

TENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

PUBLIC LAW NO. 10-7

H. B. NO. 10-1, SS1

FIRST REGULAR SESSION, 1996

AN ACT

To enact the existing Business Corporation Regulations as statute law; to repeal the power to issue business corporation regulations; to make conforming amendments to the Commonwealth Code; and for other purposes.

BE IT ENACTED BY THE TENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

Section 1. Regulations Enacted as Statute.

(a) Except as provided by subsection (b), the rules and regulations governing business corporations in the Commonwealth, the Business Corporation Regulations, adopted July 15, 1990 in the Commonwealth Register, Volume 12, No. 7, pages 7201-6997, as amended on May 15, 1994 in the Commonwealth Registrar, Volume 16, Number 5, page 11888, are hereby incorporated by reference and enacted as statute law. The Commonwealth Law Revision Commission shall codify these former rules and regulations in the appropriate Commonwealth Code statutory format.

(b) Sections 1.02 and 8.03(a) of the Business Corporation Regulations are not incorporated by reference, are not enacted as statute law, and are hereby rescinded.

Section 2. Amendment.

(a) 4 CMC § 4106(d) is hereby amended to read:

"(d) The rights and remedies provided for minority shareholders in subsection (a) of this section shall be in addition to those remedies provided to shareholders of merged corporations by other provisions of this Division."

(b) 4 CMC § 4202 is hereby amended to read:

"§ 4202. Authority to Promulgate Rules and Regulations.

The Registrar of Corporations, with the approval of the Attorney General and the Governor, may prescribe such rules and regulations as are deemed advisable to administer and carry into effect the provisions of this Division with respect to associations of persons for any lawful purpose other than pecuniary profit,

cooperatives, and credit unions."

Section 3. Repealer. Any business corporation rules or regulations adopted, proposed, or promulgated pursuant to 4 CMC § 4202 between May 16, 1994 and the effective date of this Act are hereby rescinded and shall be without any force of effect.

Section 4. Severability. If any provision of this Act or the application of any such provision to any person or circumstance should be held invalid by a court of competent jurisdiction, the remainder of this Act or the application of its provisions to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

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

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

CERTIFIED BY:

ATTESTED BY:

/s/ Diego T. Benavente
DIEGO T. BENAVENTE
Speaker
House of Representatives

/s/ Evelyn C. Fleming
EVELYN C. FLEMING
House Clerk

Approved this 10th day of May, 1996

/s/ Jesus C. Borja
~~FROILAN C. TENORIO~~ JESUS C. BORJA
Acting Governor
Commonwealth of the Northern Mariana Islands