

**TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH  
LEGISLATURE**

**IN THE HOUSE OF REPRESENTATIVES**

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\_\_\_\_\_ **Regular Session, 2023**

**H. B. 23- 8**

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**A BILL FOR AN ACT**

To require all contractors to be licensed in the Commonwealth of  
the Northern Mariana Islands.

**BE IT ENACTED BY THE 23<sup>RD</sup> NORTHERN MARIANAS  
COMMONWEALTH LEGISLATURE:**

1           **Section 1. Findings and Purpose.** The Legislature finds that the  
2 Commonwealth of the Northern Mariana Islands is one of the few jurisdictions  
3 within the United States that does not have contractor licensing laws and  
4 regulations. The Legislature further finds that such laws are highly necessary to  
5 protect both the contractors and customers from any negative actions committed by  
6 either party. In the event that either party commits a detrimental act, there are no  
7 regulations in place that would establish how to assess and mitigate the situation.  
8 As a fellow United States jurisdiction, it is imperative to implement such laws that  
9 would govern our contractors and provide proper accountability while they conduct  
10 their day-to-day operations.

11           The Legislature also finds that in implementing such regulation measures,  
12 the probable fees that may be generated can be utilized to fund construction

1 apprenticeship programs. Presently, the CNMI is faced with a dreadful shortage in  
2 construction labor forcing residents and companies alike to take drastic measures  
3 in seeking off-island services and/or to pause any further construction projects. The  
4 Legislature finds that the probable realized funds that may be generated can be used  
5 to fund any construction-related apprenticeships in order to rectify and provide a  
6 feasible solution to any current construction labor issues we are facing. The benefits  
7 realized in this proposed legislation will provide great financial opportunities in  
8 establishing necessary programs for the benefit of Commonwealth and its residents.

9       Therefore, the purpose of this Act is to require all contractors to be licensed  
10 in the Commonwealth of the Northern Mariana Islands to provide equal  
11 opportunities and accountability for all contractors within the CNMI and to provide  
12 our construction workforce with the necessary financial assistance to train our  
13 future construction workforce.

14       **Section 2. Enactment.** Title 4, Division 3, of the Commonwealth Code is  
15 hereby amended by adding a new Chapter 5 “Contractor’s Licensing Act” as  
16 follows:

17               **“§101. Title.** This Act shall be known as the “Contractor’s  
18               Licensing Act.”

19               **§102. Definitions.**

20               As used in this Chapter:

21               (a) “Board” means the Contractor’s License Board.

1           (b) “Contractor” means any person who undertakes to construct,  
2           alter, repair, add to, subtract from, improve, move, wreck or demolish any  
3           building, highway, road, railroad, excavation or other structure, project  
4           development or improvement or do any part thereof, including the erection  
5           of scaffolding or other structure of works in connection therewith for  
6           another person for a fee.

7           (c) “Contractor” includes a subcontractor and a specialty contractor.

8           (d) “Person” means an individual, partnership, joint venture,  
9           corporation or any combination thereof. Corporation includes an  
10          association, business trust or any organized group of persons.

11          (e) “Self-construction” means a project or operation performed by  
12          the owner for personal needs on personal premises; a self-  
13          constructed/performed project or operation shall otherwise be deemed  
14          performed by a contractor.

15          (f) “Investigator” means an employee with the Contractor’s License  
16          Board who conducts thorough investigations of applicants applying for a  
17          contractor’s license and who inspects, regulates, and enforces the laws,  
18          rules and regulations of the Contractor’s Licensing Board.

19          (g) “Responsible Management Employee” means the individual  
20          responsible for the direct management of the contracting business of the  
21          licensee.

1                   **§103. Exemptions.**

2                   This Chapter shall not apply to:

3                   (a) An officer or employee of the United States, the Territory or any  
4                   political subdivision, if the project or operation is performed by employees  
5                   thereof;

6                   (b) Any person acting as a receiver, trustee in bankruptcy,  
7                   administrator or executor, or any other person acting under any order or  
8                   authorization of any court;

9                   (c) A person who sells or installs any finished products, materials or  
10                  articles or merchandise which are not actually fabricated into and do not  
11                  become a permanent fixed part of the structure, or to the construction,  
12                  alteration, improvement or repair of personal property;

13                  (d) Any project or operation for which the aggregate contract price  
14                  for labor, materials and all other items is less than Two Thousand Five  
15                  Hundred Dollars (\$2,500). This exemption shall not apply in any case  
16                  wherein the undertaking is by a licensed contractor or is only part of a larger  
17                  or major project or operation, whether undertaken by the same or a different  
18                  contractor or in which a division of the project or operation is made in  
19                  contracts of amounts less than Two Thousand Five Hundred Dollars  
20                  (\$2,500) for the purpose of evading this Chapter or otherwise;

1           (e) A registered architect or professional engineer acting solely in a  
2 professional capacity;

3           (f) Any person who engages in the activities herein regulated as an  
4 employee with wages as sole compensation;

5           (g) Any person who undertakes either personally or through his or  
6 her employees, any project or operation for himself or herself; and

7           (h) Any co-partnership or joint venture if all members thereof hold  
8 licenses issued under this Chapter or if the person or persons who have  
9 direct management of the contracting business thereof hold a license for  
10 purposes of requiring additional contractor's licenses for the co partnership  
11 or joint venture.

12           **§104. Contractor's License Board.**

13           (a) There shall be a Contractor's License Board compose of seven  
14 (7) members; two (2) of which shall be appointed by the Governor from the  
15 construction industry; three (3) of which shall be appointed by the Governor  
16 from the general public and who shall have no interest in the construction  
17 industry; the Director of Revenue and Taxation, ex-officio; and the  
18 Secretary of Public Works, ex-officio. Those members appointed by the  
19 Governor are subject to confirmation by the Legislature. Their terms shall  
20 be four (4) years. Furthermore, pursuant to 1 CMC §2901(g), the Board

1 shall have at least one female member, at least one member who is of  
2 Carolinian descent, and at least one member from each senatorial district.

3 (b) A quorum shall consist of five (5) members of the Board.

4 (c) Organization, Records, Reports. Immediately upon the  
5 appointment and qualifications of the original members, and annually  
6 thereafter, the Board shall organize by the election of one (1) member as  
7 Chairman and one (1) member as Vice-Chairman. The Board shall keep a  
8 complete record of all its proceedings and shall compile a citizen centric  
9 report annually to the Governor and the people of the CNMI through the  
10 Executive Director to include a detailed statement of the previous year,  
11 proceedings and such recommendations as the Board may deem proper.

12 (d) Compensation. Members of the Board shall receive the sum of  
13 Fifty Dollars (\$50) for each attendance at the meetings of the Board,  
14 provided, however, that no member shall receive more than One Hundred  
15 Dollars (\$100) per month.

16 **§105. Powers and Duties of Board.**

17 In addition to any other duties and powers granted by this Chapter,  
18 the Contractor's License Board shall:

19 (a) Grant licenses to contractors pursuant to this Chapter;

20 (b) Make, amend or repeal such rules and regulations as it may deem  
21 proper to fully effectuate this Chapter and carry out the purpose thereof,

1           which purpose is the protection of the general public. All such rules and  
2           regulations shall be adopted pursuant to the Administrative Procedures Act,  
3           as amended (1 CMC §9101 et. seq). The rules and regulations may forbid  
4           acts or practices deemed by the Board to be detrimental to the  
5           accomplishment of the purpose of this Chapter. The rules and regulations  
6           may require contractors to make reports to the Board containing such items  
7           of information as will better enable the Board to enforce this Chapter and  
8           rules and regulations, or as will better enable the Board from time to time  
9           to amend the rules and regulations more to fully effectuate the purposes of  
10          this Chapter. The rules and regulations may require contractors to furnish  
11          reports to owners containing such matters of information as the Board  
12          deems necessary to promote the purpose of this Chapter. The enumeration  
13          of specific matters which may properly be made the subject of rules and  
14          regulations shall not be construed to limit the Board's general power to make  
15          all rules and regulations necessary to fully effectuate the purpose of this  
16          Chapter;

17                   (c) Enforce this Chapter and rules and regulations adopted pursuant  
18          thereto;

19                   (d) Suspend or revoke any license for any cause prescribed by §122  
20          or for any cause for suspension or revocation prescribed by the rules and

1 regulations, and refuse to grant any license for any cause which would be  
2 grounds for revocation or suspension of a license;

3 (e) Publish and distribute pamphlets and circulars containing such  
4 information as it deems proper to further the accomplishment of the purpose  
5 of this Chapter;

6 (f) Contract professional testing services as deemed necessary to  
7 prepare, administer, and grade applicant examinations as may be required  
8 for the purpose of this Chapter; and

9 (g) In addition to all the rules and regulations, the Board shall  
10 promulgate additional rules and regulations needed to effectuate this Act.

11 **§106. Executive Director; Other Assistants.**

12 (a) The Contractor's License Board shall employ an Executive  
13 Director. The Executive Director shall be employed with due regard to his  
14 or her fitness, thorough administrative ability and knowledge of and  
15 experience in the business of contracting. The Executive Director shall act  
16 only with the advice and consent of the Board and shall be responsible to  
17 the Board. The Executive Director shall not be actively engaged or  
18 employed in any construction related business, vocation or employment,  
19 nor have any pecuniary interest, direct or indirect, in any contracting  
20 enterprise or enterprises conducted or carried on within the Territory.



1           (b) The Executive Director shall, under the supervision of the Board,  
2           administer this Chapter and the rules and regulations and orders established  
3           thereunder and perform such other duties as the Board may require; shall  
4           attend but not vote at all meetings of the Board; and shall be in charge of  
5           the offices of the Board and responsible to the Board for the preparation of  
6           reports and the collection and dissemination of data and other public  
7           information relating to contracting.

8           (c) The Board may, by written order filed in its office, delegate to  
9           the Executive Director such of its powers or duties as it deems reasonable  
10          and proper for the effective administration of this Chapter, except the power  
11          to make rules or regulations. The delegated powers and duties may be  
12          exercised by the Executive Director in the name of the Board.

13          (d) Subject to the regulations of the Office of Personnel  
14          Management, the Executive Director may employ and remove such  
15          administrative and clerical assistants as may be required, and prescribe their  
16          powers and duties.

17                   **§107. Place of Meeting.**

18           The Executive Director shall provide suitable quarters for meetings  
19           of the Contractor's License Board and for the transaction of its other  
20           business.

1                   **§108. Classification.**

2                   (a) For the purpose of classification, the contracting business  
3 includes any or all of the following branches:

- 4                   (1) General Engineering Contracting;
- 5                   (2) General Building Contracting;
- 6                   (3) Specialty Contracting; and
- 7                   (4) Responsible Management Employee (R.M.E.).

8                   (b) A General Engineering Contractor is a contractor whose  
9 principal contracting business is in connection with fixed works requiring  
10 specialized engineering knowledge and skill, including the following  
11 divisions or subjects: irrigations, drainage, water power, water supply, flood  
12 control, inland waterways, harbors, docks and wharves, shipyards and ports,  
13 dams and hydroelectric projects, levees, river control and reclamation  
14 works, highways, streets and roads, tunnels, airports and airways, sewer,  
15 sewage disposal plants and systems, waste reduction plants, bridges,  
16 overpasses, underpasses and other similar works, pipelines and other  
17 systems for the transmission of petroleum and other liquid or gaseous  
18 substances, parks, playgrounds and other recreational works, refineries,  
19 chemical plants and similar industrial plants requiring specialized  
20 engineering knowledge and skill, powerhouses, power plants and other  
21 utility plants and installations, mines and metallurgical plants, land leveling

1           and earth-moving projects, excavating, grating, trenching, paving and  
2           surfacing work and cement and concrete works in connection with the  
3           above-mentioned fixed works.

4                   (c) A General Building Contractor is a contractor whose principal  
5           contracting business is in connection with any structure built, being built or  
6           to be built, for the support, shelter and enclosure of persons, animals,  
7           chattels or movable property of any kind, requiring in its construction the  
8           use of more than two (2) unrelated building trades or crafts, or to do or  
9           superintend the whole or any part thereof.

10                   (d) A Specialty Contractor is a contractor whose operations as such  
11           are the performance of construction work requiring special skill and whose  
12           principal contracting business involves the use of specialized building  
13           trades or crafts.

14                   (e) A Responsible Management Employee is an individual  
15           responsible for the direct management of the contracting business of the  
16           licensee and has proved contracting knowledge by both written  
17           examination, as administered by the Board, and the fulfillment of  
18           requirements, as stated in the Contractor's License Board Rules and  
19           Regulations.

1                   **§109. Powers to Classify and Limit Operations.**

2                   (a) The Contractor's License Board may adopt rules and regulations  
3                   necessary to effect the classification of contractors and shall require a  
4                   written examination in a manner consistent with established usage and  
5                   procedure as found in the construction business, and may limit the field and  
6                   scope of the operations of a licensed contractor to those in which the  
7                   licensed contractor is classified and qualified to engage, as defined in §108.

8                   (b) A licensee may make application for classification and be  
9                   classified in more than one (1) classification if the licensee meets the  
10                  qualifications prescribed by the Board for such additional classification. For  
11                  qualifying or classifying in additional classifications, the licensee shall pay  
12                  the appropriate application fee but shall not be required to pay any  
13                  additional license fee.

14                  (c) This Section shall not prohibit a specialty contractor from taking  
15                  and executing a contract involving the use of two (2) or more crafts or  
16                  trades, if the performance of the work in the crafts or trades, other than in  
17                  which the specialty contractor is licensed, is less than thirty-five percent  
18                  (35%) and supplemental to the performance of work in the craft for which  
19                  the specialty contractor is licensed.

1           (d) Any licensee that does not have a physical office within the  
2           Commonwealth must enter into a partnership agreement with a licensed  
3           contractor who possesses a physical office within the Commonwealth.

4           **§110. Licenses Required.**

5           No person within the purview of this Chapter shall act, or assume to  
6           act, or advertise, as general engineering contractor, general building  
7           contractor or specialty contractor without a license previously obtained  
8           under and in compliance with this Chapter and the rules and regulations of  
9           the Contractor's License Board.

10          **§111. Advertising.**

11          (a) A Contractor may advertise in print or broadcast medium only if  
12          the contractor includes in the advertisement or listing the contractor's  
13          applicable and current license number, and provides proof of the number's  
14          validity to the publisher or producer of the advertising medium. Violation  
15          of this Section may be subject to the provisions of §122 and/or §127.

16          **§112. Investigation Permitted.**

17          The Contractor's License Board may investigate, classify and  
18          qualify applicants for contractor's licenses, and investigate for compliance  
19          with the rules and regulations of the Board and the provisions of this  
20          Chapter.

1                   **§113. Investigation Citation Authority.**

2                   (a) In addition to any other remedy available, the investigator of the  
3 Contractor's License Board may issue citations to acting contractors,  
4 licensed or unlicensed, in violation of the provisions of this Chapter and  
5 rules promulgated.

6                   (b) Each citation shall be in writing and shall describe the basis of  
7 the citation, including the statutory provisions alleged to have been violated.  
8 The citation shall also contain an order to cease and desist from the  
9 violation, and an assessment of civil penalties no less than Two Hundred  
10 Dollars (\$200) but not to exceed fifty percent (50%) of the value of the  
11 project.

12                   (c) Recipients of contractual work shall be notified of each violation  
13 in a timely manner.

14                   **§114. Immediate Cease Work Order Permitted.**

15                   The investigator may issue an immediate cease work order to any  
16 person's construction activity where serious safety concerns are present.

17                   **§115. Cease Work Order Permitted.**

18                   The Executive Director may issue a cease work order to any  
19 person's construction activity if found to be in violation of this Chapter  
20 and/or of any Contractor's License Board rules and regulations.

1                   **§116. No License Issued When.**

2                   No license hereunder shall be issued to:

3                   (1) Any person unless said person has filed an application and paid  
4                   the applicable fees therefore;

5                   (2) Any person who does not possess the following:

6                                 (i) Any person who does not possess a certificate of good  
7                                 standing from the CNMI Department of Labor;

8                                 (ii) Any person who does not possess a certificate of  
9                                 compliance from the Division of Revenue and Taxation under  
10                                the Department of Finance;

11                   (3) Any corporation, unless the contracting business thereof is under  
12                   the direct management of an officer or employee thereof, and unless the  
13                   officer or employee holds an appropriate Responsible Management  
14                   Employee license;

15                   (4) Any individual, unless eighteen (18) years of age or more; and

16                   (5) Any person who employs other individuals as employees unless  
17                   satisfactory proof is submitted by the person of a current workers'  
18                   compensation insurance policy.

19                   **§117. Application: Fees.**

20                   (a) Every applicant for a license under this Chapter shall file an  
21                   application with the Contractor's License Board in such form and setting

1           forth such information as may be prescribed or required by the Board, and  
2           shall furnish such additional information bearing upon the issuance of the  
3           license as it shall require. Every application shall be sworn to before an  
4           officer authorized to administer oaths. In the case of a co-partnership, joint  
5           venture or corporation, any member or officer thereof may sign the  
6           application and verify the same on behalf of the applicant.

7                   (b) Every application, in the case of an individual, shall be  
8           accompanied by sworn certificates of not less than two (2) persons who  
9           have known the applicant for a period of not less than six (6) months  
10          certifying that the applicant bears a good reputation for honesty,  
11          truthfulness and fair dealings.

12                   (c) The Board shall establish any reasonable application fees that  
13          they deem necessary. Provided however that any applicant who applies for  
14          two or more classifications under §108 shall be charged at the full rate of  
15          each classification as prescribed by the board.

16                   **§118. Form of Licenses.**

17                   The form of every license shall be prescribed by the Contractor's  
18          License Board and shall be issued in the name of the Board.



1                   **§119. Place of Business and Posting of License.**

2                   A licensed contractor shall have and maintain a definite place of  
3                   business in the commonwealth and shall display therein a personal  
4                   contractor's license.

5                   **§120. Fees; Annual.**

6                   (a) The Board shall establish annual fees for each license thereof  
7                   prescribed by this Chapter as follows:

8                   (1) License Fees

9                   License to act as specialty contractor

10                  License to act as general engineering contractor

11                  License to act as general building contractor

12                  (2) License Fee for Responsible Management Employee (RME)

13                  License to act as RME in specialty Contracting

14                  License to act as RME in general engineering

15                  contracting

16                  License to act as RME in general building

17                  contracting

18                  (3) Reissuance of a license or issuance of a

19                  certified copy of license

20                  (4) Application:

21                  (5) Application for Additional Classifications

1 (6) Letter of Good Standing

2 (7) Study Guide

3 (8) Inactive license fee (in lieu of renewal fee)

4 (9) Exam Fee

5 (b) The annual fee or inactive license fee shall be paid on or before  
6 June 30 of each year for a license year beginning on July 1. Failure, neglect  
7 or refusal of any licensee to pay the annual fee before such date shall  
8 constitute a forfeiture of license. Any such license may be restored upon  
9 written application, therefore, within one (1) year from such date and the  
10 payment of the required fee plus an amount equal to ten percent (10%)  
11 thereof.

12 (c) Upon written request by a contractor, and for good cause, the  
13 Board shall place an active license in an inactive status. The license, upon  
14 payment of the annual inactive license fee, may continue inactive for a  
15 period of three (3) years after which time it must be reactivated or shall  
16 automatically become forfeited. The license may be reactivated at any time  
17 within the three (3)-year period by fulfilling the requirements for renewal,  
18 including the payment of the appropriate renewal fee.

1                   **§121. Action on Application.**

2                   Within forty-five (45) days after the filing of a proper application  
3                   for a license and the payment of the required fees, the Contractor's License  
4                   Board shall:

5                   (a) Conduct an investigation of the applicant and in such  
6                   investigation may post pertinent information, including, but not limited to,  
7                   the name and address of the applicant, and if the applicant is associated in  
8                   any partnership, corporation or other entity, the names, addresses and  
9                   official capacities of associates; and

10                  (b) Either issue a license to the applicant or else notify the applicant  
11                  in writing by registered mail of the Board's decision not to grant the license  
12                  and specifically notify applicant of the right to have a hearing within fifteen  
13                  (15) days from the receipt of the Board's decision. The hearing shall be  
14                  conducted in accordance with §123.

15                   **§122. Revocation, Suspension and Renewal of Licenses.**

16                  (a) The Contractor's License Board may revoke any license issued  
17                  hereunder, or suspend the right of the licensee to use such licenses, or refuse  
18                  to renew any such license for any of the following causes:

19                   (1) Conviction of any felony or misdemeanor involving  
20                   moral turpitude;

1                   (2) Any dishonest or fraudulent or deceitful act as a  
2                   contractor which causes a substantial damage to another;

3                   (3) Pursuing a continued and flagrant course of  
4                   misrepresentation or of making false promises through advertising  
5                   or otherwise;

6                   (4) Abandonment of any construction project or operation  
7                   without reasonable or legal excuse;

8                   (5) Willful departure from or willful disregard of plans or  
9                   specifications in any material respect without consent of the owner  
10                  or his duly authorized representative, which is prejudicial to a person  
11                  entitled to have the construction project or operation completed in  
12                  accordance with such plans and specifications;

13                  (6) Willful violation of any law of the Territory or of any  
14                  political subdivision thereof, relating to building, including any  
15                  violation of any applicable rule or regulation of the Department of  
16                  Public Health, or of any applicable safety or labor law;

17                  (7) Failure to make and keep records showing all contracts,  
18                  documents, records, receipts and disbursements by a licensee of all  
19                  his transactions as a contractor for a period of not less than three (3)  
20                  years after completion of any construction project or operation to

1 which the records refer or to permit inspections of such records by  
2 the Board;

3 (8) When the licensee being a co-partnership or a joint  
4 venture permits any member of such co-partnership or joint venture  
5 who does not hold a license to actively participate in the contracting  
6 business thereof;

7 (9) When the licensee being a corporation permits any officer  
8 or employee of such corporation who does not hold a license to have  
9 the direct management of the contracting business thereof;

10 (10) Misrepresentation of a material fact by an applicant in  
11 obtaining a license;

12 (11) Failure of a licensee to complete in a material respect  
13 any construction project or operation for the agreed price if such  
14 failure is without legal excuse;

15 (12) Willful failure in any material respect to comply with  
16 this Chapter or the rules and regulations promulgated pursuant  
17 thereto;

18 (13) Willful failure or refusal to prosecute a project or  
19 operation to completion with reasonable diligence;

20 (14) Willful failure to pay when due a debt incurred for  
21 services of materials rendered or purchased in connection with his

1 operations as a contractor when the individual has the ability to pay  
2 or when the individual has received sufficient funds therefor as  
3 payment for the particular operation for which the services or  
4 materials were rendered or purchased;

5 (15) The false denial of any debt due or the validity of the  
6 claim therefor with intent to secure for licensee, employer or other  
7 person, any discount of such debt or with intent to hinder, delay or  
8 defraud the person to whom such debt is due;

9 (16) Failure to secure or maintain workmen's compensation  
10 insurance;

11 (17) Knowingly entering into a contract with an unlicensed  
12 contractor involving work or activity for the performance of which  
13 licensing is required under this Chapter; or

14 (18) When the Responsible Management Employee and/or  
15 the majority stockholders have, under another corporate or company  
16 structure, caused the non-payment of employees' wages and/or the  
17 abandonment of alien workers to become a burden on the  
18 Government.

19 (19) Willful failure to pay when due a debt or penalty  
20 incurred for damaging a public utility operated by the

1 Commonwealth Utilities Corporation and the Department of Public  
2 Works.

3 (20) Knowingly taps into any power, water, sewer line, or  
4 facility belonging to the Commonwealth Utilities Corporation  
5 without first obtaining permission through the established service  
6 rules and regulations of each respective governmental agency.

7 (b) No license shall be suspended for longer than two (2) years and  
8 no person whose license is revoked shall be eligible for a new license until  
9 the expiration of two (2) years.

10 (c) For purposes of this Section, the Contractor's License Board in  
11 cooperation and in conjunction with the Department of Public Works,  
12 Department of Finance's Division of Revenue and Taxation and the  
13 Department of Labor may have investigative powers for purposes of  
14 carrying out the intent of this Section.

15 **§123. Hearings.**

16 (a) In every case where it is proposed to refuse to grant a license or  
17 to revoke or suspend a license or to refuse to renew a license, the  
18 Contractor's License Board shall give the person concerned notice and  
19 hearing in conformity with the Administrative Procedures Act, as amended  
20 (1 CMC §9101 et. seq). The notice shall be given in writing by registered

1 or certified mail with return receipt requested at least fifteen (15) days  
2 before the hearing.

3 (b) In all proceedings before it, the Board, and each member thereof,  
4 shall have the same powers with respect to administering oaths, compelling  
5 the attendance of witnesses and the production of documentary evidence  
6 and examining witnesses as are possessed by circuit judges at chambers. In  
7 case of disobedience by any person of any order of the Board, or any  
8 member thereof, or any subpoena issued by it, or the person, or the refusal  
9 of any witness to testify to any matter regarding which the individual may  
10 be questioned lawfully, any judge of the Superior Court, on application by  
11 the Board thereof, shall compel obedience as in the case of disobedience of  
12 the requirements of a subpoena issued by the Superior Court, or a refusal to  
13 testify therein.

14 **§124. Appeal to Superior Court.**

15 An applicant who has been refused a license and every licensee  
16 whose license has been suspended, revoked or not renewed may appeal the  
17 Contractor's License Board's decision to the Superior Court in the manner  
18 provided in the Administrative Procedures Act, as amended (1 CMC §9101  
19 et. seq).



1                   **§125. Disposition of Fees, Refunds.**

2                   (a) Notwithstanding any laws or regulations to the contrary, all fees  
3                   and money collected under the provisions of this Chapter shall be deposited  
4                   in a special fund known as the “Contractor’s License Board Fund”. Fifty  
5                   percent of the funds collected and deposited shall be used for operations and  
6                   the remaining fifty percent of the funds shall be used to fund apprenticeships  
7                   for constructed-related trades. The Expenditure Authority shall be the  
8                   Chairperson and the Executive Director of the Contractor’s License Board.

9                   (b) The Board may request the CNMI Treasury to have any fee  
10                  erroneously paid to it under this Chapter refunded when the Board deems it  
11                  just and equitable.

12                  **§ 126. Death or Dissociation.**

13                  No co-partnership, joint venture or corporation shall be deemed to  
14                  have violated any provision of this Chapter by acting or assuming to act as  
15                  a contractor after the death or dissociation of a licensee who had the direct  
16                  management of the contracting business thereof prior to final disposition by  
17                  the Contractor’s License Board of an application for a license made within  
18                  thirty (30) days from the date of the death or dissociation.

19                  **§127. Violation, Penalty.**

20                  Any person who violates or omits to comply with any of the  
21                  provisions of this Chapter shall be fined an amount no less than Two

1           Hundred Dollars (\$200) but not to exceed fifty percent (50%) of the value  
2           of the project.

3                           **§128. Injunction.**

4           The Contractor’s License Board may, in addition to any other  
5           remedies available, apply to a judge of the Superior Court for a preliminary  
6           or permanent injunction restraining any person from acting or assuming to  
7           act or advertising as general engineering contractor, general building  
8           contractor or specialty contractor, without a license previously obtained  
9           under and in compliance with this Chapter and the rules and regulations of  
10          the Board and upon hearing and for cause shown, the judge may grant the  
11          preliminary or permanent injunction.”

12          **Section 3. Amendment.** Subject to codification by the CNMI Law Revision  
13          Commission, Title 4, Division 5, Chapter 18 is hereby amended by adding a new  
14          provision to read as follows:

15                           **“§101. Lien for Work and Material Furnished by Licensed**  
16                           **Contractor: Notice; Sale; Application of Proceeds; Lienholder may**  
17                           **Waive Lien and Sue for Amount Due.**

18                           (a) Any licensed contractor who produces contracting services to  
19                           any person shall have a lien upon such article or articles for the amount of  
20                           any account that may be due for the work done thereon. The lien shall also

1 include the value or agreed price, if any, of all materials furnished by the  
2 lienholder in connection with the work.

3 (b) If any account for work done or materials furnished shall remain  
4 unpaid for one year after completing the work, the lienholder may, upon 30  
5 days' notice in writing to the owner specifying the amount due and  
6 informing him that the payment of the amount due within 30 days will  
7 entitle him to redeem the property, sell any such article or articles at public  
8 or bona fide private sale to satisfy the account.

9 (c) The notice may be served by registered or certified mail with  
10 return receipt demanded, directed to the owner's last known address, or, if  
11 the owner or his address be unknown, it may be posted in two public places  
12 in the island where the property is located.

13 (d) The proceeds of the sale, after paying the expenses thereof, shall  
14 first be applied to liquidate the indebtedness secured by the lien, and the  
15 balance, if any, shall be paid over to the owner.

16 (e) Nothing contained in this section shall be construed as preventing  
17 the lienholder from waiving the lien herein provided for, and suing upon the  
18 amount if he elects to do so."

19 **Section 4. Severability.** If any provisions of this Act or the application of  
20 any such provision to any person or circumstance should be held invalid by a court  
21 of competent jurisdiction, the remainder of this Act or the application of its

1 provisions to persons or circumstances other than those to which it is held invalid  
2 shall not be affected thereby.

3           **Section 5. Savings Clause.** This Act and any repealer contained herein  
4 shall not be construed as affecting any existing right acquired under contract or  
5 acquired under statutes repealed or under any rule, regulation, or order adopted  
6 under the statutes. Repealers contained in this Act shall not affect any proceeding  
7 instituted under or pursuant to prior law. The enactment of the Act shall not have  
8 the effect of terminating, or in any way modifying, any liability, civil or criminal,  
9 which shall already be in existence on the date this Act becomes effective.

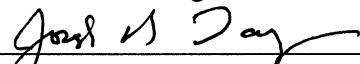
10           **Section 6. Effective Date.** This Act shall take effect upon its approval by  
11 the Governor, or its becoming law without such approval.

Prefiled: Jan. 19, 2023

Date: 1/19/2023

Introduced by:   
Rep. Denita Kaipat Yangetmai

Reviewed for Legal Sufficiency by:

  
House Legal Counsel