

**COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS  
SAIPAN, TINIAN, ROTA and NORTHERN ISLANDS**



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**COMMONWEALTH REGISTER**

**VOLUME 39  
NUMBER 08  
AUGUST 28, 2017**

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# COMMONWEALTH REGISTER

VOLUME 39  
NUMBER 08  
August 28, 2017

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Commonwealth of the Northern Mariana Islands  
 Department of Community and Cultural Affairs  
 Office of the Secretary



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 (CCDBG)

**Low Income Home Energy**  
**Assistance Program**  
**(LIHEAP)**

**Childcare Licensing**  
**Program**

**Garapan Street Market**

Commonwealth of the Northern Mariana Islands  
 Department of Community and Cultural Affairs- Child Care  
 Development Fund

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 Department of Community and Cultural Affairs, Child Care Development Fund  
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**PUBLIC NOTICE OF PROPOSED RULES AND REGULATIONS**  
**WHICH ARE AMENDMENTS TO THE RULES AND REGULATIONS OF THE**  
**Department of Community and Cultural Affairs, Child Care Development Fund**

**INTENDED ACTION TO ADOPT THESE PROPOSED RULES AND REGULATIONS:**

The Commonwealth of the Northern Mariana Islands, Department of Community and Cultural Affairs, Child Care Development Fund ("CCDF"), intends to adopt as permanent regulations the attached Proposed Rules and Regulations, pursuant to the procedures of the Administrative Procedure Act, 1 CMC § 9104(a). The Regulations would become effective 10 days after compliance with 1 CMC §§ 9102 and 9104(a). See 1 CMC § 9105(b).

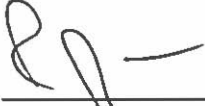
**AUTHORITY:** The Department of Community and Cultural Affairs is empowered by the Legislature to adopt rules and regulations for the administration and enforcement of the statues governing activities over which the department has jurisdiction. See 1 CMC § 2354.

**THE TERMS AND SUBSTANCE:** These are proposed changes of some of the language contained in the Child Care Standards Rules and Regulations.


**THE SUBJECTS AND ISSUES INVOLVED:** These attached rules and regulations shall replace the current regulations listed as N.M.I.A.C. Chapter 55-60 Child Care Development Fund Rules and Regulations.

TO PROVIDE: Send or deliver your comments to Robert H. Hunter, DCCA Secretary, Attn: Child Care Development Fund Regulations, at the above address, fax or email address. Please use the subject line: "Proposed Child Care Development Fund Rules and Regulations." Comments must be submitted within 30 days of the date of publication notice. The DCCA welcomes your data, reviews and arguments. See 1 CMC § 9104(a)(2).

These proposed regulations were approved by DCCA Secretary on July, 2017.

Submitted by:  \_\_\_\_\_ Date: 7/27/17

Robert H. Hunter  
DCCA Secretary

Received by:  \_\_\_\_\_ Date: 07/31/17

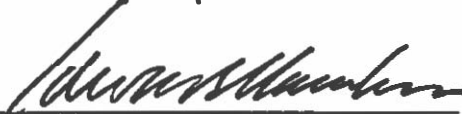
Shirley Camacho-Ogumoro  
Governor's Special Assistant for Administration

Filed and Recorded by:  \_\_\_\_\_ Date: 08.24.2017

Esther S. N. Nesbitt  
Commonwealth Register

Pursuant to 1 CMC § 9104(a)(3), these proposed regulations have been reviewed and approved as to form and legal sufficiency by the CNMI Attorney General and shall be published, see 1 CMC § 2153(f).

Signed the 24 day of Aug. 2017.

 \_\_\_\_\_  
Edward Manibusan  
Attorney General



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**Assistance Program**  
 (LIHEAP)

**Childcare Licensing**  
**Program**

**Garapan Street Market**

Commonwealth Téel Falúw kka Efáng llól Marianas  
 Bwulasiyol Lemelemil Sóobw me Kko- Child Care Development Fund

Robert Hunter, Secretary  
 Bwulasiyol Lemelemil Sóobw me Kko, Child Care Development Fund

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**ARONGORONGOL TOULAP REEL POMMWOL ALLÉGH ME  
 ATIIWLIGH**

**KKAL REBWE LIWELI NGÁLI ALLÉGH ME MWÓGHUTUGHUTÚL**  
 Bwulasiyol Lemelemil Sóobw me Kko, Child Care Development Fund


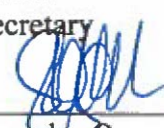
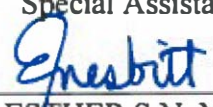
MÁNGEMÁNGIL MWÓGHUT REEL REBWE ADÓPTÁÁLI POMMWOL  
 ALLÉGH ME ATIIWLIGH KKAL: Commonwealth llól Marianas me Téé kka  
 Efáng, Bwulasiyol Lemelemil Sóobw me Kko, Child Care Development Fund  
 (“CCDF”), re mángemángil bwe rebwe adóptááli bwe ebwe lléghló bwe  
 mwóghutughut kka e appasch bwe pommwol allégh me mwóghutughut, sáangi  
 mwóghutughutúl Administrative Procedure Act, 1 CMC § 9104(a). Ebwe bwunguló  
 Mwóghutughut kkal llól seigh (10) ráal mwiril aal lléghló reel 1 CMC §§ 9102 me  
 9104 (a). Amwuri 1 CMC § 9105(b).

**BWÁNGIL:** Sáangi Legislature re ayoorai ngáli bwángil Bwulasiyol Lemelemil  
 Sóobw me Kko bwe ebwe adóptááli allégh me mwóghutughut ngáli administration  
 me enforcement reel kkapasal allégh me mwóghutughut reel aal lemelem bwulasiyo.  
 Amwuri 1 CMC § 2354.

**KKAPASAL ME AWEWEEL:** Ikkal pommwol liiwel ngáli akkáaw reel kkapasal  
 iye e lo llól Alléghúl & Mwóghutughutúl Child Care.


KKAPASAL ME ÓUTOL: Allégh me Mwóghutughut ikka e appasch nge ebwe siiweli mwóghutughut kkemwu e lo bwe N.M.I.A.C. Chapter 55-60 Allégh me Mwóghutughutúl Child Care Development Fund.

ATOOLONGOL MWALIILI: Afanga ngáre bwughiló yóómw mángemáng reel Robert Hunter, DCCA Secretary, *Attn: Child Care Development Fund Regulations*, reel féléfél imwu e lo weiláng. Yááli reel subject line "Proposed Child Care Development Fund Rules and Regulations". Isiisilongol mángemáng nge ebwe toolong llól eliigh (30) rááll sáangi aal toowow arongorong yeel. DCCA ew atiwa reel isiisilongol yóómw data, views, ngare angiingi. Amwuri 1 CMC § 9104(a)(2). Pommwol mwóghutughut aa átirow sáangi DCCA Secretary wóól Ullyo, 2017.

Isáliyalong:	 _____ Robert Hunter DCCA Secretary	<u>7/27/17</u> Ráál
Bwughiyal:	 _____ Shirley Camacho-Ogumoro Special Assistance reel Administration ngáli Gobenno	<u>07/31/17</u> Ráál
Ammwelil:	 _____ ESTHER S.N. NESBITT Commonwealth Register	<u>08.24.2017</u> Ráál

Sáangi 1 CMC § 2153(e) me 1 CMC § 9104(a)(3), pommwol mwóghutughut kkal aa lléghló sáangi AG bwe e ffil reel fféerúl me ra takkal amwuri fischiy me aa lléghló fféerúl me legal sufficiency sáangi mwir sáangi Soulemelemil Allégh Lapalpal CNMI me ebwe akkatééwow, *amwuri* 1 CMC § 2153(f).

Ghikillátiw wóól 29 ráálil Ullyo, 2017.

  
\_\_\_\_\_  
Edward Manibusan  
Soulemelemil Allégh Lapalpal



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Garapan Street Market

Commonwealth gi Sangkattan na Islas Mariãnas  
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Development Fund

Robert Hunter, Secretãriu

Dipãttamentun Asuntun Kumunidãt yan Kuttura, Child Care Development Fund

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**NUTISIAN PUBLIKU NU I MANMAPROPONI NA AREKLAMENTU YAN REGULASION  
 SIHA**

**NI MANMA'AMENDA PARA I AREKLAMENTU YAN I REGULASION SIHA NU I  
 Dipãttamentun Asuntun Kumunidãt yan Kuttura, Child Care Development Fund**

**I AKSION NI MA'INTENSIONA PARA U MA'ADãPTA ESTI I MANMAPROPONI NA  
 AREKLAMENTU YAN REGULASION SIHA:** I Commonwealth gi Sangkattan na Islas  
 Mariãnas, Dipattamentun Asuntun Kumunidãt yan Kuttura, Child Care  
 Development Fund ("CCDF") ha intensiona para u adãpta kumu petmanenti na  
 regulasion siha ni mañechettun i Manmaproponi na Regulasion yan Areklamentu  
 siha, sigun gi manera siha gi Æktun i Administrative Procedure, 1 CMC § 9104(a). I  
 regulasion siha para u ifektibu gi dies (10) dihas dispues di makumpli yan i 1 CMC §§  
 9102 yan 9104 (a). *Atan* i 1 CMC § 9105 (b).

**Æturidãt:** I Dipãttamentun Asuntun Kumunidãt yan Kuttura ma'aturisa ni  
 Lehislatura para u adãpta i areklamentu yan i regulasion siha para i atministrasion  
 yan i enforcement i estatua ni ginibebetna i aktibidãt siha nu i jurisdiction i  
 dipãttamentu. *Atan* i 1 CMC § 2354.

**I TEMA YAN I SUSTãNSIAN I PALãBRA SIHA:** I manmaproponi na tinilaika siha nu  
 esti palu gi sinaguan lingguãhi gi hãlum i Areklamentu yan i Regulasion i Child Care  
 Standards siha.


**I SUHETU NI MASUMÁRIA YAN ASUNTU NI TINEKKA:** Esti i mañechettun na areklamentu yan regulasion siha tinilaika i prisenti na regulasion ni malista kumu N.M.I.A.C Pátti 55-60 Areklamnetu yan Regulasion siha gi Child Care Development Fund.

**PARA U MAPRIBENIYI UPIÑON:** Na'hánao pat intrega i upiñon-mu guatu gi as Robert Hunter, DCCA Secretary, Attn: Regulasion i Child Care Development Fund, gi sanhilu' na address, fax pat email address. Put fabot usa i ráyan suhetu: "Areklamentu yan Regulasion Siha gi Child Care Development Fund". I upiñon siha debi na u fanhálum trenta(30) dihas ginin i fetchan pupplikasion esti na nutisia. I DCCA ma'gradesi i infotmasion, upiñon, pat testamoñon kinentra siha. Atan 1 CMC § 9104(a)(2)

Esti i manmaproponi na regulasion siha manma'aprueba ginin i Secretariu i DCCA gi Hului, 2017.

Nina'hálum as:   
Robert Hunter  
Secretariu, DCCA

7/27/17  
Fetcha

Rinisibi as:   
Shirley P. Camacho-Ogumoro  
Ispisiãt na Ayudãnti para Atministradot Gubietnu

07/31/17  
Fetcha

Pine'lu yan Ninota as:   
ESTHER S.N. NESBITT  
Rehistran Commonwealth

08-24-2017  
Fetcha

Sigun i 1 CMC § 2153(e) yan i 1 CMC § 9104(a)(3), esti i manmaproponi na regulasion siha manmaribisa yan manma'aprueba kumu fotma yan sufisienti ligãt ginin i CNMI Ufisinan Abugãdu Henerãt yan debi na u mapublika, 1 CMC 2153(f).

Mafitma esti gi diha 29 gi Hului, 2017.

  
Edward Manibusan  
Abugãdu Henerãt



## CHAPTER 55-60: CHILD CARE AND DEVELOPMENT FUND RULES AND REGULATIONS

### Part 001 - General Provisions

#### § 55-60-001 Purpose

The purpose of these Administrative Rules is to provide guidance for determining eligibility requirements, benefit amounts, and method of determining child care payments for the child care program in compliance with the rules governing the administration and implementation of the Child Care and Development Fund block grant as authorized part of the Omnibus Reconciliation Act of 1990, Pub. L. No. 101-58, Section 5082 and as amended by PRWORA, Pub. L. No. 104-193, Section 9598.

#### § 55-60-005 Definitions

- (a) "Activity" means employment, education, job search or job training, vocational or employment training.
- (b) "After-School Care" means a child care program provided after the close of the regular school day during the academic year for children who are enrolled in public or private elementary schools.
- (c) "Application" means the written action by which an individual applies on behalf of his/her family to receive child care services on a form prescribed by the Child Care Program. The application requests information on the total monthly family income, size of the family, ages of family members, employment status or education or training or a combination thereof of the parent applicant or applicants and requires attachments that evidence monthly family income, education, or training status, employment status, and proof, usually birth certificates or passports, of age and citizenship of the applicants.
- (d) "Before-School Care" means a child care program provided before the opening of the regular school day during the academic year for children who are enrolled in public or private elementary schools.
- (e) "Budget Month" means the calendar month from which the Child Care Program shall use the child care payment form to calculate the reimbursable payment for the month.
- (f) "Center-Based Child Care Provider" means a provider licensed or otherwise authorized to provide child care services for fewer than 24 hours per day per child in a non-residential setting.
- (g) "Child" means any person who has not reached the age of thirteen.
- (h) "Child Care" means those situations in which a child care provider has agreed to assume the responsibility for the child's supervision, development, and guidance, apart from and in the absence of the child's parent, for any part of a 24-hour day.
- (i) "Child Care Program" means the CNMI Department of Community and Cultural Affairs that shall administer and implement the Child Care Development Fund (CCDF) activities and provide assistance in compliance with the requirements of federal regulations.
- (j) "Child Care Provider" means any person, 18 years and older, or an agency, or organization and their employees who provide direct care, supervision, and guidance to children apart from and in the absence of the child's parent(s). Child care providers are regulated by the Child Care Licensing Program of the Department of Community and Cultural Affairs to provide child care or are legally exempt from licensure or registration by the same licensing program.
- (k) "Child Care Services" means the care given to an eligible child by an eligible child care provider.
- (l) "Child experiencing homelessness" means a child who is homeless.

- (m) "Director" means a person who has primary responsibility for the daily operations and management for a child care provider, which may include a family child care provider which may serve children from birth to kindergarten entry and children in school-age child care.
- (n) "Educational Program" means a curriculum-based education program established by a school, agency, or business for the purpose of the development of skills and/or academic study necessary for an occupation.
- (o) "Employed" means the parent or legal guardian is engaged in an activity in exchange for wages or salary for at least 30 hours per week.
- (p) "English as a Second Language" (ESL) means the condition where the child and/or the parent (see definition on "parent") have limited English proficiency.
- (q) "Family Child Care Provider" means an individual who provides child care services to 5 or more children for fewer than 24 hours per day per child, as the sole caregiver, in a private residence other than the child's residence.
- (r) "Family" means one or more adults and their minor children, if any, related by blood, marriage, adoption, or judicial decree, who resides in the same household. Related adults other than spouses or unrelated adults residing together shall each be considered a separate family.
- (s) "Federal Poverty Index (FPI) Guidelines" means the official federal statistical definition of poverty which is issued yearly in the Federal Register by the Secretary of the Child Care Program of the Health and Human Services under the authority of 42 U.S.C. 9902(2), OBRA of 1981. It is a simplification of the U.S. Census Bureau's poverty threshold, which is issued for administrative purposes.
- (t) "Full-Time Care" means child care provided for 30 hours or more per week. This does not apply to before-school care, after-school care, and intersession care.
- (u) "Gross Income" means any benefit in cash which is received by the individual as a result of current or past labor or services, business activities, interest in real or personal property or as a contribution from persons, organizations, or assistance agencies.
- (v) "Guardian" means a court appointed legal guardian of the person of the minor child.
- (w) "Homelessness" means as it is defined in section 72S of Subtitle VII-B of the McKinney-Vento Act (42 U.S. C. 11434a).
- (x) "In Home Care Provider" means any individual who provides care in the home of the child.
- (y) "Intersession Care" means child care provided at breaks during the academic year for children who are enrolled in public or private elementary schools, including summer care and holidays.
- (z) "Job Search" is defined as an-activity that demonstrates an individual is actively seeking potential employment. Qualifying job search activities include (but is not limited to) completing job applications in person; completing on-line computer applications at employment agencies and/or community agencies, engaging in interviews, registration at the CNMI Labor Office, and phone inquiries about possible job openings with potential employers. Job search is not to exceed three months.
- (aa) "Job Training, Vocational or Employment Training" means an organized training program (including community college and university education) established by an institution, agency, or business for the purpose of the development of an occupation.
- (bb) "License-Exempt Care" means child care to less than 5 children which is exempt from licensure pursuant to CNMI law and the current state plan and is registered by the Child Care Program.

(cc) "Licensing Agency" means the department within the CNMI government that approves or disapproves child care licensing in accordance with CNMI law and the Day Care Rules and Regulations, specifically the Department of Community and Cultural Affairs (DCCA).

(dd) "Parent" means a birth, foster or adoptive parent, guardian, a person acting in the place of a parent, step-parent, or relative who is related to the child by blood, marriage, or adoption, who resides with and is legally responsible for the care, education, and financial support of a child. That designation may remain even when the child or parent is temporarily absent from the home as long as the parent continues to maintain responsibility for the care, education, and financial support of the child. In cases of split custody, it is the parent with whom the child resides with more than 50% of the time. In cases where each parent has custody of the child for an equal amount of time, then both parents must jointly qualify for the program.

(ee) "Part-Time Care" means child care provided for less than 30 hours per week. This excludes before-school, after-school care and intersession care.

(ff) "Payment Month" means the calendar month in which the Child Care Program shall issue the child care payment.

(hh) "Physician" means an individual licensed by the CNMI for the practice of medicine.

(ii) "Registered" means children, parent, parents, and service providers who are registered with the DCCA Child Care Program and who benefit from the DCCA Child Care Program.

(jj) "Relative" means related by blood, marriage, or adoption.

(kk) "Relative Care" means child care provided by legal grandparents, great-grandparents, great aunts, 1st and 2nd cousins, aunts, uncles, and siblings living in a separate residence who are at least 18 years old. Relative child care providers caring for 5 or more children must be licensed.

(ll) "Sliding Fee Scale" means a system of cost sharing by a family based on income and size of the family in accordance with 45 CFR Subpart 98.42.

(mm) "School Age" means the chronological age of children enrolled in elementary and junior high school below the age of 13.

(nn) "Special Needs Child" means a child who is physically or mentally incapable of caring for himself or herself as determined by a health care provider or a Public School System certified psychologist.

(oo) "State Plan" means the official document submitted to the federal government by the Child Care Program describing the administration of child care services in the CNMI under the Child Care and Development Fund.

(pp) "Very Low Income" means income that is at or below the 85% of State Median Income Guideline.

#### § 55-60-010 Confidentiality

Family income data, employment records, and other family and child records and monthly data reported to the federal government on families receiving subsidized child care services shall remain confidential and saved in locked data files. (This applies to both computerized and paper files.)

#### § 55-60-015 Geographical Location

All child care is made available to eligible clients on a CNMI-wide basis.

§ 55-60-020 Scope

Child care services, irrespective of setting, must include:

- (a) Supervision to assure the child's safety, comfort, and health;
- (b) Personal care as appropriate to the child's age and developmental maturity;
- (c) Educational and recreational activities appropriate to the child's age, developmental stage, and degree of physical or mental ability;
- (d) Health and nutritional services which may include breakfast, lunch, dinner, and snacks; health and nutritional education to the child, as well as to the parents or parents; monitoring of health problems; and where appropriate, arranging for medical or psychological screening and consultation.

Part 100 - Application to Child Care Program

§ 55-60-101 Application Process

- (a) Requests for child care services shall be submitted in writing on a form prescribed by the Child Care Program.
- (b) The form shall be dated and signed under penalty of perjury that all the information requested by the Child Care Program to establish eligibility for child care services, as stated on the form, is accurate.
- (c) The form shall be signed by the parent. Applicants are required to submit copies of documents (including but not limited to an employment verification stating hours and hourly rate, paycheck stubs with business name, hours worked and hourly rate, birth certificates, school and/or training documents, 1040 tax return, notarized affidavit of living arrangement, employment contract (if applicable)) for verification. It is the responsibility of the applicant to provide the necessary documentation for verification.
- (d) Applicants shall provide verification of the cost of the selected child care arrangement.
- (e) The date of application shall be the date the signed form and all supporting documents are received by the Child Care Program.
- (f) The date of eligibility shall be determined by the Child Care Program once all required documentation is received and verified and the Child Care Program determines that the family is eligible for subsidized care.
- (g) For applicants determined eligible, child care subsidized payments shall be initiated or arranged as soon as possible, but not later than 30 days from receipt of the payment invoice from the service provider; which is signed by the parent and the provider. Child Care services shall be denied when the applicant does not complete the process of application/determination of eligibility, including but not limited to verification, or withdraws the application or is otherwise ineligible.

§ 55-60-105 Priority Applications

The following sets forth the priorities for serving eligible children:

- (a) Low income families with special needs children
- (b) Homeless families with children
- (c) Families with very low income

§ 55-60-110 Notice of Application Disposition

(a) The Child Care Program shall notify applicants about the applicant's eligibility for child care service within fifteen days after submission of a complete application with all required attachments.

(b) Applicants determined not eligible shall be sent a written notice that contains a statement of the action taken, the reason for the action, the specific rules supporting the action, and the right to appeal the action of the Child Care Program through established administrative appeal procedures.

Part 200 - Eligibility

§ 55-60-201 Eligibility Requirements for Child Care Services

Depending upon availability of funds, children who qualify for child care payments shall meet the following requirements:

- (a) Reside with the parent who is working, attending a job training or an educational program and who has a monthly CNMI gross income that does not exceed Federal Poverty Income Guideline (FPIG) or 85% of the State Median Income for a family of the same size; and
- (b) Be under the age of 13; and
- (c) All parents shall be eligible for child care under this subchapter provided the parents meet the following conditions:
  - (1) Have a monthly gross income that does not exceed the Federal Poverty Income Guideline (FPIG) or 85% of the State Median Income for a family of the same size; and
  - (2) Residency: The family must be living in the CNMI with the intention of making the CNMI their home permanently. Acceptable documentation includes, but is not limited to, utility payment receipts, house rental/mortgage receipts, etc.
  - (3) Citizenship: Only the citizenship and immigration status of the child, who is the primary beneficiary of the child care service, is required for eligibility purposes. The child must be a U.S. citizen or a qualified alien, as defined in Personal Responsibility Work Opportunity Act (PRWORA), to be eligible for childcare assistance. Acceptable documentation includes, but is not limited to, birth certificate or passport.
  - (4) Gainfully employed 30 hours per week or scheduled to start work in 2 weeks; or
  - (5) Need child care for up to 90 calendar days during a break in employment, if employment is scheduled to resume within 90 calendar days; or
  - (6) Job Search: Need child care for up to 90 calendar days during a break in employment and is actively seeking employment;
  - (7) Are enrolled in a job training and educational program (for at least 20 hours per week) or attending an education program on a full time bases (12 hours per semester for the college and five classes per day for the PSS); or
  - (8) For parents who are in the final semester of a program and who need less than 12 credits to graduate, they will be considered to be attending full-time for that final semester if in fact they are taking all the credits needed to graduate.
  - (9) Are a two-parent family household where one parent is in an approved activity (working, attending job training or an educational-program) and the other parent is determined to have a disability which prevents the parents from providing care for their own children. In such cases, proof of disability and inability to provide child care shall be verified by the written report of a physician, psychologist, psychiatrist, or a territory-licensed care provider. The written report shall be reviewed every two months, and is valid when one parent is participating in an approved activity.
  - (10) Eligibility may be re-established for periods not less than 12 months.
  - (11) Participation in a mandatory orientation.
- (d) Child care providers shall meet the following conditions in order that child care payments may be authorized:
  - (1) For licensed center based and family child care providers:

- (i) Is 18 years old or older;
- (ii) Afford parents unlimited access to their children during normal hours of provider operation and whenever the children are in the care of the provider;
- (iii) Completes an application packet (and renewed annually) and submits the following documents:
  - (A) W-9.
  - (B) Current Business License
  - (C) DCCA Child Care License Certificate
  - (D) Center Rate
  - (E) Center Program Policy/Parent Handbook which includes at a minimum the following areas with further guidance as specified by DCCA's Child Care Program using the Caring for our Children: Basics and/or Caring for our Children 3<sup>rd</sup> edition or latest edition.
    - (I) Admission and Enrollment;
    - (II) Supervision;
    - (III) Emergency Evacuation Plan, Drills, and Closing;
    - (IV) Sanitation and Hygiene;
    - (V) Sleeping Position;
    - (VI) Food Handling, Feeding and Nutrition;
    - (VII) Staff Schedule and supervision;
    - (VIII) Smoking Policy;
    - (IX) Evening and Night Care Plan (as applicable).
  - (F) First Aid/CPR Certificate,
- (iv) Submits to an initial and annual inspection and approval;
- (v) Must meet at a minimum 35 square footage of indoor learning space per child;
- (vi) Must meet at a minimum 33% of facility capacity at 75 square footage of outdoor playground space per child.
- (vii) Subject to DCCA Child Care Program Staff announced and unannounced monitoring visits at least once annually.

(2) For licensed-exempt family home providers, including in-home providers:

- (i) Is 18 years or older;
- (ii) Afford parents unlimited access to their children, including written records concerning their children, during normal hours of provider operation and whenever the children are in the care of the provider;
- (iii) Completes an application packet (and renewed annually) and submits the following documents:
  - (A) W-9;
  - (B) Rate that will be charged parents;
  - (C) Current Business License;
  - (D) Police Clearance;
  - (E) Health Clearance;
  - (F) First Aid/CPR Certificate.
- (iv) Submits to an initial and annual inspection and approval;
- (v) Subject to DCCA Child Care Program staff announced and unannounced visits;
- (vi) Complete a self-certified checklist which is available from DCCA Child Care Program. Said checklist will then be verified by DCCA Child Care Program staff member.

(e) All types of providers will:

(1) Have no known history of child abuse or neglect, physical or psychological/psychiatric problems, or criminal convictions that may adversely affect or interfere with the care of children.

(2) Provide consent to conduct an FBI Finger Print Check, National and Local Sex Offender Registry, child abuse record check and criminal history record check. A child care provider must not have criminal history that poses a risk to children; these include but are not limited to convictions for:

(i) Murder, as defined under CNMI or similar offenses as defined in other jurisdictions or as described in Section 1111 of Title 18, United States Code;

(ii) Crimes against children as defined under CNMI or similar offenses as defined in other jurisdictions including criminal sex offenses against a minor child and child abuse or neglect.

(iii) Violent felonies in which an individual threatens to cause, attempts to cause or causes serious bodily injury, such as physical assault or battery, including spousal abuse;

(iv) Sexually violent offenses, such as, rape or sexual assault, as defined by CNMI law ~~U.S. Federal Law~~ or other similar offenses in other jurisdictions;

(v) Kidnapping;

(vi) Arson;

(vii) Violations of the CNMI Minor Children Firearms Control Act, or the CNMI Special Act for Firearms Enforcement (SAFE), or similar offenses in other jurisdictions;

(viii) Distribution of a controlled substance to persons under 18 as defined by CNMI law or similar offenses in other jurisdictions;

(ix) Any drug related offense committed during the preceding 5 years or has been convicted of a misdemeanor involving child pornography

(x) All other criminal histories will be evaluated based on the nature and severity of the incident; the identity of the victim; the length of time since the incident; whether any specific pattern of criminal behavior exists; and specific efforts the individual has made towards rehabilitation.

(3) Is free of tuberculosis as indicated by a skin test or chest x-ray completed within the last 24 months;

(4) Have a child care facility or home with an installed smoke detector, unobstructed emergency exits, and an emergency preparedness and evacuation plan.

(5) Shall attend training and technical assistance activities as a condition of receipt of funds to enhance their personal growth and professional development in order to improve the quality of child care services. All child care service providers must annually participate in at least 30 hours of annual training and technical assistance as approved by the Child Care Program. This may include workshops, seminars, conference, etc. on health and safety, nutrition, first aid, child abuse and detection, and caring for children with special needs as scheduled and approved by the Child Care Program.

(6) All new providers must complete within 90 days a minimum of 10 hours of Pre-Service Trainings in at least 5 of the following topics, and not less than 1 hour of training per topic: Prevention and control of infectious diseases (including immunization), Prevention of sudden infant death syndrome and use of safe sleeping practices, Administration of medication, consistent with standards for parental consent, Prevention of and response to emergencies due to food and allergic reactions, Building and physical premises safety, including identification of and protection from hazards that can cause bodily injury such as electrical hazards, bodies of water, and vehicular traffic, Prevention of shaken baby syndrome and abusive head trauma, Emergency Preparedness, Handling and storage of hazardous materials and the appropriate disposal of bio-contaminants, Pre-cautions in transporting children, First Aid and Infant/child Cardiopulmonary Resuscitation, Child Development and Child Abuse and Neglect. Pre-service trainings of at least one hour in each of the aforementioned topics should be completed within the first 180 days of employment and while the provider is completing their training, they may not be left alone with the children without a Child Care Program certified care provider present.

(7) All providers including family members living in the provider's home 18 years and older shall be checked against the Sex Offenders Registry and Notification Act (SORNA) with the Department of Public Safety (DPS). In the event that a family member living in the prospective provider's home is identified as included in the registry, that provider's application is disapproved.

- (8) All providers must have a working telephone land line within the building.
- (f) Child care providers shall not be one of the following:
- (1) Parents, biological or legal;
  - (2) Step-parent living in the household;
  - (3) Legal guardians;
  - (4) Providers who are not in compliance with territory regulatory requirements;
  - (5) Individuals under the age of 18 years; and
  - (6) Other individuals determined by the licensing agency and/or the Child Care Program to pose a risk to the health and safety of a child.
- (g) The Child Care Program shall:
- (1) Verify that the children and parents meet the eligibility requirements as described in these regulations;
  - (2) Determine that the provider selected by the parent is appropriate following the regulations of the licensing agency and the Child Care Program; and
  - (3) Review eligibility no less frequently than every 12 months.
  - (4) Require a family member to certify that the family assets do not exceed \$1,000,000.00.

§ 55-60-205 Income Considered in Eligibility Determination

- (a) Monthly gross income shall be used to determine eligibility.
- (b) Monthly gross income means non-excluded monthly sums of income received from sources such as but not limited to:
- (1) "Gross income" means any benefit in cash which is received by the individual as a result of current or past labor or services (before deductions), business activities, interest in real or personal property or as a contribution from persons, organizations, or assistance agencies, such as:
    - (i) Wages; and
    - (ii) Salary.

§ 55-60-210 Excluded Monthly Income

The following types of income received in any given month shall be excluded from consideration in determining income eligibility for child care payments;

- (a) Money received from the sale of property such as stocks, bonds, a house, or a car unless the person was engaged in the business of selling the property, in which case, the net proceeds would be counted as self-employed income;
- (b) Withdrawals of bank deposits;
- (c) Loans;
- (d) Gifts, including in-kind gifts such as free room and board, when the gift is not a form of compensation in lieu of wages or salary;
- (e) Monies received in the form of a nonrecurring lump sum payment including, but not limited to, the following:
  - (1) Income tax refunds, rebates, credits;
  - (2) Retroactive lump sum Social Security, SSI, or unemployment compensation benefits;
  - (3) Retroactive annual adjustment payments in the Veterans' Administration's (VA) disability pensions;
  - (4) Lump sum inheritance or insurance payments;
- (f) Refunds of security deposits on rental property or utilities;



- (g) Earnings of minor children who are members of the household and are students at least half-time shall be excluded even during temporary interruptions in school attendance due to semester or vacation breaks, provided the minors' enrollment will resume following the break,
- (h) Capital gains;
- (i) Loans, grants, and scholarships obtained and used under conditions that prohibit use for current living expenses;
- (j) Any grant or loan to any undergraduate student for educational purposes made or insured under any program administered by the United States Secretary of Education;
- (k) Home produce utilized for home consumption;
- (l) The value of coupon allotment under the Food Stamp Act of 1977, as amended;
- (m) The value of USDA donated or surplus foods;
- (n) The value of supplemental food assistance under the Child Nutrition Act of 1966 (42 U.S.C. § 1771-1789) and the special food service program for children under the National School Lunch Act, as amended;
- (o) Benefits received from the special supplemental food program for women, infants, and children (WIC) (42 U.S.C. 1786);
- (p) Allowances and payments to participants in programs, other than on-the-job training, under the Work Investment Act (WIA) of 1998 (20 U.S.C. § 9201);
- (q) The earned income of individuals participating in on-the-job training program under the Job Training Partnership Act (JTPA) of 1982 (29 U.S.C. 1501 et seq.) who are between 18 and 19 years of age and under the parental control of another household member;
- (r) Earned income tax credit (EITC) payments received either as a lump sum or recurring payments under section 3507 of the Internal Revenue Code of 1986;
- (s) Financial assistance provided by a program funded in whole or in part under title IV of the Higher Education Act in accordance with Pub. L. No. 99-498;
- (t) Payments or allowances under any federal or local laws for the purpose of energy assistance;
- (u) Assistance payments received as a result of a declared federal major disaster or emergency from the Federal Emergency Management Agency (FEMA), and other comparable disaster assistance provided by any state or local government agency, and disaster assistance organizations;
- (v) Payments made from the Agent Orange Settlement Fund or any other fund established in connection with settling liability claims concerning the chemical Agent Orange (Pub. L. No. 101-201);
- (w) Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. § 4636);
- (x) Payments received under the Radiation Exposure Compensation Act (Pub. L. No. 101-426) to compensate individuals for injuries or deaths resulting from the exposure to radiation from nuclear testing or uranium mining;
- (y) Payments to individuals participating in the Senior Community Service Employment Program (SCSEP) funded under title V of the Older American Act of 1965 (Pub. L. No. 100-175);
- (z) Payments to volunteers derived from the volunteer's participation in the following program authorized by the Domestic Volunteer Service Act of 1973 (42 U.S.C. § 5011, 4951-4958):

- (1) Foster grandparent program;
- (2) Senior companion program; and
- (3) Volunteers in service to America (VISTA) and AmeriCorps program.

(aa) Military re-enlistment bonus;

(bb) Any other payments made in accordance with territory and federal laws that preclude the payments from being counted as income.

#### § 55-60-215 Treatment of Income

- (a) All non-excluded income available to the family within a given month shall be considered.
- (b) Eligibility determination based on income status shall be supported by documentation.
- (c) Failure to provide necessary information to verify amount or source of income shall disqualify the family.

#### Part 300 - Child Care Payment

##### § 55-60-301 Method of Computing Child Care Payment

- (a) The family shall provide verification of the child care provider and the child care to the program.
- (b) The Child Care Program will compute the monthly projected cost of the care based on:
  - (1) Need for child care;
  - (2) The type of care provided,
  - (3) The child's age;
  - (4) Whether the care is full day or partial day care service;
  - (5) The child's attendance;
  - (6) The parent's work attendance;
  - (7) The parent's share of the cost of child care in accordance with the Sliding Fee Scale as set forth in the current state plan.
- (c) The projected child care payment rate shall be calculated by:
  - (1) Counting the number of employment, education, or job, or vocational or employment training hours to the engaged in by the parent for the month (full time or part time)
  - (2) Using the current child care rate table to identify the type of child care for each qualifying child and the payment rate for that type of child care
  - (3) The child care amount to be paid each month of eligibility shall be the child care rate on the child care rate table for full time or part time

##### § 55-60-305 Child Care Payments

- (a) The payment rate shall be established by the current State Plan.
- (b) Child care payments shall be an expense that is reimbursed to the child care provider.
- (c) The parent's co-payment shall be established by the current Sliding Fee Scale as set forth in the current State Plan.

- (d) When computing the reimbursement amount, the Child Care Program shall establish a reasonable relationship between the need for part-time or full-time care and the conditions for which child care is required.
- (e) The Child Care Program shall issue a Payment Invoice and an attendance form for parent and provider to sign and submit for a reimbursable payment for child care services rendered the previous month. The attendance form must show the number of hours the child is in the care of the service provider. Failure to submit a completed and signed payment invoice and/or an attendance form shall result in no payment.
- (f) A completed signed payment invoice and/or attendance form must be received by the Child Care Program within the first work day of the month. Invoices received after the 1<sup>st</sup> work day of the month will be considered late and will not be processed until the following month.
- (g) The family shall pay its portion of the child care cost.
- (g) Effective Oct. 1, 2009, all parents will pay their co-payments directly to the CNMI Treasury.
- (h) The family shall be responsible for any child care costs in excess of the maximum child care rates as set forth in the current CNMI plan.

#### Part 400 - Other Requirements

##### § 55-60-401 Reporting Changes

A parent who is a recipient of subsidized child care services shall be responsible to report in writing in a prescribed form to the Child Care Program within 10 calendar days of the occurrence of any changes in:

- (a) Monthly gross income and the source of the income;
- (b) Circumstances which may affect the recipient's eligibility for continuing services, including, but not limited to;
  - (i) Changes in employment, educational program, or job, vocational or employment training;
  - (ii) Anticipated changes in the individual's situation that may affect the individual's eligibility for continued child care assistance;
- (c) Attendance: Parent shall report in writing to the Child Care Program when their child has more than 5 absences in a month.

##### § 55-60-405 Re-determination of Eligibility

- (a) The Child Care Program shall re-determine income and program eligibility for continued child care payments;
  - (1) When information is obtained that there are anticipated changes in the individual's or family's situation;
  - (2) Promptly, not to exceed 30 days, after information is received that changes have occurred in the individual's or family's circumstances which may result in ineligibility;
  - (3) Not less frequently than every 12 months from the month eligibility was determined.
- (b) Redetermination of eligibility shall be made in the same manner as the disposition of an application including signing and dating a form prescribed by the Child Care Program.
- (c) Child care shall be terminated for recipients when they do not complete the process of re-determination of eligibility which include attending a mandatory orientation.

Part 500 - Adverse Actions

§ 55-60-501 Denial, Suspension or Termination of Child Care

Child care payments shall be denied, suspended, or terminated when:

- (a) The parent does not submit the signed payment invoice; or
- (b) The payment invoice prescribed by the Child Care Program is not signed and dated; or
- (c) The child no longer meets the eligibility requirements; or
- (d) The parent no longer meets the eligibility requirements; or
- (e) The provider no longer meets the licensing requirements, or
- (f) Conditions initially present in the family situation have changed and child care is no longer needed or any listing/registration requirements for exempt care;
- (g) When the child care provider is no longer meeting licensing and/or subsidy requirements as applicable;
- (h) The parent(s) voluntarily requests in writing discontinuance of child care services; or
- (i) The parent(s) and the child are unable to use child care; or
- (j) The parent (s) cannot be located; or
- (k) The family fails to provide the required verification for redetermination or to support the reported changes; or
- (l) When recipients do not complete the process of redetermination or eligibility; or
- (m) When the Child Care Program determines that there are insufficient funds to maintain all children receiving care. Priorities for eligibility will be determined pursuant to section 55-60-105 of these regulations.
- (n) When the parent does not pay their contribution to the cost of child care at the minimum percentage fee (co-payment).

§ 55-60-505 Notice of Adverse Action

- (a) Prior to any action to reduce, deny, suspend, or terminate any childcare service specified in these regulations, the Child Care Program shall provide the parent with timely and adequate notice before the adverse action is taken.
- (b) The notice of adverse action shall be considered timely when the Child Care Program provides the notice at least 10 calendar days prior to the effective date of action.
- (c) In order to be adequate, the notice shall contain the following information:
  - (1) The proposed action and the reason for the proposed action; and
  - (2) A citation to the Child Care Program rules supporting the proposed action;
  - (3) The name and telephone number of the person to contact for additional information;
  - (4) The family's right to appeal the Child Care Program's decision to the Secretary, Department of Community and Cultural Affairs.

§ 55-60-510 Administrative Appeal Requests

- (a) A parent may file a written request for an administrative appeal when the family is dissatisfied with the Child Care Program's adverse action of denying, reducing, terminating, and suspending assistance. The family shall have an opportunity to:

- (1) Examine the case record as well as all documents and records to be used at the appeal hearing at a reasonable time before the date of the hearing as well as during the hearing;
- (2) Present the case independently or with the aid of legal counsel;
- (3) Bring witnesses, including an interpreter if non-English speaking;
- (4) Establish all pertinent facts and circumstances;
- (5) Advance any arguments appropriate to the issue being heard without undue interference; and
- (6) Question or refute any testimony or evidence, and to confront and cross-examine any witness.

(b) The appeal request shall be in writing delivered to the Department of Community and Cultural Affairs Office of the Secretary within 10 calendar days of the date on which the notice informing the family of a child care program's decision was delivered to the family and shall refer to the following:

- (1) The request is for an administrative appeal;
- (2) The specific action identified in the notice that is being appealed; and
- (3) Whether continuation of benefits at the current level are being requested with the understanding that the family will be required to pay back the total value of benefits (received pending the decision) if the DCCA decision is upheld.

(c) If the request is not filed within 10 calendar days of the date the notice was provided to the family, the request shall be denied and the Office of the Secretary shall provide notice of denial to the family.

(d) A hearing officer appointed by the Secretary shall preside over a hearing within 30 days of timely appeal request.

- (1) The hearing shall be informal where strict rules such as the exclusion of hearsay evidence do not apply. However, the evidence presented must be relevant.
- (2) The family and the Child Care Program shall have an opportunity to present evidence, including witness testimony and documents. Each party shall also have the right of cross-examination.
- (3) The hearing shall be audio-recorded.
- (4) The hearing officer shall issue a written decision to the Child Care Program and the family within 30 days after the hearing.

#### § 55-60-515 Overpayment and Recoupment

(a) Failure to provide the Child Care Program notice of a change in circumstances could result in an overpayment. An overpayment may occur when a Child Care Provider receives payments to which the provider is not entitled, including but not limited to:

- (1) Administrative errors, such as a parent is not charged the appropriate payment amount;
- (2) Parent errors, such as unintentional errors in payment invoices or fraud; and
- (3) Provider errors, such as failure to immediately inform of a child's absences; or fraud.

(b) An overpayment made to a provider shall be recovered through:

- (1) A reduction of the amount payable to the provider in subsequent months until the entire amount of overpayment is recovered. The parent is responsible for the difference and must pay the difference to the provider;
- (2) Repayment in full or in part, by the provider to the Child Care Program.

(c) Parents subject to recovery of overpayment shall be provided written notice by the Child Care Program stating:

- (1) Reasons, dates, and the amount of the overpayment;
- (2) The proposed method by which the overpayment shall be recovered; and
- (3) The parent's right to request an administrative appeal if the individual disagrees with the Child Care Program's proposed action.

- (d) When there is both an overpayment and an underpayment to the parent, the overpayment and underpayment shall be offset one against the other in correcting the payment.
- (e) Overpayment to parents may be recovered from the family that was overpaid, from individuals who were members of the family when overpaid, or from families which include members of a previously overpaid family.
- (f) When recouping child care overpayments, overpayment may be recovered only from child care benefits, provided the parent continues to receive such benefits.
- (g) Recovery of child care overpayments to parents who formerly received child care benefits shall be referred to the Child Care Program's investigation office for collection action.
- (h) If a parent for whom a collection action has been initiated fails to make a payment for any month in the calendar tax year, the Child Care Program may refer debts exceeding twenty-five dollars to the comptroller of the State for tax set off.
- (i) If the DCCA Child Care Program underpays a provider, the DCCA Child Care Program will reimburse the provider by paying back the underpaid amount.

#### § 55-60-520 Termination for Insufficient Funds

- (a) The Child Care Program may suspend or terminate benefits, reduce benefits, or refuse to take new applications for certain or all classes of beneficiaries as set forth in Section 1006, the Child Care Program determines, at its discretion, that insufficient funds will be available to pay for child care services at current amounts through the end of the fiscal year.
- (b) The budget will be managed by reviewing monthly expenditures, and evaluating whether the cumulative expenditures at the end of any given month is less than or equal to the number of months that have expired in the fiscal year times 1/12 of the budget appropriation for child care payments.
- (c) When the Child Care Program determines that the budget appropriation has or soon will be exceeded, notices of adverse action may be issued to limit the number of children receiving subsidies in any given month. This determination is entirely within the Child Care Program's discretion.
- (d) Case termination, suspension or reduction of benefits, or refusal to take application will be prioritized as set forth in section 60-10-105.

#### Part 600 - Adverse Actions against Providers

##### § 55-60-601 Denial, Suspension, Revocation of CCDF Provider's Certificate, and Hearings

- (a) The conditions for denial, suspension, or revocation of a child care provider's eligibility to participate in the Child Care Development Fund (CCDF) program and the action to be taken by the CCDF are as follows:
- (1) CCDF may deny, suspend, or revoke the provider's eligibility to participate in the program if the provider does not comply with the rules of the CCDF for the providers and their facilities;
  - (2) CCDF may revoke the provider's CCDF certificate if the provider has a violation and has been suspended at least once previously;
  - (3) An application by a provider for renewal of a CCDF certificate must be made at least 30 calendar days prior to its expiration and not earlier than 120 days before its expiration.
  - (4) A provider whose CCDF certificate is about to be denied, suspended, or revoked shall be given written notice by certified or registered mail addressed to the location shown on the CCDF application or CCDF certificate.

(5) The notice shall contain a statement of the reasons for the proposed action and shall inform the provider of the right to appeal the decision to the Office of the Secretary of the Department of Community and Cultural Affairs, no later than 20 days after receipt of the notice of proposed action.

(6) The provider has twenty days from receipt of the notice of proposed action to make a written request for a hearing. Upon receipt of appeal the Secretary of DCCA shall give written notice to the provider of a time and place for a hearing before a hearing officer. On the basis of the evidence adduced at the hearing, the hearing officer shall make the final decision as to whether the provider's certificate shall be denied, suspended, or revoked; and

(7) If no timely written request for a hearing is made, processing of the application shall end or the certificate shall be suspended or revoked as of the termination of the twenty day period.

(8) The CCDF program will notify the parents or legal guardians of each child who is provided care in the provider's home or facility of the suspension or revocation.

(9) At any hearing provided for by this section, the provider may be represented by counsel and has the right to call, examine, and cross examine witnesses. Evidence may be received even though inadmissible under rules of evidence applicable under court procedures. Hearing officer decisions shall be in writing, shall contain findings of fact and conclusions of law, and shall be mailed to the parties by certified or registered mail to the last known address as is shown on the application or CCDF certificate. The Administrative Procedure Act (1 CMC §§ 9101 et seq.) shall also be applicable at any hearing.

**The Municipality of Saipan  
Office of the Mayor  
Saipan Higher Education Financial Assistance (SHEFA)  
P.O. Box 10001 PMB 3648  
Tel: 670.233-5995/235-1020/21 Fax: 670-233-5996  
Email: [saipanshefa@gmail.com](mailto:saipanshefa@gmail.com) Website: [www.saipanshefa.net](http://www.saipanshefa.net)**

**PUBLIC NOTICE OF PROPOSED AMENDMENTS TO RULES AND REGULATIONS  
FOR THE SAIPAN HIGHER EDUCATION FINANCE ASSISTANCE PROGRAM (SHEFA)**

**Intended Action to Adopt These Proposed Amendments to Rules and Regulations:** The Saipan Higher Education Financial Assistance (SHEFA) Board of Directors intends to adopt as permanent the attached proposed amendments to the rules and regulations, pursuant to the procedures of the Administrative Procedure Act, 1 CMC § 9104(a). The Board of SHEFA intends to adopt them as permanent, and hereby gives thirty (30) days' notice of its intent. *Id.* The amendments will become effective ten (10) days after adoption. 1 CMC § 9105 (b).

**Statutory Authority:** The Board of SHEFA is authorized to prescribe reasonably necessary rules and regulations to carry out the intent of the Saipan Higher Education Financial Assistance Act. 10 CMC § 3924 (n).

**The Terms and Substance:** The Board of SHEFA is publishing the proposed amendments to carry out its decision concerning the following (re. sections CONTENTS, 2, 3, 7, 8(a) and (b), 9, 10 (7), 16(4), 16 (6), 19 (g)(3), 19 (g)(6), 19 (j) (1-4), Section 20 and Section 21).

<b><u>Section</u></b>	<b><u>Description</u></b>
Contents	To include: 1.4.6§ 165-20.1-230 Trade Schools/Northern Marianas Trade Institution (NMTI)
Section 2:	Board approved to amend mission statement. It will now read: The mission of the Saipan Higher Education Financial Assistance (SHEFA) under the Municipality of Saipan, Office of the Mayor is to <u>expand educational opportunities and provide financial assistance to qualified residents of Saipan (inclusive of the Northern Islands) for the betterment of our workforce.</u>
Section 3:	Remove the word "returning."
Section 7:	Include section for Level of Education. Will now read § 165-20.1-101 <b>Classification of Recipients</b> SHEFA recognizes three major types of academic degree-categories programs, namely: (i) undergraduate degree (associate degree and bachelor's degree); (ii) graduate degree (Master's degree); and (iii) advanced degree (degrees higher than a Master's degree program, e.g., J.D., medical doctor, M.D., PH.D., ED.D., etc.). In addition SHEFA also recognized skilled trade or vocational certificate programs. Level of Education:



- i. Undergraduate degree
  - a. Associate's degree – an undergraduate degree program but less than a baccalaureate degree.
  - b. Bachelor's degree – a four or more year undergraduate degree program.
- ii. Graduate degree – a degree program beyond a baccalaureate level degree (Master's degree).
- iii. Advanced degree – a degree program higher than a Master's degree program (J.D., M.D., PH.D., ED.D., etc.).
- iv. Trade/Vocational certificates: a skilled trade or occupational certificate program, requiring less than two years for completion.

- Section 8 (a): Will read as follows: (a) Grant-in-aid is a type of financial assistance available to a students from Saipan pursuing postsecondary education in U.S. accredited colleges or universities, trade certification at the Northern Marianas Trades Institute or recognized trade institution approved by the SHEFA Board. If a grant recipient does not return to Saipan after completion of his or her studies, the grant automatically becomes a loan and the grant recipient must repay the SHEFA fund plus interest in accordance with the terms and conditions of attached promissory note/memorandum of agreement.
- Section 8 (b): Will read as follows: The priority field of study award is granted only to Junior and Senior college students college level students and higher.
- Section 8 (d): Revised and Board approved Priority Field of Study.
- Section 9: Qualification Requirements Section 7 of SLL 13-21. Proof of ~~resident~~ residence by a parent residing in the Municipality of Saipan for the requisite period, or other acceptable evidence of residency of the applicant or recipient of SHEFA financial assistance such as the Saipan municipal identification card, CNMI driver's license, etc. must be submitted to the SHEFA office.
- Section 10: Remove No. 2 and its entirety; change numbering; changes to no. 6; Changes in (b)(4) and insert (b)(5)
- Section 16: Many changes to Promissory Note/MOA;
- Section 16 (4): Insert grading system for Graduate and Advanced students;
- Section 16 (6): Insert Certificate in Trades/Vocational;
- Section 19 (g)(3): Insert Grading system for Graduate and Advanced students;
- Section 19 (g)(6): Insert Grading system for Trade/Vocation students;
- Section 19 (j)(1-4): Insert Insert different types of deferments;
- Section 20: Expected return time for graduates or non-enrollment;
- Section 21: § 165-20.1-230 Trade/Vocational School Financial Assistance.

The Subjects and Issues Involved: The proposed amendments to the rules and regulations deal primarily with the following:


<u>Section</u>	<u>Description</u>
Contents	To include: 1.4.6§ 165-20.1-230.Trade Schools/Northern Marianas Trade Institution (NMTI)
Section 2:	Board approved to amend mission statement. It will now read: The mission of the Saipan Higher Education Financial Assistance (SHEFA) under the Municipality of Saipan, Office of the Mayor is to <u>expand educational opportunities and provide financial assistance to qualified residents of Saipan (inclusive of the Northern Islands) for the betterment of our workforce.</u>
Section 3:	Remove the word " <del>returning.</del> "
Section 7:	<p>Include section for Level of Education. Will now read § 165-20.1-101</p> <p><b>Classification of Recipients</b></p> <p>SHEFA recognizes three major types of academic degree-categories programs, namely: (i) undergraduate degree (associate degree and bachelor's degree); (ii) graduate degree (<del>an</del>Master's degree); and (iii) advanced degree (degrees higher than a Master's degree program, e.g., J.D., <del>medical doctor.</del> M.D., PH.D., ED.D., etc.). In addition SHEFA also recognized skilled trade or vocational certificate programs.</p> <p>Level of Education:</p> <ul style="list-style-type: none"> <li>v. Undergraduate degree <ul style="list-style-type: none"> <li>c. Associate's degree – an undergraduate degree program but less than a baccalaureate degree.</li> <li>d. Bachelor's degree – a four or more year undergraduate degree program.</li> </ul> </li> <li>vi. Graduate degree – a degree program beyond a baccalaureate level degree (Master's degree).</li> <li>vii. Advanced degree – a degree program higher than a Master's degree program (J.D., M.D., PH.D., ED.D., etc.).</li> <li>viii. Trade/Vocational certificates: a skilled trade or occupational certificate program, requiring less than two years for completion.</li> </ul>
Section 8 (a):	Will read as follows: (a) Grant-in-aid is a type of financial assistance available to a students-from Saipan pursuing postsecondary education in U.S. accredited colleges or universities, trade certification at the Northern Marianas Trades Institute or recognized trade institution approved by the SHEFA <del>b</del> Board. If a grant recipient does not return to Saipan after completion of his or her studies, the grant automatically becomes a loan and the grant recipient must repay the SHEFA fund plus interest in accordance

- with the terms and conditions of attached promissory note/memorandum of agreement.
- Section 8 (b): Will read as follows: The priority field of study award is granted only to Junior and Senior college students college level students and higher.
  - Section 8 (d): Revised and Board approved Priority Field of Study.
  - Section 9: Qualification Requirements Section 7 of SLL 13-21. Proof of ~~resident~~ residence by a parent residing in the Municipality of Saipan for the requisite period, or other acceptable evidence of residency of the applicant or recipient of SHEFA financial assistance such as the Saipan municipal identification card, CNMI driver's license, etc. must be submitted to the SHEFA office.
  - Section 10: Remove No. 2 and its entirety; change numbering; changes to no. 6; Changes in (b)(4) and insert (b)(5)
  - Section 16: Many changes to Promissory Note/MOA;
  - Section 16 (4): Insert grading system for Graduate and Advanced students;
  - Section 16 (6): Insert Certificate in Trades/Vocational;
  - Section 19 (g)(3): Insert Grading system for Graduate and Advanced students;
  - Section 19 (g)(6): Insert Grading system for Trade/Vocation students;
  - Section 19 (j)(1-4): Insert Insert different types of deferments;
  - Section 20: Expected return time for graduates or non-enrollment;
  - Section 21: § 165-20.1-230 Trade/Vocational School Financial Assistance.

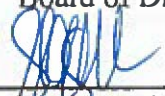
**DIRECTIONS FOR FILING AND PUBLICATION:** Chairman, Oscar M. Babauta, Saipan Higher Education Financial Assistance Program, P.O Box 10001, PMB 3648, Saipan MP 96950 or contact (670) 233-5995/235-1020/21 or by facsimile at (670) 233-5996 or email saipanshefa@gmail.com.

**TO PROVIDE COMMENTS:** Send or deliver your comments to Chairman, Oscar M. Babauta, SHEFA Board of Directors, P.O. Box 10001, PMB 3648, Saipan MP 96950, or via facsimile to (670) 233-5996. Comments must be received by the SHEFA Board within thirty days of the date this notice is published in the Commonwealth Register.

These proposed recent amendments to the rules and regulations were approved by SHEFA Board of Directors on February 16, 2017.

Submitted by:   
 Oscar M. Babauta  
 Chairman, SHEFA  
 Board of Directors

4/25/17  
 Date

Received by:   
 Shirley Camacho-Ogumoro  
 Governor's Special Assistant for Administration

07/31/17  
 Date

Filed and  
Recorded by:

Esther Nesbitt

Esther Nesbitt  
Commonwealth Register

08.28.2017  
Date

Pursuant to 1 CMC § 2153(e) (AG approval of regulations to be promulgated as to form) and 1 CMC § 9104(a)(3) (obtain AG approval) the proposed regulations attached hereto have been reviewed and approved as to form and legal sufficiency by the CNMI Attorney General and shall be published, 1 CMC § 2153(f) (publication of rules and regulations).

Dated the 28 day of August, 2017,

Edward Manibusan

Edward Manibusan  
Attorney General

I Munisipát Saipan  
Ufisinan I Mayot  
Saipan Higher Education Financial Assistance (SHEFA)  
P.O. Box 10001 PMB 3648  
Til: 670-233-5995/235-1020/21 Fax: 670-233-5996  
Email: [saipanshefa@gmail.com](mailto:saipanshefa@gmail.com) Website: [www.saipanshefa.net](http://www.saipanshefa.net)

NUTISIAN PUPBLIKU NI MANMAPROPONI NA AMENDASION PARA AREKLAMENTU  
YAN REGULASION SIHA PARA I SAIPAN HIGHER EDUCATION FINANCIAL  
ASSISTANCE NA PRUGRÁMA (SHEFA)

I Aksion ni Ma'intensiona para u Ma'adapta Esti Siha i Manmaproponi na Amendasion para Areklamentu yan Regulasion siha: I Saipan Higher Education Financial Assistance (SHEFA) i Kuetpun Direktot siha ha intensiona para u adapta kumu petmanienti i mañechettun i manmaproponi na amendasion para i areklamentu yan regulasion siha, sigun gi manera nu i Áktun Administrative Procedure, 1 CMC § 9104(a). I Kuetpun i SHEFA ma'intensiona para u ma'adapta kumu petmanienti, ya guennão pá'gu maná'i trenta (30) dihas i nutisia ni intensiona. *Id.* I amendasion mu ifektibu gi hálum dies (10) dihas dispues di adaptasion. 1 CMC § 9105 (b).

Aturidát Statutory: I Kuetpun i SHEFA ma'aturisa para u fa'tinas rasonabli nisisáriu na areklamentu yan regulasion siha para u makátga huyong i intensiona i Ákton Saipan Higher Education Financial Assistance. 10 CMC § 3924 (n).

I Tema yan Sustánsia: I Kuetpun i SHEFA ha pupublika i manmaproponi siha na amendasion para u makátga huyong i disision-ñiha put i tinattiyi (re. Seksions CONTENTS, 2, 3, 7, 8(a) yan (b), 9, 10 (7), 16(4), 16 (6), 19 (g)(3), 19 (g)(6), 19 (j) (1-4), Seksion 20 yan Seksion 21).

<u>PÁtti</u>	<u>DISKRIPSION</u>
Sina'guan	Para ma'ingklusi 1.4.6§ 165-20.1-230 Trade School/Northern Mariánas Trade Institution (NMTI)
Pátti 2:	I Kuepu ha aprueba para u ma'amenda i mission statement. I ma'taitaiña pá'gu: I mission i Saipan Higher Education Financial Assistance (SHEFA) pápa' i Munisipát Saipan, Ufisinan i Mayot ni para hu <u>ekstendi oputtunidát edukasion siha yan mapribeni asistensian finansiát para mankuálifikao na residenti giya Saipan (inclusive nu i Islas Sangkattan siha) para i minaolik iyo-ta workforce.</u>
Pátti 3:	Na'suha i palábra "returning."
Pátti 7:	Ingklusi pátti para Level nu i Edukasion. Ma'taitaiña siempri <b>§165-20.1-101</b> Klasifikasion nu i Recipients I SHEFA marikonisa tres mayot na klásin academic degree <i>categories</i> na Prugráma siha, ispesifikát: (i) undergraduate degree (associate degree yan bachelor's degree; (ii) graduate degree (Master's degree); yan (iii) advanced degree (i degrees más takhilu' ki Master's degree na prugráma, e.g., J.D., doktun mediku, M.D., PH., ED.D., etc.). Yan más, i SHEFA marikonisa lakkui i skilled trade pat vocational certificate na prugráma siha.

Level nu i Edukasion:

- i. Undergraduate degree
  - a. Associate's degree – undergraduate degree na prugrâma lão menos ki i baccalaureate degree
  - b. Bachelor's degree – kuâttru sãkkan pat mäs gi undergraduate degree na prugrâma.
- ii. Graduate degree – degree na prugrâma mäs ki baccalaureate level degree (Master's degree).
- iii. Advanced degree – degree na prugrâma tathilo'ña ki Master's degree na prugrâma (J.D., M.D., PH.D., ED.D., etc.).
- iv. Trade/Vocational certificates: skilled trade pat occupational certificate na prugrâma, manisisita menos ki dos na sãkkan para u funãyan.

- Pãtti 8 (a):** Ma'taitaiña gi tinattiyi siempri: (a) I Grant-in-aid na klãsin asistensian finansiãt managuaha para estudiãnti siha ginin Saipan ni maneskuekuela Postsecondary education gi hãlum U.S. accredited na kulehu siha pat Universities, trade certification giya Northern Mariãnas Trade Institute pat marekonisa na trade institution ni ma'aprueba ginin ~~b~~Kuetpun i SHEFA. Kumu ti ha bira tãtti gui' i grant recipient para Saipan dispues di ha na funhãyan i estudiã-ña, i grant siempri humuyongña mu loan ya i grant recipient debi na u apãsi tãtti i fondu nu i SHEFA yan i interest hãlum i manera ni kumunfotma i tema yan i kundision ni mañechetton i notan promesa/memorandum kinumprendi.
- Pãtti 8 (b):** Ma'taitaiña gi tinattiyi siempri: I mäs impottãnti na field nu i study award u manã'i ha' para i Junior ~~yan Senior na estudiãntin kulehu~~ level gi kulehu na estudiãnti siha yan mäs takhilu'.
- Pãtti 8 (d):** Maribisa yan ma'aprueba i Mäs Impottãnti na Field nu i Estuidiu ni Kuetpu.
- Pãtti 9:** Manisisita na Kuãlifikasion siha gi Pãtti 7 nu i SLL 13-21. Ebidensia nu i ~~resident~~ residencia ginin i mañaina ni mañãsaga hãlum i Munispãt Saipan para i requisite period, pat otru na ma'aksepta na ebidensia ni mañãsaga i aplikãnti pat recipient nu i SHEFA asistensian finansiãt tatkomu i Saipan municipal identification card, i CNMI lisensian mañugong, etc. debi na u manahãlum para i Ufisanan SHEFA.
- Pãtti 10:** Na'suha Numiru 2 yan todú guinahaña; tulaika i numiru; tinilaika siha para numiru 6; tinilaika siha hãlum i (b)(4) yan na'hãlum (b)(S)
- Pãtti 16:** Meggai tinilaika siha para Notan Promesa/MOA;
- Pãtti 16 (4):** Na'hãlum i sisteman grading para i Gradua yan Advanced na estudiãnti siha;
- Pãtti 16 (6):** Na'hãlum settifikasion hãlum i Trades/Vocational;
- Pãtti 19 (g)(3):** Na'hãlum Sisteman Grading para Gradua yan Advanced na estudiãnti;
- Pãtti 19 (g)(6):** Na'hãlum Sisteman Grading para Trade/Vocational na estudiãnti;
- Pãtti 19 (j)(1-4):** Na'hãlum difirentis klãsin nu i deferments;
- Pãtti 20:** Ma'ekspekta na tiempu ni para u mabira siha i graduates pat non-

enrollment;  
Påtti 21: § 165-20.1-230 Trade/Vocational School Financial Assistance.

I Suhetu yan Manera Siha ni Mantineka: I manmaproponi na amendasion para i areklamentu yan regulasion siha prinsipåt kontråta yan i tinattiyi:

<u>Påtti</u>	<u>Diskripsion</u>
Sina'guan	Para inklusi: 1.4.6§ 165-20.1-230 Trade Schools/Northern Mariånas Trade Institution (NMTI)
Påtti 2:	I Kuetpu ma'apueba para u ma'amenda i mission statement. Ma'taitaiña på'gu: I mission nu i Saipan Higher Education Financial Assistance (SHEFA) påpa' i Munisipåt Saipan, Ufisinan i Mayot para u <u>ekstendi i oputtunidåt edukasion ya ha prubeni asistensian finansiåt para i kuålifikao na residensia siha nu i Saipan (iningklusi nu i Islan Sangkattan siha) para i minaolik i iyo-ta workforce.</u>
Påtti 3:	Na'suha i palåbra " <del>returning</del> ."
Påtti 7:	Inglusi i påtti para Level nu i Edukasion. Ma'taitaiña på'gu siempri § 165-20.1-101 Klasifikasion nu i Recipients I SHEFA marikonisa tres mayot na klåsin academic degree <del>categories</del> na prugråma, ispesifiku: (i) undergraduate degree (associate degree yan bachelor's degree; (ii) graduate degree (Master's degree); yan (iii) advanced degree (i degrees mås takhilo' ki Master's degree na prugråma, e.g., J.D., <del>dotkun mediku</del> , M.D., PH., ED.D., etc.). Yan mås, i SHEFA marikonisa lökkui i skilled trade pat vocational certificate na prugråma siha. Level nu i Edukasion: v. Undergraduate degree c. Associate's degree – undergraduate degree na prugråma låo menos ki i baccalaureate degree d. Bachelor's degree – kuåttru na såkkan pat mås gi undergraduate degree na prugråma. vi. Graduate degree – degree na prugråma mås ki baccalaureate level degree (Master's degree). vii. Advanced degree – degree na prugråma takhilo'-ña ki Master's degree na prugråma (J.D., M.D., PH.D., ED.D., etc.). viii. Trade/Vocational certificates: skilled trade pat occupational certificate na prugråma, manisita menos ki dos na såkkan para u funåyan.
Påtti 8 (a):	Ma'taitaiña gi tinattiyi siempri: (a) I Grant-in-aid na klåsin asistensian finansiåt managuaha para estudiånti <del>siha</del> ginin Saipan ni maneskuekuela Postsecondary education gi hålum U.S. accredited na kulehu siha pat Universities, trade certification giya Northern Mariånas Trade Institute pat marekonisa na trade institution ni ma'apueba ginin <del>b</del> Kuetpun i SHEFA.

Kumu ti ha bira tãtti gui' i grant recipient para Saipan dispues di ha na funhãyan i estudiã-ña, i grant siempri humuyongña mu loan ya i grant recipient debi na u apãsi tãtti i fondu nu i SHEFA yan i interest hãlum i manera ni kumunfotma i tema yan i kundision ni mañechetton i notan promesa/memorandum kinumprendi.

- Pãtti 8 (b):** Ma'taitaiña gi tinattiyi siempri: I mãs impottãnti na field nu i study award u manã'i ha' para i Junior ~~yan Senior na estudiãntin kulehu~~ level gi kulehu na estudiãnti siha yan mãs takhilu'.
- Pãtti 8 (d):** Maribisa yan ma'apueba i Mãs Impottãnti na Field nu i Estuidiu ni Kuetpu.
- Pãtti 9:** Manisisita na Kuãlifikasion siha gi Pãtti 7 nu i SLL 13-21. Ebidensia nu i ~~resident~~ residencia ginin i mañaina ni mañãsaga hãlum i Munisipãt Saipan para i requisite period, pat otru na ma'aksepta na ebidensia ni mañãsaga i aplikãnti pat recipient nu i SHEFA asistensian finansiãt tatkumu i Saipan municipal identification card, i CNMI lisensian mañugong, etc. debi na u manahãlum para i Ufisinan SHEFA.
- Pãtti 10:** Na'suha Numiru 2 yan todú guinahaña; tulaika i numiru; tinilaika siha para numiru 6; tinilaika siha hãlum i (b)(4) yan na'hãlum (b)(5)
- Pãtti 16:** Meggai tinilaika siha para Notan Promesa/MOA;
- Pãtti 16 (4):** Na'hãlum sisteman grading para Gradua yan Advanced na estudiãnti siha;
- Pãtti 16 (6):** Na'hãlum settifikasion hãlum i Trades/Vocational;
- Pãtti 19 (g)(3):** Na'hãlum Sisteman Grading para Gradua yan Advanced na estudiãnti;
- Pãtti 19 (g)(6):** Na'hãlum Sisteman Grading para Trade/Vocational na estudiãnti;
- Pãtti 19 (j)(1-4):** Na'hãlum difirentis klãsin nu i deferments;
- Pãtti 20:** Ma'ekspekta na tiempu ni para u mabira siha i graduates pat non-enrollment;
- Pãtti 21:** § 165-20.1-230 Trade/Vocational School Financial Assistance.

**DIREKSION PARA U MAPO'LU YAN PARA PUPBLIKASION:** Kabesiyu, Oscar M. Babauta, Saipan Higher Education Financial Assistance na Prugrãma, P.O. Box 10001, PMB 3648, Saipan MP 96950 pat hãgan (670) 233-5995/235-1020/21 pat facsimile gi (670) 233-5996 pat email [saipanshefa@gmail.com](mailto:saipanshefa@gmail.com).


**PARA U MAPRIBENIYI UPIÑON SIHA:** Na'hãlum pat entrega i upiñon-mu guatu gi Kabesiyu, as Oscar M. Babauta, Kuetpun Direktot siha gi SHEFA, P.O. Box 10001, PMB 3648, Saipan MP 96950 pat via facsimile para (670) 233-5996. Upiñon siha debi na u marisibi ginen i Kuetpun SHEFA gi hãlum trenta dihas ginen i fetcha ni mapupblika gi hãlum i Rehistran Commonwealth.

Esti siha i ñuebu ni manmaproponi na amendasion para i areklementu yan regulasion manma'apueba ginin i Kuetpun Direktot siha gi Fibreru 16, 2017.



Nina'hálum as:   
Oscar M. Babauta  
Kabesiyun SHEFA  
Kuetpun Direktot Siha

7/27/17  
Fetcha

Rinisibi yan pine'lu as:   
Shirley P. Camacho-Ogumoro  
Ispisiât Na Ayudânti Para l Atministrasion

07/31/17  
Fetcha

Pine'lu yan Ninota as:   
Esther SN. Nesbitt  
Rehistran Commonwealth

08.28.2017  
Fetcha

Sigun i 1 CMC § 2153(e) ( l Abugâdu Hinerât ma'apueba i regulasion siha na para u macho'gui kumu fotma) yan i 1 CMC § 9104(a)(3) (hentan inapueban Abugâdu Hinerât) i manmaproponi na regulasion siha ni mañechettun guini ni manmaribisa yan manma'apueba kumu fotma yan sufisienti ligât ginin i CNMI Abugâdu Hinerât yan debi na u mapupblika, 1 CMC § 2153(f) (publikasion areklamentu yan regulasion siha).

Mafetcha gi diha 28 gi Agosto 2017

  
Edward Manibusan  
Abugâdu Hinerât

**The Municipality of Saipan  
Office of the Mayor  
Saipan Higher Education Financial Assistance (SHEFA)  
P. O. Box 10001 PMB 3648  
Tel: 670.233-5995/235-1020/21 Fax: 670-233-5996  
Email: [saipanshefa@gmail.com](mailto:saipanshefa@gmail.com) Website: [www.saipanshefa.net](http://www.saipanshefa.net)**

**ARONGORONGOL TOULAP REEL POMMWOL LIIWEL NGÁLI ALLÉGH ME MWÓGHUTUGHUT  
NGÁLI PROGRÓOMAL SAIPAN HIGHER EDUCATION FINANCE ASSISTANCE (SHEFA)**

**Mángemángil Mwóghut reel rebwe Adóptááli Pommwol Liiwel ngáli Allégh me Mwóghutughut:**  
Saipan Higher Educational Financial Assistance (SHEFA) Board-il Directors re tipáli rebwe adóptááli bwe ebwe lléghló pommwol liiwel ngáli allégh me mwóghutughut ikka e appasch, sáangi mwóghutughutúl Administrative Procedure Act, 1 CMC § 9104(a). Board-il SHEFA re mángemángil rebwe adóptááli reel ebwe lléghló, me re isiiswow eliigh (30) ráál reel arongorong yeel. *Id.* Ebwe bwunguló liiwel kkal llól seigh (10) ráál mwiril aar adóptááli. 1 CMC § 9105 (b).

**Bwángil Allégh:** Eyoor bwángil Board-il SHEFA bwe rebwe isiiswow pommwol liiwel kka ra rebwe fféerú allégh bwe mwóghutughutúl Saipan Higher Education Financial Assistance Act. 10 CMC § 3924(n).

**Kkapsal me Aweewel:** Ebwe akkatéewow pommwol liiwel kkal reel ammwelil reel igha re ppwol fengál reel milikka e amwirimwirtiwi (re. táлил CONTENTS, 2,3,7,8(a) me (b) 9, 10 (7), 16(4), 16(6), 19 (g)(3), 19(g)(6), 19 (j) (1-4), Táлил 20 me Táлил 21).

<b><u>Táлил</u></b>	<b><u>Weewel</u></b>
Óutol	Ebwe toolong: 1.4.6§ 165-20.1-230 Trade Schools/Northern Marianas Trade Institution (NMTI)
Táлил 2:	Board ra átirow reel ebwe liiwel mission statement. Ebwele árághi bwe: Aar mission Saipan Higher Education Financial Assistance (SHEFA) iye e lo faal Municipality-il Seipél, Bwulasiyol Mayor rebwe aschéélapay yoongáليل gakko me ayoorai financial support ngáliir schóó kka re lollo Seipél iye re ffil rebwe toolong (ebwe bwal toolong Téé kka Efáng) bwe ebwe ghatch yaasch workforce.
Táлил 3:	Amwóyló kkapas imwu " <del>returning</del> ."
Táлил 7:	Atoolongow táлил reel Level-il Education. Ebwe árághi ighila bwe § 165-20.1-101 <b>Classification-II Recipients</b> SHEFA re weri bwe eyoor llól progróoma eluuw academic degree categories, (i) undergraduate degree (associate degree me bachelor's degree); (ii) graduate degree (Master's degree); me (iii) advanced degree (degree ikka e llang sáangi progróomal Master's degree, e.g., J.D., <del>medical doctor</del> , M.D., PH.D., ED.D., etc.). Ebwe bwal toolong bwe SHEFA re rong reek skilled trade ngáre progróomal vocational certificate.

**Level reel Education:**

- i. Undergraduate degree
  - a. Associate's degree-undergraduate degree progróoma yeel nge e e ghitighiit sáangi baccalaureate degree.
  - b. Bachelor's degree- progróomal undergraduate degree nge faawu ngare e bwal ssoghló ráágh .
- ii. Graduate degree- progróomal degree yeel nge e aluuló baccalaureate level reel degree (Master's degree).
- iii. Advanced degree- progróomal degree yeel nge e llang sáangi progróomal Master's degree (J.D., M.D., PH.D., ED.D., etc.).
- iv. Trade/Vocational certificates: skilled trade ngare progróomal occupational certificate, iye rebwe lo llól ruwoow ráágh reel rebwe amwúchúw.

- Tálil 8 (a):** Ebwe árághi bwe: (a) Tappal financial assistance iye grant-in-aid nge rebwe ayoorai ngaliir schóól meleitey ikka re tooto merel Seipél ikka re tcheey postsecondary education llól kkolehu ngáre universities ikka re accredited sáangi U. S, trade certification me Northern Marianas Trades Institute ngáre trade institute iye re ghuleey iye e átirow merel SHEFFA bBoard. Ngáre aramas we e bwughi grant ese sefáálito Seipél mwiril aal atakmaló aal meleitey, grant we aa fféerúló bwe loan me aramas we ebwe óbwóssu sefááliy SHEFA fund fengál reel kkapasal me mwóghutughutúl promissory note/memorandum of agreement iwe e appasch.
- Tálil 8 (b):** Ebwe árághi bwe: Mille priority field of study award nge rebwe ayoorai ngali schóól meleitei ikka re lo Junior ~~me Senior~~ me ngare e bwal llang ló aar level.
- Tálil 8 (d):** Rebwe fféerú sefááli me Board aa átirow reel Priority Field of Study.
- Tálil 9:** Re tettengágh Qualification Tálil 7 reel SLL 13-21. Ubwe abwaari pappid ngáre proof bwe ill me saam iye re lollo llól Municipality-il Seipél llól tiempo, me ngare ubwe abwáari bwe yeel applicant ngare yeel recipient reel mille SHEFA financial assistance emmwelil ubwe abwaari ngaliir Saipan municipal identification card, CNMI driver's license, etc. ebwe isiislong reel bwulasiyol SHEFA .
- Tálil 10:** Amwóyló No. 2 me óutol; siiweli numurol; siiweli ngáli no.6;  
Ebwe yoor liiwel llól (b)(4) me ebwe schuulong (b)(5)
- Tálil 16:** Esoogh liiwel ngáli Promissory Note/MOA;
- Tálil 16 (4):** Sóbweeytá grading system ngáli schóó kka re meleitey me Graduate me Advanced;
- Tálil 16 (6):** Sóbweeytá Certificate llól trades/Vocational;
- Tálil 19 (g)(3):** Sóbweeytá grading system ngáli schóó kka re meleitey me Graduate me Advanced;

- Tálil 19 (g)(6): Sóbweeytá Grading system ngáli schóó kka re meleitey me Trade/Vocation;  
 Tálil 19 (j)(1-4): Sóbweeytá Sóbweeytá masamasal deferments;  
 Tálil 20: Expectay ooral rebwe sefáál ngáli graduates me non-enrollment;  
 Tálil 21: § 165-20.1-230 Trade/Vocational School Financial Assistance.

**Kkapsal me Ótol:** Pommwol liiwel ngáli allégh me mwóghutughutúl nge e ppwol ngáli milikka e amwirimwirti:

- | <b><u>Tálil</u></b> | <b><u>Weewel</u></b>   |
|---------------------|--|
| Ótol                | Sóbweeytá: 1.4.6§ 165-20.1-230 Trade Schools/Northern Marianas trade Institution (NMTI)  |
| Tálil 2:            | Rebwe ppwol fengál Board bwe rebwe siiweli mission statement. Ebwele arághi bwe: Aar mission Saipan Higher Education Financial Assistance (SHEFA) iye e lo faal Municipality-il Seipél, Bwulasiyol Mayor nge rebwe <u>aschéélapay yoongáilil gakko me ayoorai financial support ngáliir schóó kka re lollo Seipél iye re ffil rebwe toolong (ebwe bwal toolong Téé kka Efang) bwe ebwe ghatch yaasch workforce.</u>  |
| Tálil 3:            | Amwóyló kkapas mwu "returning."  |
| Tálil 7:            | Sóbweeytá tálil ngáli Level of Education. Ebwele iischitiw bwe <b>§ 165-20.1-101 Classification reel Recipients</b><br>SHEFA re reepiya reel ailuwal tappal academic degree me guróódel ikka e lo llól progróoma, iital: (i) undergraduate degree (associate degree me bachelor's degree); (ii) graduate degree (Master's degree); me (iii) advanced degree (degree ikka e llang sáangi progróomal Master's degree, e.g., J.D., <del>medical doctor</del> , M.D., PH.D., etc.)<br>Ebwe bwal toolong bwe SHEFA re reepiya reel progróomal vocational certificate me ngáre skilled trade.<br>Level reel Education <ul style="list-style-type: none"> <li>v. Undergraduate degree             <ul style="list-style-type: none"> <li>c. Associate's degree-progróoma yeel nge e ppung faal undergraduate degree nge e ghitighiit sáangi baccalaureate degree.</li> <li>d. Bachelor's degree- faawu ráagh ngare ebwal yoorló progróomal undergraduate degree.</li> </ul> </li> <li>vi. Graduate degree- degree program iye e aluuló level-il baccalaureate degree (Master's degree).</li> <li>vii. Advanced degree- progróomal degree yeel nge e llang sáangi progróomal Master's degree (J.D., M.D., PH.D., ED.D., etc.).</li> <li>viii. Trade/Vocational certificates: skilled trade ngare occupational certificate program, iye e require-li ruwoow ráagh rebwe amwútchúw ngare eghusló.</li> </ul> |
| Tálil 8 (a):        | Ebwe arághi bwe: (a) Tappal financial assistance iye grant-in-aid nge ebwe ngaleer students-merel Seipél ikka re fatabweey postsecondary education llól U.S. ikka e  |


accredited aar colleges ngare universities, trade certification me Marianas Trades Institute ngare re reepiya trade institution iye ra átirow merel SHEFA Board. Ngare aramas iye e bweibwoogh grant ese sefaalito Seipél mwiril aal gakko, grant yeel aa fféerúló bwe loan me debi bwe aramas we e yáali grant ebwe abwóssu sefaaliy SHEFA fund fengál me interest sáangi kkapasal me mwóghutughutúl reel promissory note/memorandum-il agreement ikka e appasch.

- Tálil 8 (b): Ebwe arághi bwe: Priority field of study award nge re isiis ngáliir Junior ~~me Senior~~ ikka re meleitey me Kkolehu-schóól meleitey ikka re lo kkolehu ngáre e liangló aar level.
- Tálil 8 (d): Fféerú sefáaliy me Board ra átirow reel Priority Field of Study.
- Tálil 9: Re tettengágh Qualification Tálil 7 reel SLL 13-21. Ubwe abwaari pappid ngáre proof reel aramas iye e lollo sáangi ill me saam iye re lo llól Municipality-il Seipél llól tiempo, me ngare ubwe abwáári bwe yeel applicant ngare yeel recipient reel mille SHEFA financial assistance emmwelil ubwe abwáári ngáliir Saipan municipal identification card, CNMI driver's license, etc. ebwe isiislong reel bwulasiyol SHEFA .
- Tálil 10: Amwóyló No. 2 me óutol; siiweli numuro; ebwe yoor siiwel ngáli no.6; Ebwe yoor liiwel llól (b)(4) me ebwe aschuulong (b)(5)
- Tálil 16: Esoogh liiwel ngáli Promissory Note/MOA;
- Tálil 16 (4): Sóbweeytá grading system ngáli schóó kka re meleitey ngáli Graduate me Advanced;
- Tálil 16 (6): Sóbweeytá Certificate llól Trades/Vocational;
- Tálil 19 (g)(3): Sóbweeytá grading system ngáli schóó kka re meleitey ngáli Graduate me Advanced;
- Tálil 19 (g)(6): Sóbweeytá Grading system ngáli schóó kka re meleitey ngáli Trade/Vocation;
- Tálil 19 (j)(1-4):Sóbweeytá masamasal deferments;
- Tálil 20: Expectay ooral rebwe sefáál ngáli graduates me non-enrollment;
- Tálil 21: § 165-20.1-230 Trade/Vocational School Financial Assistance.


**AFAL REEL AMMWELIL ME AKKATÉÉWOWUL:** Chairman, Oscar M. Babauta, Saipan Higher Education Financial Assistance Program, P. O. Box 10001, PMB 3648, Saipan MP 96950 ngáre faingi (670) 233-5995/235-1020/21 ngáre facsimile me (670) 233-5996 ngáre email ló [saipanshefa@gmail.com](mailto:saipanshefa@gmail.com).

**ISIISILONGOL KKPAS:** Afanga ngáre bwughiló yóómw kkapas ngáli Chairman, Oscar M. Babauta, SHEFA Board of Directors, P. O. Box 10001, PMB 3648, Saipan MP 96950, ngáre via facsimile ngáli (670) 233-5996. Ebwe toolong kkapas sáangi SHEFA Board llól eliigh (30) ráál mwiril aal akkatééwow arongorong yeel llól Commonwealth Register.

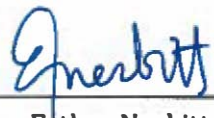
Aa átirow pommwol liiwel ngáli alléghúl me mwóghutughutúl sáangi SHEFA Board-il Directors wóól Febreero 16, 2017.

Isáliyalong:   
Oscar M. Babauta  
Chairman, SHEFA  
Board-il Directors

7/27/17  
Ráál

Bwughiyal:   
Shirley Camacho-Ogumoro  
Layúl Special Assistant Gobenno ngáli Administration


07/31/17  
Ráál

Ammwelil:   
Esther Nesbitt  
Commonwealth Register

08.28.2017  
Ráál

Sángi 1 CMC § 2153(e) (sángi aal lléghló me ffil reel fféeru sáangi AG) me 1 CMC § 9104 (a)(3) (mwiir sáangi aal lléghló merel AG) pommwol liiwel kka e appasch aa takkal amwuri fischiiy me aa ffil reel fféerúl me legal sufficiency sáangi Soulemelemil Allégh Lapalpal CNMI me ebwe akkatéwow, 1 CMC § 2153(f) (arongowowul allégh me mwóghutughut).

Aghikkilátiw wóól AUGUST rááil 28, 2017.

  
Edward Manibusan  
Soulemelemil Allégh Lapalpal

**CNMI Administrative Code**

From CNMI Administrative Code

**165-20.1**

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**Subchapter 165-20.1: Saipan Higher Education Financial Assistance Program Rules and Regulations**

**Subchapter Authority, History, and Comment**

Subchapter Authority: 10 CMC §§ 3921 - 3928.

Subchapter History: Amdts Adopted 35 Com. Reg. 34583 (Nov. 28, 2013); Amdts Proposed 35 Com. Reg. 33795 (July 28, 2013); Amdts Adopted 33 Com. Reg. 31916 (Sept. 26, 2011); Amdts Proposed 33 Com. Reg. 31761 (July 22, 2011); Amdts Adopted 30 Com. Reg. 29099 (Dec. 22, 2008); Amdts Proposed 30 Com. Reg. 28737 (Sept. 25, 2008); Amdts Adopted 29 Com. Reg. 26516 (May 16, 2007); Amdts Proposed 28 Com. Reg. 26376 (Dec. 29, 2006); Amdts Adopted 28 Com. Reg. 25758 (May 19, 2006); Amdts Proposed 27 Com. Reg. 25248 (Nov. 25, 2005); Amdts Adopted 28 Com. Reg. 25622 (Apr. 17, 2006); Amdts Proposed 27 Com. Reg. 24512 (May 18, 2005); Amdts Emergency and Proposed 27 Com. Reg. 24135 (May 18, 2005) (effective for 120 days from May 3, 2005);\*\* Amdts Emergency and Proposed 26 Com. Reg. 23081\* (Nov. 30, 2004) (effective for 120 days from Nov. 24, 2004); Adopted 26 Com. Reg. 23121 (Aug. 26, 2004); Proposed 26 Com. Reg. 22797 (June 24, 2004).

\*Due to a pagination error, page numbers 22819 through 23098 repeat in the 2004 Commonwealth Registers.

\*\*As of December 2005, notices of permanent adoption for the November 2004, May 2005 and November 2005 amendments had not been published.

Commission Comment: 1 CMC § 5101 creates offices of the mayors within the Commonwealth government, composed of the duly-elected mayors of Saipan, Rota, Tinian and Aguiguan and the Northern Islands. The mayors are authorized to promulgate regulations on local matters as provided by law. See 1 CMC § 5106(e).

Saipan Local Law 13-21 (effective Feb. 2, 2004), the "Saipan Higher Education Financial Assistance Act of 2003," is codified at 10 CMC §§ 3921 - 3928. Saipan Local Law 14-13 (effective Oct. 29, 2004) amends certain provisions of SLL 13-21. 10 CMC § 3922, as amended by SLL 14-13 § 2(a), creates the Saipan Higher Education Financial Assistance Board within the Office of the Mayor of Saipan. The Board is authorized to administer the higher education financial assistance program for eligible Saipan residents and to prescribe reasonably necessary rules and regulations to carry out the intent of the act. 10 CMC § 3924(n).

## **Part 001 - General Provisions**

### **SECTION 1**

#### **§ 165-20.1-001 Statutory Authority**

The Saipan Higher Education Financial Assistance Act of 2003 was signed into law on February 3, 2004, as Saipan Local Law (SLL) 13-21 [10 CMC §§ 3921 - 3928], which established the Saipan Higher Education Financial Assistance for the Municipality of Saipan in the Office of the Mayor of Saipan for administrative purposes, and to be administered by the Board of Saipan Higher Education Financial Assistance, hereinafter referred to SHEFA.

History: Adopted 26 Com. Reg. 23121 (Aug. 26, 2004); Proposed 26 Com. Reg. 22797 (June 24, 2004).



## SECTION 2

### § 165-20.1-005 Mission of SHEFA

The mission of the Saipan Higher Education Financial Assistance (SHEFA) under the Municipality of Saipan, Office of the Mayor is to ~~invest in the limited human capital resources of qualified residents of Saipan (inclusive of the Northern Islands) through a supplementary financial assistance, upon availability of funds pursuant to Saipan Local Law 13-21 [10 CMC §§ 3921-3928], for purposes of pursuing post-secondary education on Saipan or abroad, and in recognition of the need for educated citizenry and workforce on Saipan, with the broad expectation of SHEFA and assurance from all applicants and recipients of SHEFA financial assistance to return to Saipan upon a successful completion of a higher education with the necessary and sufficient knowledge, skill, attitude and work ethic in order to provide services on Saipan in the private sector, government, non-governmental (NGO) organization as well as not-for-profit organization~~ expand educational opportunities and provide financial assistance to qualified residents of Saipan (inclusive of the Northern Islands) for the betterment of our workforce.

## SECTION 3

### § 165-20.1-010 Priority for Financial Assistance

Qualified residents of the Municipality of Saipan who have been accepted or enrolled in any US accredited institution of higher education and meet all requirements as new or returning student are ranked in the order of priority to receive supplementary financial assistance as follows.

- (a) Undergraduate level in the identified priority fields of study.
- (b) Graduate level in the identified priority of fields of study.
- (c) Advanced degree level in the identified priority of fields of study.
- (d) All other residents of Saipan ~~returning~~ returning students-who qualify as new or returning students.

## SECTION 4

### § 165-20.1-015 Funding Source & Budget Authority

Pursuant to Saipan Local Law 13-21, section 5 on page four of the Act [10 CMC § 3925], the funding for this program is sourced from fees collected from the local license fees for poker and pachinko machines under Saipan Local Law 13-8, as continuously appropriated by SLL 13-21. Other funding sources authorized by this Act in section 5(d) on page three [10 CMC § 3924(d)] is to receive and accept from any individual, association or corporation, gifts, grants and donations of money for the purpose of providing higher education financial assistance to be established in a separate special account by the Secretary of Finance to implement the purposes of the Act.

## SECTION 5

### § 165-20.1-020 Office of the Mayor of Saipan

The Saipan Higher Education Financial Assistance is established by SLL 13-21 [10 CMC §§ 3921 - 3928] in the Office of the Mayor of Saipan, and vested the Mayor of Saipan with the authority to appoint members of the board therein, subject to confirmation by the Saipan and Northern Islands Legislative Delegation (SNILD). In addition, the Office of the Mayor of Saipan is required by law to provide the board with administrative, personnel and logistical support subject to the limits of resource availability.

## SECTION 6

### § 165-20.1-025 Saipan Higher Education Financial Assistance Board (SHEFA)

The SHEFA board is established pursuant to SLL 13-21 [10 CMC §§ 3921 - 3928] whose members are appointed by the Mayor of Saipan subject to confirmation by the Saipan and Northern Islands Legislative Delegation. The Mayor may remove any member of the board on account of gross neglect of duty, conviction of a felony, or mental or physical incapacity. The duties and power of the board are specifically delineated in section 5 and section 8 of this Act.

## Part 100 - SHEFA Program Requirements

## SECTION 7

### § 165-20.1-101 Classification of Recipients

SHEFA recognizes three major types of academic degree-categories programs, namely; (i) undergraduate degree (associate degree and bachelor's degree); (ii) graduate degree (Masters degree); and (iii) advanced degree (degree higher than a Masters degree, e.g., J.D., medical doctor, M.D., PH.D., ED.D., etc.). In addition, SHEFA also recognized skilled trade or vocational certificate programs.

#### Level of Education:

- i. Undergraduate degree
  - a. Associate's degree – an undergraduate degree program but less than a baccalaureate degree.
  - b. Bachelor's degree – a four or more year undergraduate degree program.
- ii. Graduate degree – a degree program beyond a baccalaureate level degree (Master's degree).
- iii. Advanced degree – a degree program higher than a Master's degree program (J.D., M.D., PH.D., ED.D., etc.).
- iv. Trade/Vocational certificates: a skilled trade or occupational certificate program, requiring less than two years for completion.

## SECTION 8

### § 165-20.1-105 Types of Financial Assistance

(a) Grant-in-aid is a type of financial assistance available to a student from Saipan pursuing post-secondary education in U.S. accredited colleges or universities, trade certification at the Northern Marianas Trade Institute or recognized trade institution approved by the SHEFA Board. If a grant recipient does not return to Saipan after completion of his or her studies, the grant automatically becomes a loan and the grant recipient must repay the SHEFA fund plus interest in accordance with the terms and conditions of attached promissory note/memorandum of agreement.

(b) Scholarship is a type of financial assistance that is available to a student from Saipan pursuing post-secondary education based on financial need, academic achievement and other established criteria. A second type of assistance under the scholarship program is one in which a student pursues a field of study that has been identified by SHEFA as a priority field of study† for the island of Saipan, and having met other established criteria. The priority field of study award is granted only to ~~Junior and Senior college students,~~ college level students and higher. The third type of scholarship is based on academic performance at the end of every semester or quarter, called the merit incentive award. Applicants in their first term of college are not eligible to receive the merit incentive award. Students taking remedial courses or developmental courses in fulfillment of a full-time status are not eligible for the merit incentive award. The fourth type of scholarship is a career prep scholar credit voucher valued at \$200 per voucher for a maximum of two vouchers per recipient. This voucher is for use by the recipient in obtaining career guidance and counseling or in participating in career or job fairs or any other type of training in career planning and preparation. The voucher is non-cash, and will be used toward the cancellation of any loan(s) granted to the recipient by SHEFA. Scholarship recipients must work on Saipan either in the private or public sector for as long a period as the duration of the scholarship. If a scholarship recipient does not return to Saipan after completion of his or her studies, the scholarship automatically becomes a loan and the recipient must repay the SHEFA fund plus interest in accordance with the terms and conditions of the attached promissory note/memorandum of agreement.

(c)(1) Student loan is a type of financial assistance divided into three components. One is based on financial need on criteria established by the SHEFA board. Loan on demand or demand loan is the second type of loan based upon the time of submission, receipt and acceptance of application to SHEFA. The third and final type of assistance under this loan program is referred to as merit loan. A merit loan is strictly to enable a resident from Saipan enrolled in any accredited U.S. institutions of higher education to “challenge” up to two courses on campus in order to:

- (i) Accelerate degree/program completion, or
- (ii) Fulfill a graduation requirement.

(2) These challenges must be taken on campus only, unless otherwise authorized and approved first in writing by SHEFA. If a loan recipient does not return to Saipan after completion of

his/her studies, he/she must repay the SHEFA fund plus interest in accordance with the terms and conditions of the attached promissory note/memorandum of agreement.

(d) All recipients of any SHEFA loan pursuant to subsection (c) made available to a student from Saipan in pursuit of post-secondary education at any U.S. accredited institution of higher education shall have a legal obligation of paying back twenty-five percent of the total loan amount received and providing a minimum of three years of service in either the private or public sector on Saipan on all loan amounts received while in school. However, for purposes of entering into a promissory note/memorandum of agreement with SHEFA and the recipient, the recipient will be deemed and classified as a debtor of SHEFA funds unless all conditions, requirements and stipulations of the note and SHEFA rules and regulations in this subchapter are abided to at all times during the term or life of the agreement, and after completion of his/her studies, or non-enrollment from school or termination from the institution of record.

~~†Priority Field of Study for Saipan includes accounting; nursing; teaching/specialized special education/early childhood ed./library science/counseling/bilingual ed.; business management and administration; hospitality & information technology; anthropology/sociology for teaching; biology (science) for teaching; criminal justice leading to forensic science; lab technology; psychology other than leading to counseling; human resources development/personnel management; social worker; mathematics for teaching; engineering/architect (A&E); medical and allied fields, including psychiatry; environmental studies/conservation (e.g., natural resources, volcanology, marine biology, fish & wildlife, meteorology & archeology); criminal justice and computer graphics, including technical or specialized trades such as journalism; management information, computer programming and other fields of study sanctioned by the Board in accordance with the Administrative Procedure Act [1 CMC §§ 9101 et seq.].~~

**Priority Field of Study:**

<u>Business</u>	<u>Accounting, Administration, Economics, Finance, Human Resources, Management, Marketing</u>
<u>Computer and Technology</u>	<u>Information Systems &amp; Technology (MIS/IT), Programming, Science</u>
<u>Counseling</u>	<u>Family Science, Substance Abuse</u>
<u>Education</u>	<u>Bilingual Education, Early Childhood Education, English/Mathematics,</u> <u>Special Education, Secondary (Math, Science and Social Studies)</u>
<u>Engineering</u>	<u>Architect, Civil, Electrical, Environmental, Mechanical</u>
<u>Environmental Studies</u>	<u>Management, Natural Resource, Science</u>

<u>Healthcare</u>	<u>Cardiology, Diabetes Specialist/Endocrinologist, Forensic Science, Health Administration, Hospital Administration, Laboratory Technology, Medical Doctor (all fields), Nursing, Nutritionist, Oncology Specialist, Orthopedics, Pharmacy, Physician Assistant, Psychiatry (adult and adolescent), Psychology (general and clinical), Public Health Administration, Radiology Technology, Speech Pathology, Therapy: Occupational, Physical, Respiratory, Veterinary Medicine</u>
<u>Law</u>	<u>Criminal Justice, Criminology</u>
<u>Science</u>	<u>Atmospheric, Biology, Biomed, Chemistry, Physical, Meteorology, Volcanology</u>
	<u>Library and Information Science</u>
	<u>Public Health Administration/Policy and Social Change</u>
<u>Tourism &amp; Hospitality</u>	<u>Management, Technology</u>
<u>Trade Certification: All Construction Traits, Culinary, Information Technology, Mechanic (aviation and automobile)</u>	
<u>Others: Agriculture, Aquaculture, Archeology/Anthropology, Communications/Journalism, Energy Resource Management, Government Finance/Auditing, Historic Preservation &amp; Conservation, Internal Relations, Social Work, Sociology, Veterinarian</u>	

(e) Note: Applicant enrolled in a U.S. accredited online program are allowed to apply for SHEFA financial assistance. However, students enrolled online, regardless of their physical location, will receive the same amount as an on-island student. Block 1/Term 1 for fall term classes must start by August or September and end by December. Block 2/Term 2 for spring classes must start by January and end by June.

## SECTION 9

### § 165-20.1-110 Qualification Requirements

Section 7 of SLL 13-21 [10 CMC § 3927] reads: “No person other than residents of the Municipality of Saipan as defined under section 2 of this Act shall be eligible for or receive assistance from the Saipan Higher Education Financial Assistance Fund.” A resident in section 2 is a person who is a United States citizen or a United States permanent resident, who has resided in the Municipality of Saipan for at least a year before applying for financial assistance administered by the Board and who is attending or has been accepted for enrollment at an institution of higher education in the CNMI or outside the CNMI. Proof of ~~resident-residence~~ residence by

a parent residing in the Municipality of Saipan for the requisite period, or other acceptable evidence of residency of the applicant or recipient of SHEFA financial assistance such as the Saipan municipal identification card, CNMI driver's license, etc. must be submitted to the SHEFA office.

Note: Eligible SHEFA applicants new and ongoing are required to register to vote in the 3rd Senatorial District (Saipan/Northern Islands).

## SECTION 10

### § 165-20.1-115 Eligibility for SHEFA Fund Financial Assistance

(a) All applicants must meet the requirements in § 165-20.1-110 and the following additional requirements:

(1) Graduate from high school with a high school diploma or high school equivalent diploma, except for applicants under the Early Admission Program or 2+2 program†;

~~(2) Have a cumulative high school grade point average of at least 2.5 upon graduation;~~

~~(3) (2)~~ Be accepted to or enrolled on full-time status as required by SHEFA, which does not include a developmental or remedial course(s) or a course taken as non-credit course(s) in a U.S. accredited college or university. Exception to full-time enrollment status of certified disabled applicants may be granted on a case-by-case basis.

~~(4) (3)~~ If awarded financial assistance, a recipient must sign a promissory note/memorandum of agreement providing that all financial assistance received from the SHEFA fund be subject to debt conversion and debt convertible and that future assistance be contingent on funds availability pursuant to law;

~~(5) (4)~~ Meet all conditions for continuing assistance from SHEFA as provided in this subchapter;

~~(6) (5)~~ Provide all required documents and documentation of eligibility as required by this subchapter, including but not limited to those specifically identified in § 165-20.1-125; and

~~(7) (6)~~ Maintain at least the minimum grade point average as a condition and prerequisite for continuing assistance, which for undergraduate students is 2.5 cumulative GPA; for performance-based scholarship students is 3.5 term††: for graduate and advanced students eligibility is based on a Pass or No Pass letter grading system or a 3.0 cumulative GPA on a grade point system; Institution's grading system will be accepted as long as the student is still enrolled in the program with compliance to full-time requirement; Priority field of study for Juniors, ~~and Seniors~~, Graduate and Advanced students in college is a 2.5 cumulative GPA; and for loan is a 2.5 cumulative GPA.

†Early Admission Program and 2+2 program applies to students still in high school that are simultaneously enrolled at the Northern Marianas College as full-time college students taking college level courses.

††Term refers to fall term and spring term per academic year for applicant or recipient on semester system; fall term, winter term and spring term for applicant or recipient on quarter system; winter and spring term GPA may be combined in computing the higher of the term GPA for purposes of GPA scholarship. GPA scholarship for semester term is awarded on the fall and spring semester and fall and winter/spring for the quarter term.

(b) Eligibility for SHEFA fund financial assistance shall be limited to the following maximum time periods:

(1) For an associate degree (AA/AS), a maximum of two academic years not including summer;

(2) For a bachelor's degree (BA/BS), a maximum of four academic years, with a provision for one additional academic year for specialized majors ~~and~~ or content-area certification by the institution not including summer;

(3) For a graduate degree (MA/MS), a maximum of two academic years not including summer for a graduate degree (MA/MS);

(4) For an advanced degree, a maximum of three academic years not including summer, with a provision for up to three additional academic years for dissertation writing, dissertation defense and internship or medical degree training requirements, and up to two years for jurisprudence work or related residency, internship or related training requirements.

(5) For Trades/Vocation Certificate or Diploma, a maximum of less than two (2) years.

Note: Financial Scholarship Request (FSR) to Department of Finance must be made on or before November 15th, for fall term and on or before April 15th for spring term. Other request will be accommodated on a case-by-case basis.

## SECTION 11

### § 165-20.1-120 Conditions for Continuing Assistance

(a) Any new applicant and recipient of SHEFA financial assistance must qualify and be eligible for the assistance as provided for in § 165-20.1-105 at all times and must adhere to all other rules and regulations in this subchapter, including the provisions of the promissory note/memorandum of agreement incorporated herein as a necessary and sufficient condition to receiving and continuing to receive financial assistance from the SHEFA Board pursuant to law subject to availability of funds.

(b) The Board may consider an exception to the applicable regulations and provisions in the existing promissory note/memorandum of agreement, and grant a one-time continuing financial assistance to a currently enrolled full- time undergraduate, graduate or advanced student upon signing a supplemental agreement to the existing promissory note/memorandum of agreement, thereby allowing the Board to grant a one-time deferment on the automatic default provisions based on the most current cumulative GPA.

(c) A written request by the recipient to the Board for an exception to § 165-20.1-115 and the existing promissory note/memorandum of agreement must be received by SHEFA not more than ten working days following the end of the most recent semester or quarter of the academic year in which the recipient failed to meet SHEFA's minimum cumulative GPA.

(d) A show cause hearing may be held or in the alternative a written request may be submitted to the Board along with evidence based on substantiated compelling reasons or extenuating circumstances on account of medical, health, or psychological reasons, and other credible and verifiable information provided by a first-time recipient enrolled on full-time status.

(e) Provided, however, that no course repeat or below-level course shall be considered in meeting SHEFA's full-time and cumulative GPA requirements for an undergraduate, graduate or advanced student.

(f) Furthermore, if the Board decides to approve a one- time deferral, then it shall be deemed a conditional eligibility for a period not to exceed a semester or quarter immediately thereafter, and such eligibility shall not include eligibility for the academic performance scholarship which requires a 3.5 cumulative GPA for an undergraduate, graduate or advanced student enrolled on full-time status.

## **SECTION 12**

### **§ 165-20.1-125 Application Policy & Procedure; Required Documents/Deadlines**

(a) All new and continuing applicants for SHEFA financial assistance are required to submit the following documents as a condition for consideration for assistance. These are:

(1) Original and completed application form indicating whether for new or renewal.

(2) Latest sealed official transcript from high school or institution of higher education mailed directly to the SHEFA office or an unofficial copy faxed directly to the office by the school or college/university. Scholarship award(s) will be based on a student's timely submission of transcripts and class schedules and meeting the full-time credit requirements and other pertinent datelines and/or requirements.

(3) Letter of acceptance or proof of admission or enrollment.

(4) Proof of citizenship (e.g., Saipan municipal identification card, United States passport, birth certificate, or CNMI driver's license).

(5) Proof of residency on Saipan as indicated by an annual tax return or other acceptable evidence such as a Saipan municipal identification card or a CNMI driver's license.

(b) In addition, all application forms for new or continuing SHEFA assistance must be filed together with the required documents indicated herein on July 1st unless the date falls on a weekend in which case the deadline is the first Monday of the following week for the fall semester/quarter and December 1st for the spring semester/quarter annually unless the date falls on a weekend in which case the deadline is the first Monday of the following week. Failure to



submit a completed application form and the requisite supporting documents to the SHEFA office on the deadline will be cause for not considering the application until the next financial assistance cycle.

## **SECTION 13**

### **§ 165-20.1-130 Truth-in-lending Policy and Confidentiality**

The information provided to SHEFA for purposes of determining qualification and eligibility is considered confidential, and will only be released upon written authorization from the applicant/recipient. All information contained in the completed application or renewal form, qualification and eligibility documents, person(s) used as reference(s), letter of acceptance, enrollment documents from institution of record, grade reports and transcripts, and other forms of supporting documents are considered true and complete to the best of the applicant/ recipient's knowledge, and the applicant further agrees to provide proof of information stated in the application or renewal form or supporting documents submitted to SHEFA. Falsification of information and any document(s) submitted by the applicant or recipient of SHEFA assistance may result in the immediate discontinuation of financial assistance and automatic suspension and/or disqualification for any future financial assistance. Therefore, every applicant for SHEFA financial assistance and every recipient of SHEFA financial assistance is required to authorize SHEFA to request and obtain any and all information necessary and sufficient from relevant agencies or institutions of higher education related to the application or renewal of application for financial assistance from SHEFA. Financial assistance from the SHEFA fund is contingent on availability of funds as provided in Saipan Local Law 13-21 [10 CMC §§ 3921 - 3928].

## **SECTION 14**

### **§ 165-20.1-135 Appeal Policy & Procedure**

Any qualified and eligible applicant and recipient of SHEFA financial assistance may address and present any grievance in writing first to the SHEFA administrator with a copy directly to the SHEFA board. If the applicant or recipient of SHEFA financial assistance is not satisfied with the written official response from the SHEFA administration, then the applicant and recipient may appeal the decision of the SHEFA administration directly to the Chairperson of the SHEFA board within ten working days of issuance of a decision by the SHEFA administration. The appeal to the SHEFA board shall be in accordance with the Administrative Procedure Act, 1 CMC §§ 9101, et seq. To this end, all decisions made by and entered into record by the board shall be final agency decision and order on the administrative level of appeal or review process and procedure.

## **Part 200 - Miscellaneous Provisions**

## **SECTION 15**

### **§ 165-20.1-201 Availability of Supplementary Financial Assistance; Effective Date**

The rules and regulations in this subchapter governing the administration of the SHEFA financial assistance shall take effect upon its publication and adoption in accordance with the administrative procedure act.

## SECTION 16

### § 165-20.1-205 Promissory Note/Memorandum of Agreement Form; Repayment Term

As a condition of receiving Saipan Higher Education Financial Assistance, the recipient of any type of financial assistance shall agree in writing to the terms and conditions of such financial assistance and to repay such financial assistance in accordance with Saipan Local Law No. 13-21 and any amendments thereto and the applicable rules and regulations. Said agreement shall be in writing and be in the form approved by the Board and incorporated herein as part of this regulation by reference.

THIS PROMISSORY NOTE/MEMORANDUM OF AGREEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the Board of SHEFA for the Municipality of Saipan within the Office of the Mayor of Saipan and \_\_\_\_\_, and/or with his/her parent, \_\_\_\_\_, if below 18 years, hereinafter referred to as the "Debtor" at address: \_\_\_\_\_ (permanent & current postal address) residing in \_\_\_\_\_ (village) of Saipan.

WITNESSETH

WHEREAS, Saipan Local Law (SLL) 13-21 established the Saipan Higher Education Financial Assistance within the Office of the Mayor of Saipan to be governed by the Saipan Higher Education Financial Assistance Board (SHEFA);

WHEREAS, the SHEFA Board, in administering the SHEFA fund, will enter into a legally binding and ~~enforce-able~~ enforceable promissory note/memorandum of agreement with a qualified and eligible resident of Saipan together with a parent, if recipient of SHEFA financial assistance is below 18 years, prior to the disbursement of any SHEFA fund. In entering into a mutually binding promissory note/ memorandum of understanding, the SHEFA Board becomes the "Lender" of record for SHEFA fund and the recipient of SHEFA financial assistance together with the parent, if recipient is below 18 years, become ~~severally~~ individually and collectively the "Debtor" of any and all type and amount of SHEFA financial assistance received and acknowledged herein pursuant to § 165-20.1-105 including:

1. Grant-in-Aid,
2. Scholarship, and
3. Loan.

WHEREAS, the Saipan Higher Education Financial Assistance (SHEFA) is established as a supplementary financial assistance to eligible residents of the Municipality of Saipan, inclusive of the Northern Islands who desire to pursue post-secondary education at a U.S. accredited institution of higher learning on Saipan or abroad, or SHEFA approved skilled, trade or vocational institution on the condition that a recipient of SHEFA fund shall return to Saipan pursuant to SHEFA rules and regulations for purposes of employment, and to provide services to the private or public sector or both, in recognition of the need for educated citizenry and workforce on Saipan.

NOW, THEREFORE, in consideration of SHEFA financial assistance including grant-in-aid, scholarship and loan which recipient/debtor received and acknowledged by signing this promissory note/memorandum of understanding between the Debtor and the Lender, the Debtor agrees, covenants and represents as follows:

1. The Debtor is admitted to or enrolled in \_\_\_\_\_ (name of institution, a U.S. accredited post-secondary institution of higher learning, or SHEFA Board approved trade/vocational institution) in pursuit of a degree or certificate in \_\_\_\_\_ (specify type of certificate or degree, ~~or~~ e.g., A.A., B.A., M.A., PH.D., J.D., MD. etc. and field of study).

2. The Debtor shall utilize all financial assistance for educational expenses directly related or incidental to attendance and continued attendance at an institution of record and shall enroll in at least a minimum of 12 credits for undergraduate; full-time status as defined by the institution for graduate; and full-time status as defined by the institution for advanced standing and maintain the minimum or higher grade point average (GPA) in accordance with the SHEFA Rules and Regulations.

3. The Debtor shall complete the required credits ~~at for~~ for each ~~academic~~ term that ~~for the~~ financial assistance was received (mark one):

i. Certificate and Undergraduate Full-Time: Twelve or more credits

ii. Graduate Full-Time: As defined by the institution

iii. Advanced Full-Time: As defined by the institution

4. The Debtor shall maintain at the end of each ~~academic~~ term the required cumulative grade point average and term grade point average as it applies below by marking the appropriate category:

i. Undergraduate: 2.5 Cumulative GPA

Twelve or more credits

ii. Performance-Based Scholarship: 3.5 Term† GPA

Twelve or more credits for undergraduates

iii. Graduate: Pass (P) ~~or No Pass Grading on a~~

letter grade system or 3.0 CGPA on a grade point system.

As defined by the Institution

iv. Advanced: Pass (P) ~~or No Pass Grading on a~~

letter grade system or 3.0 CGPA on a grade point system.

As defined by the institution

v. Priority Field of Study: 2.5 Cumulative GPA

vi. Loan Applicant/Recipient: 2.5 Cumulative GPA.

vii. Trade/Vocational Recipient: Pass (P) on a letter grade system or a 2.0 cumulative GPA on a grade point system or 70% on a numerical grade point system. Must be enrolled full-time per term as defined by the institution.

†Term refers to fall term and spring term per academic year for applicant or recipient on semester system; fall term, winter term and spring term for applicant or recipient on quarter system; winter and spring term GPA may be combined in computing the higher of the term GPA for purposes of GPA scholarship. GPA scholarship for semester term is awarded on the fall and spring semester and fall and winter/spring for quarter term.

5. The Debtor shall submit a copy of his/her official grade report/transcript promptly after the conclusion of each academic term directly from the institution of record to the SHEFA Office. The grade report submittal will determine the eligibility for continued assistance on every subsequent term. Within ninety days upon matriculation from the institution of record, the Debtor shall submit a copy of his/her college degree and proof of employment on Saipan or the Northern Islands. The Debtor also fully understands and agrees to his/her legal obligations pursuant to the explicit and implicit terms and conditions set forth in this promissory note/memorandum of agreement.

6. The Debtor understands acknowledges and accepts the maximum duration of eligibility for financial assistance from the SHEFA fund:

2 Academic Years - Associate Degree

4 Academic Years - Bachelors' Degree††

2 Academic Years - Graduate Degree

3 Academic Years - Advanced Degree†††

Less than 2 Years – Certificate/Diploma

††maximum of five academic years for specialized majors and/or specialized certification by the institution of record.

†††maximum of three academic years not including summer, with a provision for up to three additional academic years for dissertation writing, dissertation defense, and internship requirements or medical degree training requirement, and up to two years for jurisprudence work or related residence internship or related training requirements.

7. The Debtor hereby declares that he/she is not pursuing an academic program that leads to a religious studies degree, and shall not take religion courses not specifically prescribed in the Individualized Degree Plan (IDP).

8. The Debtor shall agree to return to Saipan within ~~three~~ nine (9) months after the completion of his/her degree plan or six (6) months within termination of or non-enrollment from the institution of record, and provide services by working on Saipan for any employer-whether in the private or public sector or both. The Debtor further agrees to perform services in the private or public sector or both on Saipan for a period equal to the period for which the Debtor received financial assistance under § 165-20.1-105(a)(b) from the Lender. The Debtor agrees to pay back twenty-five percent of the total amount of loan received under § 165-20.1-105(c) and a minimum of three years of service to either in the private or public sector or both on Saipan. If the recipient of SHEFA financial assistance does not return back to Saipan after completion of his/her studies, or non-enrollment from school or termination from the institution of record, he/she must repay the entire debt back on all SHEFA funds received under § 165-20.1-105(a)(b)(c) with interest in accordance with this promissory note/memorandum of agreement.

9. The Debtor understands and hereby agrees that failure to comply with any part of sections 1-8 of this promissory note/memorandum of agreement and the SHEFA rules and regulations will constitute a material breach of the promissory note/memorandum of agreement and a default, and will require the Debtor to pay the entire award received. If such a default occurs, the Debtor must repay their entire debt to the Lender with equal monthly payments within 6 years of the default. The Debtor may repay according to any of the following repayment options as shown below.

Total Debt for repayment	Per Month 12 months	Per Month 24 months	Per Month 36 months	Per Month 48 months	Per Month 60 months	Per Month 72 months
\$1,000 - \$4,999	\$84 - \$417	\$42 - \$209	\$28 - \$139	\$121* - \$104	\$17 - \$84	\$14 - \$70
\$5,000 - \$9,999	\$417 - \$834	\$209 - \$417	\$139 - \$278	\$104 - \$209	\$84 - \$167	\$70 - \$139
\$10,000 - \$14,999	\$834 - \$1,250	\$417 - \$625	\$278 - \$417	\$209 - \$313	\$167 - \$250	\$139 - \$209
\$15,000 - \$19,999	\$1,250 - \$1,667	\$625 - \$834	\$417 - \$556	\$313 - \$417	\$250 - \$334	\$209 - \$278
\$20,000 - \$24,999	\$1,667 - \$2,084	\$834 - \$1,042	\$556 - \$694	\$417 - \$521	\$334 - \$417	\$278 - \$348
\$25,000 - \$29,999	\$2,084 - \$2,500	\$1,042 - \$1,250	\$694 - \$834	\$521 - \$625	\$417 - \$500	\$348 - \$417
\$30,000 - \$34,999	\$2,500 - \$2,917	\$1,250 - \$1,459	\$834 - \$973	\$625 - \$730	\$500 - \$584	\$417 - \$487
\$35,000 - \$40,999	\$2,917 - \$3,334	\$1,459 - \$1,667	\$973 - \$1,111	\$730 - \$834	\$584 - \$667	\$487 - \$556

\* So in original; probably should be \$21.

The Debtor must inform the Lender of which repayment schedule he or she has accepted within thirty days of the default. If the Debtor does not select a repayment schedule within thirty days, the Debtor will be deemed to have selected the "Per Month 72 Months" repayment schedule listed above. The Debtor's first monthly payment shall be due on the first of the month following the default, but at least thirty days after the default. All subsequent payments will be due on the first of each following month until the Debtor repays the entire debt to the Lender. Note: the Debtor may pay the balance in full at any time within the schedule plan.

10. If the Debtor fails to pay any monthly payment, or any part of any monthly payment ("payment default"), then the whole principal sum shall become immediately due and payable at the option of the Lender, without notice, and interest shall accrue at the rate of five percent per annum on the total amount outstanding. Interest shall accrue until Debtor fully cures the payment default by paying all past due monthly payments and all accrued interest. Payments received shall be applied first to the accrued interest and then the balance thereof to the principal.

11. Military Deferral. The time for the Debtor to comply with the requirements of section 8, above, shall be extended upon request if the Debtor enlists in the armed forces of the United States of America. Specifically, the Debtor's obligation to comply with the requirements of section 8 shall be deferred, upon request, until the Debtor's service in the armed forces ends. The Debtor may take advantage of this deferral for a maximum of three years after the termination or completion of his/her degree plan or non-enrollment from an institution of higher education of record. Once the Debtor's service in the armed forces ends or three years passes from the termination or completion of his/her degree plan or non-enrollment from institution of higher education of record, whichever event occurs first, the Debtor shall have to comply with the requirements of section 8. All deferrals granted under this section are not valid unless approved in writing by SHEFA. The Debtor must renew his or her deferral annually.

12. In the event of commencement of suit to enforce payment of this promissory note/memorandum of agreement, the undersigned agree(s) to pay the Lender for attorney's fees as the Court in the Commonwealth of the Northern Mariana Islands may deem reasonable.

13. The recipient of SHEFA financial assistance together with the parent, if applicant is below 18 years, fully understands and agrees that compliance with the provisions in this promissory note/memorandum of agreement and all provisions of the SHEFA rules and regulations shall constitute a condition for any and all financial assistance herein by SHEFA as hereby acknowledged and attested to by both the recipient and parent, if recipient is below 18 years. Moreover, this agreement shall authorize SHEFA to request and obtain any and all necessary information from other agencies related to the application for financial assistance, and shall further authorize the SHEFA Office to provide essential information and data such as resume, diploma, or degree name and contact mailing, or e-mail addresses to potential employer(s) on Saipan including posting such information and data on SHEFA's website or its affiliate on Saipan.

14. The parties agree that the courts of the Commonwealth of the Northern Mariana Islands (Superior Court and Supreme Court) shall have exclusive jurisdiction over any action involving this promissory note/memorandum of agreement.

This agreement shall be interpreted using the laws of the Commonwealth of the Northern Mariana Islands.

IN WITNESS WHEREOF, the recipient (Debtor) and/or parent, if recipient is below 18 years, have hereunto set his/her or their hand(s) on the date first above written.

\_\_\_\_\_

Print Recipient Name / Signature Date

\_\_\_\_\_

Print Parent Name / Signature, Date if Recipient is below 18 yrs.

NOTARY PUBLIC:

On this \_\_\_\_ day of 20\_\_, before me appeared \_\_\_\_\_ and (recipient parent, if recipient is below 18 years), who executed the agreement contained herein, and duly acknowledged to me that he/she and parent, if recipient is below 18 years, executed the same freely and voluntarily for the uses and purposes therein mentioned.

\_\_\_\_\_

Notary Public (Print & Sign)

My Commission expires: \_\_\_\_\_

~~For SHEFA:~~

\_\_\_\_\_

~~Chairman, Board of SHEFA Date~~

**SECTION 17**

**§ 165-20.1-210 Career Counseling and Guidance & College Life Orientation**

All new applicants to the SHEFA fund must undergo a career orientation, assessment, and counseling and guidance as a condition to receiving any financial assistance at the outset. SHEFA will coordinate the career sessions with participating government agencies, including the schools on Saipan. An orientation to college life is also a prerequisite to receiving SHEFA assistance. Both the career counseling and college life orientation must be undertaken on island prior to check disbursement, unless authorized in advanced to do so in writing by SHEFA at a location or institution acceptable to SHEFA.

## **SECTION 18**

### **§ 165-20.1-215 Notification to SHEFA Board**

Any recipient of SHEFA financial assistance who withdraws or drops out of any class or on less-than-full-time status must immediately notify the SHEFA board in writing, as a change in status may affect future financial assistance. Failure to inform the SHEFA board may be deemed as a material breach of the SHEFA rules and regulations, and more specifically section § 165-20.1-130. A change in a field of study must be immediately reported in writing to the SHEFA board with reasons for the change, especially for SHEFA recipients having a declared major in the SHEFA priority field of study and/or admitted by the institution of record into the program field of study. Under no circumstances will any applicant or recipient of SHEFA funds be authorized to satisfy any fulltime status and G.P.A. requirements of SHEFA with any remedial course, except on account of a requirement by the institution of record based on a placement test. This exception on non-acceptance of remedial courses is limited to two academic years for freshmen and sophomores only for English and math. Any recipient of performance-based scholarship assistance is not authorized to take any remedial or repeated courses at all. Use of SHEFA financial assistance is strictly for on-campus study requiring student residency.

## **SECTION 19**

### **§ 165-20.1-220 SHEFA Application Form; Terms**

(a) Incorporated as part of this subchapter governing the SHEFA financial assistance is the SHEFA Application Form for both new applicants and on-going applicants. No application, either new or on-going, for SHEFA financial assistance, will be received, considered or reviewed by SHEFA unless the application is completed, signed and accompanied by all required documents in support of the application. The required documents include, but are not limited to information indicated on the application form and/or by other written directive or public announcement. Effective spring 2013, applicants and previous recipients may submit a one-time application and promissory note/memorandum of agreement. Students are responsible to provide accurate substantial/significant information regarding their current data. Falsification of information of document will be submitted to the Office of the Attorney General for legal action.

(b) The words and terms used in this subchapter shall have the meanings indicated and shall include the plural unless the context clearly indicates otherwise. The definitions herein provided shall supplement the definitions provided in Saipan Local Law 13-21.

(c) "U.S. accredited institution of higher education/learning" means an institution of higher learning which has the approval of the United States Department of Education. Such institution may be located in the United States of America, its commonwealths, possessions or territories or in foreign countries.

(d) "Institution of record" means the U.S. accredited institution of higher education/learning from which the SHEFA applicant or recipient is seeking a degree and which the SHEFA applicant or recipient has identified in the application for financial assistance and/or the



promissory note and memorandum of agreement between SHEFA and the recipient of financial assistance.

(e) "Full-time status" means the registration and enrollment at the student's institution of record from the beginning and throughout the entire academic period (i.e., semester or quarter term) for which SHEFA financial aid is provided and shall require the following:

(1) Undergraduate degree students: twelve semester or quarter credits taken concurrently throughout an entire academic term i.e., fall semester, fall quarter, spring semester or spring or winter quarter;

(2) Graduate degree and advanced degree students: Given amount of credits as defined by the institution as full-time taken concurrently throughout an entire academic term i.e., fall semester fall quarter, spring semester, or spring or winter quarter, unless the student is working on a dissertation, engaged in a mandatory internship required by the program, or engaged in other related required fieldwork or studies outside of a formal didactic setting; and

(3) Sequential class program: students enrolled in degree program in a U.S. accredited institution of higher learning that provides classes on a sequential instead of on a concurrent basis may be considered in full-time status and be eligible for financial assistance on a pro rata basis depending on the number of credit hours in which the student is enrolled at a given term (i.e., fall semester/quarter or winter/spring semester/quarter).

(4) Provided, however, that no credit shall be counted toward full-time status for a class from which the student withdraws, for a religion course (unless it is a mandatory prerequisite for a program major field of study or general education requirement) for repetition of a class (regardless whether credit has previously been counted); for audit of a class; for a class for which the student receives a grade of incomplete; for a class for which the student receives a failing grade; or for a class unrelated to a declared field of study and not included in the student's individualized degree plan (IDP).

(5) Provided further that, in the event a student does not meet the requirement of full-time status because of withdrawal from a class or because of receiving a grade of incomplete or failing grade, the student shall immediately cure the credit deficiency the following semester by taking and completing sufficient credits to constitute full-time status plus credits sufficient to make up the credit deficiency during the previous fall or spring semester/quarter. A repeat course is in addition to a full-time status and not counted toward full-time status.

(f) "Cumulative grade point average" ("GPA") means the cumulative grade point average at the student's institution of record as determined by the student's institution of record; and, if the student has not yet attended the student's institution of record then the cumulative grade point average at the US accredited institution of higher education/learning last and most recently attended by the student as determined by that institution; and, if the student has not yet attended a US accredited institution of higher education/learning then the cumulative grade point average at the high school from which the student graduated. In other words, cumulative grade point average means the student's cumulative grade point average at the student's most recent and

latest institution of learning, regardless of any grade point average previously attained in any other institute of higher learning.

(g) “Minimum grade point average” means the cumulative or term grade point average required to be attained prior to receiving Saipan higher education financial assistance and required to be attained at the end of each academic period for which Saipan higher education financial assistance has been provided. The minimum grade point average required is to meet the following:

(1) Undergraduate students: 2.5 cumulative GPA;

(2) Performance-based scholarship students 3.5 Term† GPA;

(3) Graduate and advanced students: Pass or No-Pass Grading; on a letter grade system or 3.0 CGPA on a grade point system.

(4) Priority field of study students: 2.5 cumulative GPA; and

(5) Loan students: 2.5 cumulative GPA.

(6) Trade/Vocational Recipient: Pass (P) on a letter grade system, 2.0 CGPA on a grade point system, or 70% on a numerical grade point system.

†Term refers to fall term and spring term per academic year for applicant or recipient on semester system; fall term, winter term and spring term for applicant or recipient on quarter system; winter and spring term GPA may be combined in computing the higher of the term GPA for purposes of GPA scholarship. GPA scholarship for semester term is awarded on the fall and spring semester and fall and spring for quarter term.

(h) “Residence” means that place where that person has lived on account of birth, parental residence or established (i.e., not casual) physical dwelling on Saipan or the Northern Islands, which that person makes Saipan or the Northern Islands home by credible and verifiable information or data.

(1) As a legitimate, established and bona fide resident the individual and/or parent for and on whom the individual is economically dependent for financial support and is in fact claimed by either or both parent(s) as a dependent regularly files taxes at his/her place of residence; maintains an established street and/or postal address home telephone number and a Saipan driver’s license, including but not limited to maintaining affiliation with recognized and identifiable professional, religious or fraternal life or association at his/her place of residence and registered to vote and has in fact exercised the right to vote on Saipan or the Northern Islands.

(2) Moreover residency as operationally applied by SHEFA is a place where a person’s presence or residence is well established beyond mere physical presence on Saipan or the Northern Islands. It is not transitory residence in nature, in fact or in deed. A person’s presence or residence is not on account of a temporary absence from his/her other established or legitimate residence elsewhere in the Commonwealth or outside of the Commonwealth either on a short-

term or long-term basis, or whose presence on Saipan or the Northern Islands is for other temporary purposes such as private or public employment, school, medical, or other temporary needs temporary permit or guest or any other acts or intent, where a person's presence or residence on Saipan or the Northern Islands is deemed unequivocal or raises a specter of reasonable doubt and more than a casual presence, and thus makes Saipan or the Northern Islands home.

(3) Also, the person's presence or residence on Saipan or the Northern Islands is not on account of a person for and on whom he/she is economically dependent on for financial support (i.e. more than half of his/her support from parent(s)) and/or claimed as a dependent on tax filing.

(i) "Individualized Degree Plan (I.D.P.)" means a prescribed course of study by major field of study of an institution delineating the core course requirements, electives, field work and thesis or dissertation requirements which leads to a degree within a prescribed timeframe for matriculation.

(j) "Deferment" allows students to temporarily seek postponement of their student loan payment. The deferment clause helps SHEFA recipients avoid default on the four (4) types of request.

(1) Returns Deferment: The Debtor shall agree to return to Saipan within nine months after the completion of his/her degree plan from the institution of record, and provide services by working on Saipan in the public or private sector.

(2) GPA Deferment: This is a one-time deferment. If the Board decides to approve a one-time deferral, then it shall be deemed a conditional eligibility for a period not to exceed a term, semester or quarter immediately thereafter. Such eligibility shall not include eligibility for the academic performance scholarship which requires a 3.5 cumulative GPA for an undergraduate, graduate or advanced student enrolled on full-time status.

(3) Military Deferment: Approval for military deferment will only be considered for recipients on active duty whose primary duty and career is soldiering. After 4 years, whether the recipient re-enlists or not, payment requirement must begin.

A reservist is a member of the US military reserve force. The deferment qualification for reservist applies upon notice for deployment and indeed is deployed. The reservist's waiver becomes automatic and is granted when so requested. The waiver is for a maximum of four (4) years just as with active duty military recipients.

(4) Repayment Deferment: Six-months maximum. This deferment is for those students who withdraw, suspend, terminate, or cease furthering the educational agreement stipulated in the SHEFA Memorandum of Agreement. This is six months from the date of withdrawal or cessation from education, trade institution or approved program.

## **SECTION 20**

### **§ 165-20.1-225 Welcome Home; Your Expected Return to Saipan**

Within ~~three~~ nine (9) months of a successful completion or ~~thirty days~~ six (6) months of termination or non-enrollment from the institution of record, whichever event occurs first, the recipient of financial assistance from the SHEFA fund is required to return to Saipan for employment and/or to provide services in the private or public sector, in recognition of the need for educated citizenry and workforce on Saipan.

## **SECTION 21**

### **§ 165-20.1-230 Trade/Vocation School Financial Assistance**

Purpose: Pursuant to Saipan Local Law 16-8, Section 2 under 10 CMC §3921 (c) "The SHEFA financial assistance, shall also be available for students who have not obtained a high school diploma or its equivalency, yet are simultaneously enrolled in a high school or a high school equivalency program and are enrolled in a trade type institution such as the Northern Marianas Trades Institute:

#### **Classification of Recipients:**

Certificate/Diploma: an undergraduate program less than two (2) years.

#### **Qualification Requirements:**

Qualification requirements shall meet SHEFA policy § 165-20.1-110

#### **Eligibility Requirements:**

- Must submit a completed and signed application on or before July 1st for fall term and December 1st for winter or spring term.
- Must submit a copy of your acceptance letter from a U.S. Accredited Trade Institution. Non-U.S. Accredited Trade Institutions must be approved by the SHEFA Board.
- Must be a high school graduate, simultaneously enrolled in high school in the 3rd Senatorial District, or simultaneously enrolled in a high school equivalency program.
- Must be enrolled full-time per term as defined by the institution.
- Must maintain after every award term a 2.0 CGPA on a grade point system, or Pass (P) on a letter grade system, or 70% on a numerical grade system.

#### **Student Responsibilities:**

In order to receive any form of assistance from the SHEFA program, all applicants must:

1. Complete all necessary application forms and pertinent documents on or before the established deadlines as indicated in § 165-20.1-125 (Application Policy & Procedure; Required Documents/Deadlines).
2. NMTI application deadline for fall term is July 1st and February 28th, for winter/spring term. Deadline for supporting documents for fall term is, September 30th and for winter/spring term is February 28th.
3. Must be enrolled in a program of study leading towards a certificate program in trade institute and satisfactorily meet institutions passing grade policy.
4. Inform the SHEFA office of any changes that may affect their financial assistance.
5. Comply with all other policies established by SHEFA guidelines.
6. The student is making satisfactory progress in high school or high school equivalency program if non-high school graduate or non-completion of high school equivalency program.