and supervisors.

15 (9) Members of the management team who are manager level and
16 above and who oversee or supervise or have responsibility over any
17 of the above operations.

18 (10) Executive directors of the casino licensee.

19 (c) "Casino gaming activities" means all games of chance and other games
20 played in major casino establishments in the United States and other games
21 approved by the Commission, and further includes the operation of a sports book

1 approved by the Commission to accept bets and wagers on sporting and other events
2 which rely on events which occur within and without the casino;

3 (d) “Casino gross revenue” shall be defined by the Commission within the
4 applicable tax laws of the Commonwealth by regulation as described in section
5 §2308(e) hereinabove;

6 (e) “Casino service provider” means a person subject to licensing pursuant
7 to this chapter that offers goods or services directly related to casino gaming
8 activities, including such persons as gaming equipment manufacturers, importers,
9 distributors, or repairers; and casino security services;

10 (f) “Commission” means the Commonwealth Casino Commission
11 established by this article;

12 (g) “Convention center” is a place, combining the requirements of a hotel
13 described in subsection (j) of this section, for a formal assembly or meeting of
14 members, representatives, or delegates of a group, such as a political party,
15 fraternity, union, business, government or religious entity;

16 (h) “Game” means any activity that includes elements of prize,
17 consideration, and chance, or any “game” that is approved by the Commission for
18 the casino’s purposes;

19 (i) “Gaming” means the playing of any game;

1 (j) "Hotel" means a building containing not fewer than 250 sleeping units
2 (rooms), each held available and used regularly for the lodging of tourists and
3 guests who are also provided entertainment, meals, and other services;

4 (k) "Operator" means any person that actually provides the overall
5 management of the operations of a casino, whether by ownership, lease, contract,
6 agreement, or otherwise;

7 (l) "Person" includes a natural person, as well as a partnership, corporation,
8 association, joint venture, or other business entity;

9 (m) "Resort" means a place, such as a hotel with no fewer than 250 rooms
10 and a meeting hall, convention center or other large event space capable of
11 accommodating 1,000 attendees, that is frequented by people for relaxation or
12 recreation.

13 (n) "Wager" or "Wagering" means a contract in which two or more parties
14 agree that a sum of money or other thing, tangible or intangible, shall be paid or
15 delivered to one of them or that shall gain or lose on the happening of an uncertain
16 event or upon the ascertainment of a fact in dispute.

17 (o) "Settlement Agreement" means the Final Amended Stipulation and
18 Agreement of Settlement entered into in Johnson v. Inos, Civil Case No. 09-23
19 (D.N.M.I.)

20 § 2313. Establishment of Regulatory Commission.

1 (a) The Commonwealth Casino Commission is hereby established as an
2 autonomous public agency of the government of the Commonwealth of the
3 Northern Mariana Islands. As an autonomous public agency, it shall establish and
4 maintain its own bank accounts, process the payroll of its members and employees,
5 process payment for its operational expenses, and handle procurement matters
6 pursuant to regulations consistent with Commonwealth law enacted therefore. The
7 Commission shall enact its own procurement policy, personnel policy, personnel
8 classification structure, and a salary schedule for its employees consistent with
9 Commonwealth law; provided that 1 CMC § 8246 and § 8248 shall not apply to
10 any employee of the Commonwealth Casino Commission.

11 (b) Appointment of Commissioners and Term. The Commission shall
12 consist of five commissioners.

13 (1) The governor shall appoint all five commissioners subject to the
14 advice and consent of the Senate. The governor shall appoint one
15 commissioner from the First Senatorial District, one commissioner from the
16 Second Senatorial District, and three commissioners from the Third
17 Senatorial District. This section shall apply to all commissioners appointed
18 after the effective date of this Act.

19 (2) Each member shall serve a term of six years, and each member
20 shall serve one term. The term of a member is defined as the time a member
21 serves as a commissioner regardless of the duration.

1 (3) Any vacancy shall be filled by the governor appointing a
2 qualified person for the unexpired term thereof or for a new six-year term.
3 No member shall serve more than one term. A member removed from the
4 Commission for cause shall not be re-appointed to the Commission.

5 (c) Qualifications of Commissioners.

6 (1) Each member shall be a citizen or national of the United States
7 and shall be a resident of and registered to vote in the Senatorial District
8 from which they were appointed.

9 (2) A Commission member must be an adult, and possess a good
10 moral character, a bachelor's degree in any field of study from a
11 postsecondary educational institution accredited in the United States or
12 must have at least five years work experience in the following areas:
13 business management, government management, or financial management.

14 (3) No person may be appointed who has been convicted of a crime,
15 excepting traffic offenses, in any jurisdiction of the United States, the
16 Commonwealth or any foreign country carrying a maximum sentence of
17 more than six months, or any crime or offense involving moral turpitude
18 unless a full pardon has been granted.

19 (4) No member shall serve in any other positions established by this
20 chapter or shall be an employee or official of the Commonwealth, or of a
21 municipality, agency, corporation, or other instrumentality or branch of the

1 Commonwealth, or of any agency of local government of the
2 Commonwealth, except that a member may serve without additional
3 compensation on a task force or other temporary body the work of which is
4 related to the work of the Commission.

5 (5) No individual may serve as a member of the Commission, if such
6 individual, or a parent or child of such individual, holds or is an applicant
7 for any license under this title or holds any direct or indirect financial
8 interest in any person or entity that holds or is an applicant for any license
9 under this title.

10 (6) The gender and ethnicity requirements of 1 CMC § 2901 shall
11 not apply to the Commission.

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

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

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

1 ~~(g) Compensation. Members of the Commission shall each be compensated~~
2 ~~at the rate of \$60,000.00 per year; provided that each Commissioner must attend all~~
3 ~~scheduled meetings unless excused by the Chairperson of the Commission. All~~
4 ~~compensation and related expenses shall be funded exclusively from the~~
5 ~~Commonwealth Casino Commission Regulatory Fee Fund established under §~~
6 ~~2309 and shall be subject to appropriation by the Legislature. Under no~~
7 ~~circumstance shall the compensation of Commissioners be paid from the~~
8 ~~Commonwealth General Fund.~~

9 Honorarium. Members of the Commission shall be compensated for all
10 commission meetings attended at \$500.00 for a full-day meeting and no more than
11 \$250.00 for a half day or less meeting;

12 The members of the Commission shall be reimbursed in accordance with
13 the Commonwealth law for any reasonable and necessary expenses incurred in the
14 performance of their duties under this division. Rules and rates for travel and per
15 diem rates shall be the same as those established for the executive branch.

16 If there are no casino operators licensed under this chapter, the
17 compensation of the Commissioners shall default to the per diem and monthly
18 limits applicable to members of boards and commissions under 1 CMC § 8247, or
19 any successor provision of law, and such compensation shall likewise be payable
20 only from the Regulatory Fee Fund and subject to legislative appropriation. All
21 travel shall remain subject to 1 CMC § 7407.

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

4 (i) Meetings and Quorum.

5 (1) Meetings of the Commission will be held at the discretion of the
6 Chairperson at such times and places as he or she may deem necessary and
7 convenient, or at the call of a majority of the members of the Commission.

8 (2) Except as provided in this chapter, the Commission shall in all
9 respects comply with the provisions of the CNMI Open Government Act as
10 set forth in 1 CMC § 9901 *et seq.*

11 (3) The minimum number of members needed to constitute a
12 quorum for the conduct of Commission business shall be three members. A
13 member who is present in the CNMI may appear telephonically or via
14 videoconference and shall be deemed present to constitute a quorum.

15 (4) A member of the Commission who is temporarily outside the
16 Commonwealth may, with the prior approval of the Chairperson, may
17 participate in meetings of the Commission by teleconference or
18 videoconference. Such participation shall be permitted only when necessary
19 to achieve quorum, and the member shall be deemed present for purposes
20 of quorum and voting. The Commission shall not encourage this practice,

1 and in-person participation within the Commonwealth shall remain the
2 standard.

3 (j) The members of the Commission are not employees of the Commission
4 or the Commonwealth government.

5 (k) Commonwealth Casino Commission agents deemed essential.
6 Notwithstanding any other provision of law to the contrary, in the event of a
7 budgetary or other crisis which necessitates a temporary closure of the nonessential
8 commonwealth agencies of the Commonwealth the members, employees, and
9 agents of the Commission shall be deemed to be essential and shall continue to
10 perform their duties.

11 § 2314. Powers and Duties of the Commission. The Commission shall have
12 all the powers and authority necessary to carry out the purposes of this chapter,
13 including, without limitation, the responsibility:

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

17 (b) To promulgate such rules and regulations, as may be necessary to fulfill
18 the intent, policies and purposes of this chapter. The Commission may use such
19 rules and regulations to interpret, enlarge upon, except provisions defining the
20 authority and powers of the Commission, or define, or any provision of this chapter

1 to the extent that such provision is not specifically defined by this chapter. The rules
2 and regulations shall, at a minimum, provide for the following:

3 (1) A code of ethics for the members of the Commission and its
4 officers and employees.

5 (2) Supervision, monitoring and investigation or other means to
6 ensure the suitability and compliance with the legal, statutory and
7 contractual obligations of owners, operators, and employees of casinos and
8 other persons licensed under this chapter.

9 (3) The examination, supervision and monitoring of the continuing
10 fiscal and financial capability of casino owners, operators, concessionaires
11 and other parties with any direct relation to the sole casino and to protect
12 the public in the event that such capability is significantly diminished.

13 (4) To collaborate in the definition, coordination and execution of
14 the economic policies for the operations of the casino games of fortune and
15 other ways of gaming, pari-mutuels, wagering and casino gaming activities
16 offered to the public.

17 (5) To authorize and certify all the equipment and utensils used by
18 the operations of the concessionaires approved in the respective
19 concessions.

20 (6) To issue licenses for “junket” promoters of casino games of
21 fortune or other casino gaming activities.

1 (7) To examine, supervise and monitor the eligibility of the single
2 or collective junket promoter(s), their partners and principal employees.

3 (8) To examine, supervise and monitor the activities and promotions
4 of the junket promoters in relation to their compliance with legal, statutory,
5 and contractual obligations, and other responsibilities stipulated in the
6 applicable legislation and contracts.

7 (9) To investigate and penalize any administrative infractions
8 practiced according to the appropriate substantial and procedural
9 legislations.

10 (10) To ensure that the relationship of the licensed gaming operators
11 with the government and the public is in compliance with the Commission's
12 regulations and provides the highest interest to Commonwealth.

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

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

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

18 (c) To levy fines and penalties for the violation of provisions of this chapter
19 and the regulation promulgated by the Commission.

20 (d) To require and demand access to and inspect, examine, photocopy, and
21 audit all papers, books and records of the casino operator, the casino licensee, or

1 any vendor licensee, service provider licensee, or junket licensee on its premises or
2 elsewhere as practical, including inspecting the gross income produced by the
3 licensee's business and verification of their income, and all other matters affecting
4 the enforcement of the Commission's policy or as required pursuant to this chapter.

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

7 (f) The Commission shall also regulate sports betting, pari-mutuel betting,
8 and other wagering which relies on events occurring within or without the casinos
9 regulated by the Commission.

10 (g) The Commission shall not regulate betting or wagering associated with
11 cockfighting.

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

16 (i) Information, data deemed confidential; exceptions.

17 (1) Except as otherwise provided in this chapter, all information
18 required by the Commission to be furnished pursuant to this chapter or the
19 regulations promulgated hereunder, or which may be otherwise be obtained,
20 relative to the internal controls or to the finances, earnings, taxes, or revenue
21 of any applicant or licensee shall be considered to be confidential and shall

1 not be revealed in whole or in part except in the course of the necessary
2 administration of this chapter, or upon the lawful order of a court of
3 competent jurisdiction, or to the Office of the Public Auditor upon request,
4 or to the Attorney General upon request, or to a law enforcement agency of
5 the United States Government upon request, or, with the approval of the
6 Attorney General, to a duly authorized law enforcement agency.

7 (2) All information and data pertaining to an applicant's criminal
8 record, family, and background furnished to or obtained by the division or
9 the Commission from any source shall be considered confidential and shall
10 be withheld in whole or in part, except that any information shall be released
11 upon the lawful order of a court of competent jurisdiction or to the Office
12 of the Public Auditor upon request, or to the Attorney General upon request,
13 or to a law enforcement agency of the United States Government upon
14 request, or, with the approval of the Attorney General, to a duly authorized
15 government agency.

16 (3) The following information to be reported periodically to the
17 Commission by a casino licensee shall not be considered confidential and
18 shall be made available for public inspection:

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

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

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

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

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

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

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

5 (j) The Commission may impose reasonable charges and fees for direct
6 costs incurred in the review, redaction, and copying, by the Commission of
7 documents subject to public inspection without regard to whether the document is
8 merely inspected by the requestor or whether copies are requested. Such fees shall
9 be deposited into the CCCRF Fund.

10 (k) The Commission shall regulate facilities as are consistent with the
11 provisions of the Casino License Agreement granted to the casino licensee and
12 together shall be operated by the casino licensee.

13 (l) The Commission shall submit to the legislature for approval on or before
14 April 1 of each year a proposed annual budget for the next fiscal year in accord
15 with the budgeting and planning procedure applicable to all departments of the
16 Executive Branch beginning fiscal year 2027. Within its proposed budget, the
17 Commission shall itemize all personnel, travel, and other expenses for the fiscal
18 year in question; the sums required to be expended during the year with respect to
19 its casino regulatory responsibilities; and a detailed statement of all other
20 Commission assets, liabilities, revenues and expenditures.

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

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

1 (o) The Commission or any of its members with the concurrence of the
2 majority has full power and authority to issue subpoenas and compel the attendance
3 of witnesses at any place within the Commonwealth, to administer oaths, receive
4 evidence, and to require testimony under oath. The Commission or any member
5 thereof with the concurrence of the majority may appoint hearing examiners who
6 may issue subpoenas, administer oaths, and receive evidence and testimony under
7 oath.

8 (p) The powers and duties of the Commonwealth Casino Commission
9 include, in addition to those enumerated herein, all expanded powers conferred
10 under Public Law 21-38, including but not limited to subpoena authority, patron
11 dispute resolution, self-exclusion program implementation, advertising regulation,
12 and acceptance of funds or assistance from other governments.

13 (q) The Commission may pay transportation and other expenses of
14 witnesses as it may deem reasonable and proper. Notwithstanding any other
15 provision of law, the Commission may require any licensee or applicant which is
16 the subject of the hearing to pay for all costs and expenses of said hearing, including
17 the expenses of any witness.

18 (r) The Commission may initiate regulatory proceedings or actions
19 appropriate to enforce the provisions of the gambling, or gaming laws of the
20 Commonwealth, except for the local gaming initiatives of the First and Second
21 Senatorial Districts and the regulations promulgated thereto, when appropriate

1 shall, in conjunction with the Attorney General, sue civilly to enforce the provisions
2 of the gambling and gaming laws of the Commonwealth, except for the local
3 gaming initiatives of the First and Second Senatorial Districts and the regulations
4 promulgated thereto, and may request that the Attorney General prosecute any
5 public offense committed in violation of any provision of gambling or gaming laws
6 of the Commonwealth.

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

- 17 (1) In violation of constitutional provisions;
- 18 (2) In excess of the statutory authority or jurisdiction of the
19 Commission or the hearing examiner;
- 20 (3) Made upon unlawful procedure;
- 21 (4) Unsupported by any evidence; or

1 (5) Arbitrary or capricious or otherwise not in accordance with law.

2 (t) To have sole jurisdiction to determine whether a person or entity requires

3 licensure or a finding of suitability in order to own, be employed by, receive

4 revenue or profits (whether directly or indirectly) from, or do business with, a

5 licensed casino facility subject to regulation by the Commission, regardless of the

6 location of the person or entity. Further, the Commission shall have sole jurisdiction

7 to determine whether a person or entity remains suitable in order to continue to

8 own, be employed by, receive revenue or profits (whether directly or indirectly)

9 from, or continue to do business with, a casino facility regulated by the

10 Commission. Notwithstanding any other law to the contrary, the Commission's

11 decisions on licensure or finding of suitability may be reviewed by the

12 Commonwealth Superior Court which may affirm the decision and order of the

13 Commission or the hearing examiner, or it may remand the case for further

14 proceedings, or reverse the decision only if the substantial rights of the petitioner,

15 applicant or license holder have been prejudiced because the decision is:

16 (1) In violation of constitutional provisions;

17 (2) In excess of the statutory authority or jurisdiction of the

18 Commission or the hearing examiner;

19 (3) Made upon unlawful procedure;

20 (4) Unsupported by any evidence; or

21 (5) Arbitrary or capricious or otherwise not in accordance with law.

1 (u) The Commission shall have the authority to require performance and
2 completion bonds in any amount agreeable to the Commission or any other means
3 of assurance in lieu of a “bond” acceptable to the Commission that the project will
4 be timely and fully completed, free of any mechanic’s or other liens, prior to or
5 during the construction of any facility that houses a facility or entity which requires
6 a license from the Commission. In addition to other Commonwealth regulatory
7 agencies, the Commission may regulate the interior design, cleanliness or sanitation
8 of any portion of the integrated resort, or other facility which requires or has a
9 license issued by the Commission.

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

13 (w) Notwithstanding any other provision of law, the Commonwealth Casino
14 Commission shall have all oversight responsibility and authority necessary to
15 assure compliance with this chapter, including but not limited to authority over: the
16 commencement of operations and achieving minimum initial investment
17 requirements. The Commission shall approve the casino licensee’s set number of
18 games, such as, but not limited to, slot machines or gaming tables, either in total or
19 by category, or by location.

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

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

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

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

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

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

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

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

9 § 2315. Executive Director.

10 (a) The Commission shall hire an Executive Director who will be
11 responsible for the overall administration of the Commission and the supervision
12 of the casino licensee and others pursuant to this chapter.

13 (b) Qualification of the Executive Director. The Executive Director shall
14 possess the following minimum qualifications:

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

17 (2) Ten years of work experience in professional, administrative, or
18 management in government or private sectors, preferably in the gaming
19 industry; and

20 (3) Good ethical and moral character; and

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

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

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

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

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

1 (f) The annual salary and benefits of the Executive Director shall be
2 established by the Commission, consistent with its autonomous authority, and shall
3 be funded exclusively from the Commonwealth Casino Commission Regulatory
4 Fee Fund established under § 2309, subject to appropriation by the Legislature. In
5 setting the salary, the Commission shall consider the need to attract and retain
6 qualified applicants with relevant expertise and experience in the gaming industry
7 and shall take into account prevailing market standards for comparable positions in
8 the Commonwealth and other gaming jurisdictions. All travel shall be subject to
9 CMC § 7407.

10 § 2316. Rules and Regulations.

11 (a) The Commission shall promulgate rules and regulations to carry out the
12 purposes of this chapter, including but not limited to, gaming promotional activities
13 and licensing carried out by independent third parties (agents), granting of gaming
14 credit, prohibited gambling, anti-money laundering, compliance and internal
15 controls, and control of the financial suitability of gaming operators. The
16 Commission may, in addition to any other purpose, use such rules and regulations
17 to interpret, enlarge upon, or define any provision of this title. Such rules and
18 regulations shall take into consideration the need for companies generally to be able
19 to participate in the gaming industry in the Commonwealth without jeopardizing
20 their ability to maintain or receive gaming licenses from other United States or
21 foreign jurisdictions.

1 (b) In addition to rules and regulations provided for in other provisions of
2 this chapter, the rules and regulations shall provide for the following:

3 (1) Means to exclude from the gaming areas of a casino individuals
4 under 21 years of age, except such lawful employees of the casino or of a
5 resort complex or other facility of which the casino forms a part as the
6 Commission determines by regulation may be present in such areas; and

7 (2) Provisions for the casinos to attempt to identify and refuse
8 service to gambling addicts and problem gamblers as they may be defined
9 by the Commission.

10 § 2317. License.

11 (a) Casino License.

12 (1) License.

13 (i) Number of Authorized License.

14 (A) The granting of a casino license is within the
15 discretion of the Commonwealth Casino Commission. The
16 Commonwealth Casino Commission must act to deny or
17 approve applications when the requirements of 4 CMC §
18 2318 have been completed. After approving an application
19 for the casino license, the Commission may negotiate the
20 terms of the license before it is issued. The license shall be
21 subject to such conditions as the Commission deems

1 necessary to assure compliance with this chapter, including
2 timelines for construction, commencing operations, and
3 achieving the minimum initial investment requirements. The
4 issuance of the license by the Commonwealth Casino
5 Commission shall not be subject to judicial review.

6 (B) In the event that a license is not issued as
7 provided in this chapter, the Commonwealth Casino
8 Commission shall establish new application timelines and
9 may provide for additional application procedures and
10 requirements that are consistent with this chapter.

11 (ii) Term. Once the casino license is granted, it shall be for
12 a period of twenty-five (25) consecutive years with an option to
13 extend the term for fifteen (15) additional years.

14 (iii) Criteria: Other criteria required for the issuance of a
15 license shall be provided for by the Commonwealth Casino
16 Commission but shall include financial capacity to operate hotel or
17 resort and the casino that serves the best interest of the people of the
18 Commonwealth both short term and long term as intended under this
19 chapter.

20 (iv) Restrictions. The Commonwealth Casino Commission
21 shall approve the casino licensee's set number of games, such as slot

1 machines or gaming tables, either in total or by category, which will
2 be offered for play for an establishment to constitute a casino. The
3 Commonwealth Casino Commission shall determine whether a
4 casino shall offer a sports pool, racebook, system for pari-mutuel
5 wagering, or similar system dependent on on-premises or off-
6 premises events. Pursuant to this subsection, each casino licensee
7 shall operate a conforming casino in good faith so as to prohibit a
8 license from being held without a good-faith casino operation. After
9 the issuance of the license, the Commission may amend by
10 regulation the requirements of 4 CMC Section 2317(a)(1)(iv) as it
11 deems to be in the best interest of the Commonwealth.

12 (b) Casino Service Providers. The Commission shall, by regulation,
13 determine which types of casino service providers shall require licensing under this
14 chapter and shall, subject to 4 CMC § 2316, provide for such licensing.

15 (c) Individual Licenses.

16 (1) The Commission may, consistent with and in addition to other
17 applicable Commonwealth laws and regulations, license or otherwise
18 regulate the employment of individuals by or in the casino, and set charge
19 fees therefore.

20 (2) The Commission may provide for the licensing of such types of
21 employees of casino service providers as the Commission determines

1 should be licensed, and of other types of individuals (other than patrons)
2 who the Commission determines should be licensed because of their
3 association with or presence in the casino, and set and charge fees therefore.

4 (d) Review. A license suspension or revocation is reviewable in the
5 Commonwealth Superior Court as a final action of a government body.

6 (e) Inspection and Monitoring. The Commission shall provide by
7 regulation, as a condition of a casino license or casino service provider license, that
8 the Commission or its authorized representatives may inspect and monitor, at any
9 time and with or without notice, any part of the licensed casino, its gaming
10 operations, equipment, records, and related activities and any similar area or
11 activity of the licensed casino service provider, and that a law enforcement officer
12 may enter any such area as requested by the Commission.

13 (f) Change of Licensee. No license may be sold, assigned, pledged,
14 transferred, or otherwise alienated or encumbered without the express written
15 permission of the Commission or as the Commission may by regulation provide.
16 A change in the ownership or control of a licensee shall be considered a transfer of
17 a license under this subsection, except where a change in ownership is as a result
18 of a change in stockholders of a publicly held corporation. The seller of the license
19 must pay all taxes due as a result of capital gains of the sale of the license. No sale
20 or lease of a casino (or of a larger establishment of which the casino is a part) or

1 contract for its operation or management may be entered into, except as set forth in
2 subsections (f)(1) and (f)(2) herein.

3 (1) Before the license is granted, if such sale, lease, or contract was
4 considered by the Commission in its decision on whether to grant the
5 license; or

6 (2) After a license is granted and after any necessary investigation,
7 with the express written permission of the Commission, which shall not be
8 withheld unreasonably.

9 (g) License Not Property Right. A license granted by the Commonwealth
10 Casino Commission:

11 (1) Is a purely personal privilege;

12 (2) Is valid for the period stated in the license, unless sooner
13 revoked;

14 (3) Is renewable only as provided or allowed by the Commission by
15 Regulation;

16 (4) Is revocable or suspendable as provided by the Commission by
17 Regulation;

18 (5) Is transferable from the premises for which the license was
19 originally issued to other premises, subject to the provisions of the gaming
20 laws of the Commonwealth, regulations promulgated thereunder, and other
21 applicable laws and regulations;

1 (6) Expires upon the death of the licensee, except as may be
2 provided by the Commission by Regulation;

3 (7) Does not constitute property;

4 (8) Is not alienable;

5 (9) Is not subject to attachment or execution;

6 (10) Does not descend by the laws of the testate or intestate
7 devolution.

8 (h) Grandfathered Conversion License; Qualifying Successor.

9 (1) Definitions. A “Qualifying Successor” means any entity,
10 organized in the Commonwealth and approved by the Commission, that (a)
11 acquired substantially all casino assets through a court-approved process;
12 and (b) files with the Commission a written, irrevocable relinquishment of
13 any claim to exclusivity under prior law or license instruments.

14 (2) Conditional Conversion Right. Upon timely application and
15 demonstrated suitability, and subject to all requirements applicable to new
16 casino licenses under this chapter and the Commission’s regulations, the
17 Commission shall issue to the Qualifying Successor one (1) casino license,
18 which shall be considered one (1) valid non-exclusive casino license under
19 this chapter, provided that the applicant:

20 (a) satisfies fit-and-proper and financial capability standards; (b)
21 executes any Commission-required compliance plan and bond/assurance;

1 (c) is current on, or has Commission-approved agreements to cure, any
2 lawfully imposed fees, taxes, rents, or penalties relating to the assets and
3 operations it elects to assume; and (d) agrees in writing that no right of
4 exclusivity exists or will be asserted going forward.

5 (3) Timing. The conversion right under subsection (2) expires 180
6 days after the effective date of this Act unless extended by the Commission
7 for good cause shown. After expiration, the applicant may compete for any
8 remaining licenses on the same basis as any other applicant.

9 (4) No Waiver of Enforcement. Nothing in this section waives or
10 impairs the authority of the Commission or other agencies to investigate,
11 enforce, or sanction past or ongoing violations by any person, nor does it
12 assume or release liabilities of the any prior estate except as otherwise
13 agreed under applicable law.

14 (5) Non-Transferability; Not a Property Right. The conversion right
15 is personal to the Qualifying Successor, is not transferable, and does not
16 constitute property. Issuance remains contingent upon final Commission
17 approval.

18 (6) Lease and Land Tenure. The Commission may condition
19 issuance or activation of a conversion license on completion of any public
20 land lease assignment and satisfaction of CNMI land use and permitting
21 requirements.

1 (7) Regulatory Coordination. Within 90 days of this Act, the
2 Commission shall promulgate interim rules for conversion procedures,
3 application contents, technical standards, and milestones to commence and
4 maintain operations under a conversion license.

5 § 2318. Investigations.

6 (a) Prior to the issuance of the license under this title, the Commonwealth
7 Casino Commission shall investigate the applicant and any related or associated
8 person holding more than five percent or more shares of the share capital up to the
9 ultimate shareholder or a publicly held corporation for such license, as the
10 Commonwealth Casino Commission determines to protect the public interest. If
11 such person or a publicly held corporation holds a similar license from any other
12 United States jurisdiction, the Commonwealth Casino Commission shall limit such
13 investigation in determining the validity of that license and inquiring of the issuer
14 of such license regarding any negative information relating to such person or a
15 publicly held corporation. The Commonwealth Casino Commission may similarly
16 limit the investigation of any such person or a publicly held corporation that holds
17 such a license issued by a foreign jurisdiction upon the advice of the Federal Bureau
18 of Investigation, the United States Department of the Treasury, or other applicable
19 federal agency that the foreign issuer may be relied upon for such purpose.

20 (b) The Commonwealth Casino Commission shall, in connection with the
21 potential sale, lease, transfer, change in ownership, or other change related to a

1 license issued under this title, investigate any person involved in such transaction
2 as necessary to protect the public interest in future activities under such license.

3 (c) The Commonwealth Casino Commission may require that a licensee
4 reimburse the Commonwealth Casino Commission for its outside expenses
5 incurred in the conduct of an investigation of the licensee or transferee.

6 (d) The Commonwealth Casino Commission may at any time investigate
7 the holder of any license under this title or any related person, with or without notice
8 to such holder or person, when it determines that such investigation is warranted.

9 § 2319. Detention of Violators.

10 The operator of a casino, any employee or agent of such operator, or any
11 person inspecting or monitoring a gaming establishment on behalf of the
12 Commission, may, upon reasonable suspicion, detain in a suitable place in such
13 gaming establishment (or elsewhere in a resort complex or other facility of which
14 the gaming establishment is a part) any person who, on the premises of such gaming
15 establishment, is or may be violating this title or any regulation promulgated
16 pursuant to this title, or who is or may be committing a related crime (such as a
17 crime against property set out in Part 2 of 6 CMC, Division 1), using such force as
18 is reasonably necessary for that purpose, until the arrival of a law enforcement
19 office. The detaining person shall take such steps as are necessary to ensure that a
20 law enforcement officer is summoned and arrives with as little delay as possible.

21 § 2320. Exclusion or Removal.

1 A casino operator or any employee or agent of such operator may exclude
2 or remove any undesirable person from a casino pursuant to regulations
3 promulgated by the Commission and may use reasonable force to carry out such
4 exclusion or removal. A casino may establish and enforce a dress code for its
5 patrons, and any person who fails to comply with such code on the premises of such
6 gaming establishment may, at the discretion of the casino operator, be deemed an
7 undesirable person for purposes of this section. Any action taken under this section
8 shall comply with any applicable federal or Commonwealth law that prohibits
9 discrimination by private persons against individuals generally or against any
10 protected class of individuals.

11 § 2321. Immunity for Detention, Exclusion, or Removal.

12 No civil or criminal action shall lie against any person for action reasonably
13 taken pursuant to 4 CMC § 2319 or § 2320.

14 § 2322. Entry by Law Enforcement Officers.

15 A law enforcement officer may, without warrant, notice, or explanation,
16 enter any area of a casino to which a patron of the casino or the public has access
17 and, for such purpose, such area is a public place in which the officer may exercise
18 any power or discharge any duty which may be exercised or discharged in a public
19 place under this chapter or any other provision of law. A law enforcement officer
20 may enter any other area of a casino or any area of a casino service provider with
21 the consent of any person having control over such area, at the request of any person

1 inspecting or monitoring such area on behalf of the Commission under 4 CMC §
2 2317(e), or as otherwise authorized by law.

3 § 2323. Gambling by Commission and Licensees Prohibited.

4 (a) No member, officer, employee, or agent of the Commission shall play
5 any game in or make any bet or wager:

6 (1) the casino under the jurisdiction of the Commission;

7 (2) any other gaming establishment reasonably associated with any
8 such gaming establishment;

9 (3) any gaming establishment, the owner, lessee, operator, or
10 manager of which is an applicant for a license from the Commission, or is
11 a potential applicant that has entered into discussions with the Commission
12 prior to such application and has not clearly abandoned its interest in a
13 license, or is reasonably associated with such an applicant or potential
14 applicant; unless such playing of games or making of bets or wagers is
15 absolutely necessary for investigative, compliance or enforcement
16 purposes.

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

1 (c) No owner, lessee, operator, manager, officer, employee, agent, or other
2 person associated with a casino licensed under this chapter shall play any game or
3 make any bet or wager in such casino.

4 § 2324. Administrative Penalties.

5 The Commission may, by regulation, provide civil penalties for the
6 violation of this chapter or of any regulation or order issued pursuant to this chapter.
7 No penalty may exceed \$50,000, and a range of lesser penalties shall be provided
8 for minor or intermediate violations. Such regulations may specify conditions under
9 which a natural person who causes any other person to commit a violation
10 (generally or for any specified type of transaction) shall also be liable for such
11 violation. The Commission may suspend, reduce, or rescind any penalty imposed
12 pursuant to this section and according to any and all due process protections.

13 § 2325. Nonprofit Gaming Permits.

14 Notwithstanding the foregoing, the Secretary of Commerce's authority to
15 grant special gaming permits for charitable organizations and 6 CMC § 3157 as
16 applicable to nonprofit gaming permits shall not be in any way affected by any
17 provision of this chapter

18 § 2326. Persons Ineligible for Employment.

19 Members of the 24th CNMI legislature and their immediate family as
20 defined in 1 CMC § 8503(h), shall not be paid or receive any financial consideration
21 nor shall they be retained as independent contractors or employed directly or

1 indirectly by any casino licensed under this chapter in its current form or as
2 amended, or by said casino's affiliates or agents, for five (5) years beginning from
3 the date of the issuance of said casino's license.

4 § 2327. Serving of Alcohol.

5 Notwithstanding any other law to the contrary, a holder of a casino
6 employee or casino key employee license issued by the Commonwealth Casino
7 Commission who is under 21 years of age but at least 18 years of age may possess
8 and serve, but may not consume, alcohol in the course of the licensee's employment
9 for which (s)/he is licensed.

10 § 2328. Contracts or Agreements with Certain Unsuitable or Unlicensed
11 Persons Prohibited; Termination of Contract or Agreement.

12 (a) A person who has:

13 (1) Been denied a license by the Commonwealth Casino
14 Commission;

15 (2) Been found unsuitable by the Commonwealth Casino
16 Commission; or

17 (3) Had a license or finding of suitability revoked by the
18 Commonwealth Casino Commission; shall not enter or attempt to enter into
19 any contract or agreement with:

20 (i) the casino licensee regulated by the Commonwealth
21 Casino Commission; or

1 (ii) a holder of any license granted by the Commonwealth
2 Casino Commission; either directly or indirectly, through any
3 business organization under such a person's control, that involves
4 the operations of a licensee without the prior approval of the
5 Commission. This provision does not prohibit any person from
6 purchasing any goods or services for personal use from a licensee at
7 retail prices that are available to the general public.

8 (b) Every contract or agreement with a person that is subject to the
9 provisions of 4 CMC § 2328(a) shall be deemed to include a provision for its
10 termination without liability on the part of the licensee or applicant. Failure to
11 expressly include that condition in the contract or agreement is not a defense in any
12 action brought pursuant to this section to terminate the agreement.

13 § 2329. Remedies Are Cumulative.

14 The remedies of the Commonwealth Casino Commission, the
15 Commonwealth, its political subdivisions and agencies for the imposition,
16 collection, and payment of any penalty, fine, fee, license fees, taxes, and interest
17 provided for in the Commonwealth Code, the regulations of the Commission, and
18 the regulations of any other government agency are cumulative to each other and
19 any action taken or not taken by the Commission, the Commonwealth or any
20 agency does not constitute an election by the Commonwealth, the Commission or

1 any other agency to pursue or not pursue any remedy to the exclusion of any other
2 remedy for which provision in the Code or any regulation.

3 § 2330. Remuneration, Contracts, and Employment Prohibited for Certain
4 Unsuitable or Unlicensed Persons.

5 If any person who is required by law or the regulations promulgated by the
6 Commonwealth Casino Commission to be licensed or found suitable because of the
7 person's connection with a corporation, partnership, limited partnership, limited-
8 liability company or other business organization holding or applying for a license,
9 or a holding company or intermediary company, including a publicly traded
10 corporation, fails to apply for a license or a finding of suitability after being
11 requested to do so by the Commission or is denied a license or a finding of
12 suitability, or if the person's license or finding of suitability is revoked, the
13 corporation, partnership, limited partnership, limited-liability company, business
14 organization, holding company, intermediary company or any person who directly
15 or indirectly controls, is controlled by or is under common control with the
16 corporation, partnership, limited partnership, limited-liability company, business
17 organization, holding company or intermediary company shall not, and any licensee
18 or an affiliate of the licensee shall not, after receipt of written notice from the
19 Commission:

20 (a) Pay the person any remuneration for any service relating to the activities
21 of a licensee, except for amounts due for services rendered before the date of receipt

1 of notice of such action by the Commission. Any contract or agreement for personal
2 services or the conduct of any activity at a licensed gaming establishment between
3 a former employee whose employment was terminated because of failure to apply
4 for a license or a finding of suitability, denial of a license or finding of suitability,
5 or revocation of a license or a finding of suitability, or any business enterprise under
6 the control of that employee and the licensee, holding or intermediary company or
7 registered publicly traded corporation is subject to termination. Every such
8 agreement shall be deemed to include a provision for its termination without
9 liability on the part of the licensee upon a finding by the Commission that the
10 business or any person associated therewith is unsuitable to be associated with a
11 gaming enterprise. Failure expressly to include such a condition in the agreement
12 is not a defense in any action brought pursuant to this section to terminate the
13 agreement.

14 (b) Enter into any contract or agreement with the person or with a business
15 organization that the licensee knows or under the circumstances reasonably should
16 know is under the person's control which involves the operations of a licensee,
17 without the prior approval of the Commission.

18 (c) Employ the person in any position involving the activities of a licensee
19 without prior approval of the Commission.

20 § 2331. Inspections.

1 (a) The Commonwealth Casino Commission may inspect every game,
2 gaming device, gambling device, electronic table game, and associated equipment
3 which is manufactured, sold or distributed for use in the Third Senatorial District,
4 before it is put into play and may inspect every game, gaming device, gambling
5 device, electronic table game, and associated equipment, which is offered for play
6 or possessed by any person within the Third Senatorial District, by the gaming
7 licensee, or by any other licensee or person required to be licensed by the
8 Commission.

9 (b) The Commission may inspect all associated software and equipment
10 used with a game, gaming device, gambling device, electronic gaming machine,
11 electronic table game, which is manufactured, sold or distributed for use in the
12 Third Senatorial District before the equipment or system is installed or used by a
13 licensee or any other person as well as at any time while the licensee or any other
14 person possesses, tests, validates, or uses the equipment, software, or system.

15 (c) The Commission shall conduct recurring inspections of the devices,
16 machines and equipment and may determine, charge, and collect an inspection
17 and/or test validation fee from each manufacturer, seller, distributor, casino gaming
18 licensee, other licensee, or independent testing laboratory for the inspection and
19 validation of any game, gaming device, gambling device, electronic gaming
20 machine, electronic table game, or associated software or associated equipment
21 subject to the Commission's authority.

1 § 2332. Contempt.

2 If any person in proceedings before the Commonwealth Casino
3 Commission disobeys or resists any lawful order or refuses to respond to a
4 subpoena, or refuses to take the oath or affirmation as a witness or thereafter refuses
5 to be examined, or is guilty of misconduct during the hearing or so near the place
6 thereof as to obstruct the proceeding, the Commission may certify the facts to the
7 Commonwealth Superior Court where the proceedings are held. The court shall
8 thereupon issue an order directing the person to appear before the court and show
9 cause why the person should not be punished as for contempt. The court order and
10 a copy of the statement of the Commission must be served on the person cited to
11 appear. Thereafter, the court has jurisdiction of the matter, and the same
12 proceedings must be had, the same penalties may be imposed and the person
13 charged may purge himself or herself of the contempt in the same way as in the
14 case of a person who has committed a contempt in the trial of a civil action before
15 the superior court.

16 § 2333. Malfunctions.

17 (a) When wagering, gambling, gaming or in any way using any gambling
18 machine, gaming machine, electronic gaming machine, or electronic table game,
19 any malfunction of the machine (either hardware or software) voids all plays and
20 pays.

1 (b) The Commonwealth Casino Commission may determine what
2 constitutes a malfunction of a gambling machine, gaming machine, electronic
3 gaming machine, or electronic table game hardware and software in the Third
4 Senatorial District.

5 § 2334. Enforcement.

6 (a) The Division of Enforcement and Investigations, a division of the
7 Commonwealth Casino Commission, and any other inspector, agent, or employee
8 of the Commission appointed by the Executive Director shall have the primary
9 responsibility and authority to enforce the provisions of the gambling and gaming
10 laws of the Commonwealth and the regulations promulgated thereunder. This
11 authority shall be concurrent with the authority of any other law enforcement
12 agency as provided by law.

13 (b) Any agent, inspector or other person who is trained and authorized by
14 the Executive Director of the Commonwealth Casino Commission to enforce the
15 provisions of: the casino and gambling laws or gaming laws of the Commonwealth;
16 and the regulations promulgated thereunder may:

17 (1) Arrest any person, if there exists probable cause to believe that
18 such person committed an act in violation of the casino, gambling or gaming
19 laws and regulations of the Commonwealth;

1 (2) Seize any evidence related to any violation of any provision of
2 the casino, gaming, or gambling laws and regulations of the
3 Commonwealth;

4 (3) Execute any warrant or other process issued by a court of
5 competent jurisdiction.

6 (c) If the Commonwealth Casino Commission enters into a mutual
7 agreement with any other casino or gaming commission established by local law or
8 referendum within the CNMI which provides for the rendering of assistance, any
9 agent, inspector, or other person who is authorized by the Executive Director of the
10 Commonwealth Casino Commission to enforce the provisions of the casino,
11 gaming, and gambling laws of the Commonwealth, and the regulations
12 promulgated thereunder may assist the other local commission in the enforcement
13 of the local laws and regulations promulgated thereunder both in the Third
14 Senatorial District and the senatorial district in which the requesting commission is
15 located. Such assistance is hereby declared to be within the scope of the Casino
16 Commission agent's jurisdiction and duties as a law enforcement officer of the
17 Commonwealth.

18 (d) If the Commonwealth Casino Commission enters into a mutual
19 agreement with any other law enforcement agency which provides for the rendering
20 of assistance, any agent who is authorized by the Executive Director of the
21 Commonwealth Casino Commission to enforce the provisions of the casino,

1 gaming, and gambling laws of the Commonwealth, and the regulations
2 promulgated thereunder may assist the other law enforcement agency in the
3 enforcement of the laws and regulations enforced by the other law enforcement
4 agency in the other agency's jurisdiction within or without the Third Senatorial
5 District. Such assistance is hereby declared to be within the scope of the Casino
6 Commission agent's jurisdiction and duties as a law enforcement officer of the
7 Commonwealth.

8 § 2335. Jurisdiction.

9 (a) The jurisdiction of the Commonwealth Casino Commission shall extend
10 throughout the entirety of the Commonwealth of the Northern Mariana Islands as
11 may be necessary to enforce the casino, gambling, and gaming laws of the
12 Commonwealth including, but not limited to:

13 (1) all places within the CNMI which are casinos regulated by the
14 Commonwealth Casino Commission;

15 (2) all persons or facilities in the CNMI which are required by law
16 or regulation to be licensed by the Commonwealth Casino Commission;

17 (3) all places in the Third Senatorial District where casino gaming
18 devices, casino gambling devices, or their software or constituent parts
19 (whether licensed or unlicensed) are found.

20 (b) The jurisdiction of the Commonwealth Casino Commission shall extend
21 outside the Third Senatorial District to any location within or without the

1 Commonwealth where any: gambling device; gaming device; (or hardware or
2 software component thereof); or any gambling or gaming accessory; which is to be
3 shipped to the Third Senatorial District is found, or where any applicant for a
4 license issued by the Commission is found.

5 2336. No Liability for Official Acts.

6 No member or employee of the Commonwealth Casino Commission may
7 be sued for doing or omitting any official act in the performance of the powers and
8 duties as prescribed in this chapter.

9 **Article 3. Financial Instruments in Casino Gaming.**

10 § 2351. Definitions. As used in this Article, the term:

11 (a) "Casino credit instrument" means a gaming guarantee, marker, or any
12 other writing which evidences a gaming debt owed to a person who holds a casino
13 gaming license in any senatorial district of the Commonwealth and includes any
14 writing taken in consolidation, redemption or payment of a previous credit
15 instrument.

16 (b) "Commission" means the casino gaming commission authorized to
17 regulate a casino gaming licensee in each respective senatorial district of the
18 Commonwealth.

19 (c) "Credit" means an arrangement or understanding with a person, firm,
20 corporation, bank, or depository for the payment of a check or other written
21 instrument evidencing a debt.

1 (d) “Gaming debt” means a debt, evidenced by a writing, which is incurred
2 from gambling or participation in a lawful game or other lawful wagering activity
3 offered by a casino licensee in a senatorial district of the Commonwealth. It also
4 includes a debt, evidenced by a writing, which is owed to a junket operator licensed
5 by the Commission, by a person who traveled to the Commonwealth as part of a
6 junket for gambling or participation in a lawful game or other lawful wagering
7 activity offered by a casino licensee in a senatorial district of the Commonwealth.

8 (e) “Gaming guarantee” means a promissory note or any other written
9 promise accepted by a licensee as security for extending credit to an identified
10 patron for gaming purposes in which the maker or signer unconditionally
11 guarantees payment to the licensee of the full amount of the credit extended to and
12 used by the identified patron. The term does not include a check as defined by 5
13 CMC § 3104. (f) “Licensee” or “Casino Licensee” means any person, corporation
14 or other entity that holds a lawful casino gaming license in any senatorial district
15 of the Commonwealth.

16 (g) “Marker” means a dated instrument bearing the following information:
17 the name of the player; the name, location, and account number of the player’s
18 bank; and the instruction “Pay to the Order of” the casino for a specific value in
19 United States dollars or such other currency approved by the Commission. The
20 marker also contains a stipulation whereby the maker represents that the amount

1 drawn by the marker is on deposit in the referenced financial institution and that
2 the maker guarantees payment.

3 (h) Unless provided otherwise in this Article or other statute, the definitions
4 in 5 CMC 10 §3102 shall apply with respect to financial documents or financial
5 disputes involving or relating to a casino licensee in any senatorial district.

6 2352. Gaming Debt.

7 (a) Any gaming debt which is evidenced by a casino credit instrument is
8 valid and enforceable in any administrative, civil, or criminal proceeding. Any
9 gaming debt not evidenced by a casino credit instrument is void and unenforceable
10 and does not give rise to any administrative, civil, or criminal enforcement unless
11 provided otherwise herein or in 6 CMC § 1704.

12 (b) Any “marker” issued by a lawful casino licensee shall be the same as a
13 check defined by 5 CMC § 3104, and all Commonwealth laws applicable to a check
14 defined by 5 CMC § 3104 are applicable to a “marker” which includes but is not
15 limited to, the provisions of 7 CMC § 2442.

16 § 2353. Casino Credit Instruments.

17 The following shall apply to casino credit instruments: (a) A licensee or a
18 person acting on behalf of a licensee:

19 (1) may accept a casino credit instrument that is payable to an
20 affiliated company or may complete a casino credit instrument in the name
21 of an affiliated company as payee, only if the affiliated company is licensed

1 by the Commission, the casino credit instrument otherwise complies with
2 this subsection, and the records of the affiliated company are made available
3 to agents of the Commission upon request.

4 (2) may accept a casino credit instrument either before, at the time
5 of, or after the patron incurs the debt. This subsection does not apply to a
6 casino credit instrument made between a casino licensee (or its affiliates)
7 and a commission-licensed junket operator.

8 (b) The casino credit instrument and the debt that the casino credit
9 instrument represents are enforceable without regard to whether the casino credit
10 instrument was accepted before, at the time of, or after the debt was incurred.

11 (c) This section does not prohibit the establishment of an account by deposit
12 of cash, recognized traveler's check, or any other instrument which is equivalent to
13 cash.

14 (d) If a casino credit instrument is lost or destroyed, the debt represented by
15 the credit instrument may be enforced if the licensee or person acting on behalf of
16 the licensee pursuant to a written authorization can prove the existence of the casino
17 credit instrument.

18 (e) A patron's claim of having a mental or behavioral disorder involving
19 gambling:

1 (1) is not a defense in civil or administrative action based on or
2 arising out of a casino credit instrument or the debt that the casino credit
3 instrument represents; and

4 (2) is not a valid counterclaim to any civil or administrative
5 enforcement or collection action.

6 (f)(1) A casino licensee in any senatorial district or a person acting on behalf
7 of casino licensee may accept an incomplete casino credit instrument provided that
8 it:

9 (i) is signed by a patron;

10 (ii) states the credit limit being offered or that there is no credit limit;

11 (iii) states the interest rate and any fees to be incurred;

12 (iv) advises the patron that the principal debt amount will be filled
13 in after play is completed and the debt is incurred; and

14 (v) states that the patron will also be responsible for paying interest
15 as it accrues as well as collection fees listed.

16 (2) Subsection (f) does not apply to a casino credit instrument made
17 between a casino licensee (or its affiliates) and a commission-licensed
18 junket operator.

19 (g) Casino credit instruments that leave open the final amount of the debt
20 when signed by the patron and that are then filled in by the licensee when play is
21 complete are enforceable. This subsection does not apply to a casino credit

1 instrument made between a casino licensee (or its affiliates) and a commission-
2 licensed junket operator.

3 (h) The appropriate regulatory commission or agency in each senatorial
4 district may adopt regulations prescribing the conditions under which a casino
5 credit instrument may be redeemed or presented to a bank, credit union, or other
6 financial institution for collection or payment.

7 (i) The failure of a licensee or any other person to comply with the
8 provisions of this section or any applicable regulation promulgated by a
9 governmental regulatory agency does not invalidate a casino credit instrument or
10 affect the ability to enforce the casino credit instrument or the debt that the casino
11 credit instrument represents.

12 § 2354. Applicability.

13 The provisions of this Article shall apply to any lawful casino licensee in
14 any senatorial district.

15 **Article 6. Internet, Online Gaming and Digital Currency.**

16 § 2590. Authorization. Internet Gaming and Online Gaming are hereby
17 authorized in the Commonwealth, subject to licensing and regulation by the
18 Commonwealth Casino Commission (“Commission”). Such gaming activities
19 shall be conducted only by operators licensed under this chapter and in accordance
20 with regulations issued by the Commission.

21 § 2591. Federal Law Compliance and Jurisdictional Scope.

1 (a) Internet and Online Gaming authorized under this Article shall be
2 conducted on an intrastate basis within the Commonwealth, unless extended as
3 provided in subsection (b).

4 (b) The Commission may, by regulation, authorize participation from other
5 U.S. states, territories, or foreign jurisdictions, only pursuant to interstate or
6 international compacts, agreements, or arrangements expressly permitted under
7 U.S. federal law. Any foreign jurisdiction must not be subject to U.S. trade or
8 financial restrictions and must be specifically approved by the Commission.

9 (c) All operations shall conform to the Unlawful Internet Gambling
10 Enforcement Act (UIGEA), 31 U.S.C. §§ 5361–5367, the Wire Act, 18 U.S.C. §
11 1084, the Bank Secrecy Act, Anti-Money Laundering statutes, and the Office of
12 Foreign Assets Control (OFAC) regulations, including prohibitions on transactions
13 with sanctioned jurisdictions or persons.

14 (d) Sports wagering, if offered online, shall be confined strictly to persons
15 physically present within the Commonwealth, or as otherwise permitted under
16 federal law or compacts authorized under subsection (b).

17 § 2592. Consumer Protections. The Commission shall establish mandatory
18 safeguards by regulation including:

19 (a) Geolocation technology to ensure patrons are physically located in
20 authorized jurisdictions.

1 (b) Identity and age verification systems prohibit participation by
2 individuals under 21 years of age.

3 (c) Self-exclusion programs for problem and compulsive gamblers.

4 (d) Cybersecurity and data protection standards consistent with best
5 practices in the gaming industry.

6 § 2593. Licensing and Technical Standards.

7 (a) No person or entity may conduct Internet or Online Gaming in the
8 Commonwealth without a valid license issued by the Commission.

9 (b) The Commission shall require all gaming software, systems, and
10 platforms to be independently tested and certified by a Commission-approved
11 laboratory, including random number generators (RNGs).

12 (c) The Commission shall adopt technical standards for servers, encryption,
13 system integrity, and transaction monitoring.

14 § 2594. Authorization of Digital Payment Instruments.

15 (a) The Commission shall not approve the use of any payment instruments
16 or methods other than Payment Stablecoins, as defined in 12 U.S.C. § 5901 (22),
17 for Internet Gaming conducted under this Chapter.

18 (b) The Commission shall not approve, and shall prohibit use in casino and
19 Internet Gaming conducted under this Chapter, of any Payment Stablecoin whose
20 issuance, in the Commonwealth, is unlawful pursuant to 12 U.S.C. § 5902 (a).

21 § 2596. Oversight and Governance.

1 (a) The Commission shall license and regulate all providers of software and
2 services used by casinos or Internet Gaming operators, for facilitating Payment
3 Stablecoin transactions.

4 (b) The Commission shall set technical, transaction, wallet, and reporting
5 standards to ensure security, transparency, and consumer protection.

6 § 2597. Use in Internet and Online Gaming.

7 A casino licensee may, with Commission approval, accept Payment
8 Stablecoins for remote internet wagers and settlement of online gaming accounts.

9 § 2598. Reserved

10 § 2599. Internet Gaming Regulatory Fee.

11 (a) Each casino licensee approved by the Commonwealth Casino
12 Commission to conduct Internet or Online Gaming shall pay an annual Internet
13 Gaming Regulatory Fee of one hundred thousand dollars (\$100,000).

14 (b) The Internet Gaming Regulatory Fee shall be imposed in addition to all
15 other application fees, license fees, and regulatory fees required under this chapter.

16 (c) All Internet Gaming Regulatory Fees collected under this section shall
17 be deposited into the Commonwealth Casino Commission Regulatory Fee Fund
18 (CCCRF) established under § 2309 and earmarked for the exclusive purpose of
19 regulating, monitoring, and ensuring compliance with applicable Commonwealth
20 and federal laws governing Internet and Online Gaming.

1 (d) The Commission shall adopt regulations to implement and enforce this
2 section, including reporting, auditing, and compliance requirements to ensure
3 licensees meet all federal and Commonwealth obligations related to Internet
4 Gaming operations.

5 § 2600. Taxation.

6 (a) Internet and Online Gross Gaming Revenue shall be treated as Casino
7 Gross Gaming Tax (CGGT) under § 2308 of this Chapter and taxed accordingly at
8 rates set by law or Commission regulation. This provision shall not duplicate or
9 alter § 2308 but shall incorporate Internet Gaming revenues into the existing tax
10 framework.

11 § 2601. Enforcement. The Commission shall have full enforcement authority over
12 Internet and Online Gaming under this Article, including sanctions and rulemaking.
13 Detailed operational standards shall be promulgated by regulation.”

14 **Section 3. Severability.** If any provisions of this Act or the application of
15 any such provision to any person or circumstance should be held invalid by a court
16 of competent jurisdiction, the remainder of this Act or the application of its
17 provisions to persons or circumstances other than those to which it is held invalid
18 shall not be affected thereby.

19 **Section 4. Savings Clause.** This Act and any repealer contained herein
20 shall not be construed as affecting any existing right acquired under contract or
21 acquired under statutes repealed or under any rule, regulation, or order adopted



1 under the statutes. Repealers contained in this Act shall not affect any proceeding
2 instituted under or pursuant to prior law. The enactment of the Act shall not have
3 the effect of terminating, or in any way modifying, any liability, civil or criminal,
4 which shall already be in existence on the date this Act becomes effective.

5 **Section 5. Effective Date.** This Act shall take effect upon its approval by
6 the Governor, or it becoming law without such approval.

Prefiled: 12/16/2025

Date: _____

Introduced by: _____


Rep. Ralph N. Yumul


Reviewed for introduction purposes only by:


House Legal Counsel

Date: 12.16.25