

TITLE 4: ECONOMIC RESOURCES
DIVISION 5: BUSINESS REGULATION

§ 5631. Definitions.

For purposes of this article:

(a) "Business" means any individual, estate, firm, company, partnership, joint venture, association, trust, receiver, club, syndicate, cooperative association, corporation or any other entity required to be licensed under 4 CMC, Division 6, Chapter 6.

(b) "Business License" means the permission granted by the Commonwealth, under the authority of 4 CMC, Division 5, Chapter 6, conferring upon the licensee the privilege to engage in business.

(c) "Farming" means the raising of crops, plants, trees, or animals or the carrying on, conducting or managing of agricultural production including hydroponic agriculture.

(d) "Fishing" means the raising, catching, or harvesting of fish or other marine animals or the carrying on, conducting or managing of aquacultural, maricultural, or other means of fish or marine animal acquisition.

Source: PL 10-44, § 2.

Commission Comment: PL 10-44 took effect February 7, 1997. According to PL 10-44, § 1:

Section 1. Findings and Purpose. The Legislature finds that it is vested with the authority to control immigration into the Commonwealth pursuant to Article V, Section 503(a) of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America. This same authority allows the Commonwealth to regulate foreign investment within its borders. Additional authority for this Act may be found in the general power to regulate commerce in the Commonwealth and the authority to control and conserve natural resources. The purpose of this Act is to ensure that foreign investment in the Commonwealth is in tune with local desires and that the benefits from such investment embrace the widest possible segment of the population.

The Legislature recognizes that foreign investment is a fundamental component of the economic development of the Commonwealth. Foreign investment is appropriate where heavy capitalization or specialized technical skills are required for start-up and in economic ventures characterized by high risk or a significant element of experimentation. Aquaculture, mariculture, and hydroponic agriculture are examples of such ventures. However, foreign investment certificates are being issued for certain business activities even though local firms or individuals are capable of providing the services, and where local money is available for funding the types of business ventures the foreign investors are engaged in.

Further, some aliens are arranging with locals to sharecrop the land for a percentage of the proceeds. This practice is in violation of Public Law 9-5, in that the aliens are engaging in a business venture without obtaining a certificate of foreign investment. Additionally, many businesses are engaging in fishing and farming to feed their employees which comprise

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almost 20% of the total population of the Commonwealth. These practices are depleting the natural resources of the Commonwealth and depriving local workers and capitalists of access to commercial activities and investments.

The Commonwealth is currently experiencing an increase in illegal aliens posing as foreign investors to gain entry into the Commonwealth under false pretenses. Illegal aliens cost the Commonwealth in taxes, and take jobs and investment opportunities from lawful residents of the Commonwealth, increases the cost of education and health care, and increase the crime rate.

The purpose of this Act is to encourage and promote orderly economic development by directing the flow of foreign investment to those economic sectors most in need of such stimulation. Additionally, it is the purpose of this Act to provide a more rigorous system for insuring that local workers and capitalists will have access to commercial activities and investments, thereby protecting local resources and economic opportunities, and enhancing the internal stability of our society.