



RALPH DLG. TORRES
Governor

VICTOR B. HOCOG
Lieutenant Governor

COMMONWEALTH of the NORTHERN MARIANA ISLANDS
OFFICE OF THE GOVERNOR

21 SEP 2018

The Honorable Arnold I. Palacios
Senate President, The Senate
Twentieth Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

The Honorable Rafael S. Demapan
Speaker, House of Representatives
Twentieth Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

Dear Mr. President and Mr. Speaker:

This is to inform you that I have signed into law Senate Bill No. 20-55 entitled, "To regulate motor vehicle rental companies; and for other purposes.", which was passed by the Senate and the House of Representatives of the Twentieth Northern Marianas Commonwealth Legislature.

This bill becomes **Public Law No. 20-65**. Copies bearing my signature are forwarded for your reference.

Sincerely,

A handwritten signature in black ink, appearing to read "Ralph DLG. Torres", written over a circular stamp or watermark.

RALPH DLG. TORRES

cc: Lt. Governor; Press Secretary; Attorney General's Office; Department of Public Safety; Bureau of Motor Vehicle; Secretary of Finance; Commonwealth Ports Authority; Department of Commerce; Special Assistant for Administration; Special Assistant for Programs and Legislative Review



THE SENATE
Twentieth Northern Marianas Commonwealth Legislature
P. O. Box 500129
Saipan, MP 96950

August 13, 2018

The Honorable Ralph DLG. Torres
Governor
Commonwealth of the Northern Mariana Islands
Capital Hill
Saipan, MP 96950

Dear Governor Torres:

I have the honor of transmitting herewith for your action Senate Bill No. 20-55, entitled: "To regulate motor vehicle rental companies; and for other purposes" which was passed by the Senate and the House of Representatives of the Twentieth Northern Marianas Commonwealth Legislature.

Sincerely,

A handwritten signature in black ink, appearing to read "Dolores S. Bermudes".

Dolores S. Bermudes
Senate Clerk

Attachments



THE SENATE
TWENTIETH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

SENATE BILL NO. 20-55

AN ACT

To regulate motor vehicle rental companies; and for other purposes.

SENATE ACTION

Offered by Senator(s): Sixto K. Igisomar

Date: July 31, 2017

Referred to: Committee on Judiciary, Government and Law

Standing Committee Report No.: None

First and Final Reading: March 22, 2018

HOUSE ACTION

Referred to: Committee on Judiciary and Governmental Operations

Standing Committee Report No.: 20-139 adopted on 8/08/18

First and Final Reading: August 08, 2018


DOLORES S. BERMUDES
SENATE CLERK



THE SENATE
TWENTIETH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

SECOND REGULAR SESSION, 2017

S. B. NO. 20-55

AN ACT

To regulate motor vehicle rental companies; and for other purposes.

**BE IT ENACTED BY THE TWENTIETH NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE:**

1 **Section 1. Findings and Purpose.** The Legislature finds that the motor vehicle
2 rental industry in the CNMI has grown tremendously and must be regulated. The number
3 of rental companies and rental vehicle locations have dramatically increased since the
4 1990s. As a result, more rental motor vehicles are traversing the Commonwealth highways
5 and daily traffic has also doubled since the 1990's. The number of traffic accidents
6 involving rental motor vehicles has also increased in the past few years.

7 The Legislature further finds that many rental motor vehicle drivers are foreigners
8 that do not know or understand the CNMI traffic laws and the rules of the road. Rental
9 companies must ensure that all renters especially renters who are foreigners have a valid
10 picture operator's license from the CNMI, U.S. jurisdictions, or their respective foreign
11 country. Rental companies must give renters proper notice of the terms and conditions of a
12 rental agreement as well as disclose all pertinent information, fees, charges, costs
13 associated with a rental agreement.

14 The Legislature further finds that rental companies in the CNMI must be regulated
15 to ensure that such companies are not charging renters additional fees and charges that are
16 not reasonable or connected to rental agreements. Rental companies and their rental
17 vehicle agents are selling additional insurance coverage for rental motor vehicles without
18 any regulation by the Commonwealth government. The terms, conditions, and provisions

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1 of the additional insurance sold by rental car companies have not been approved by the
2 Commonwealth Insurance Commissioner.

3 The Legislature finds that renters must also be protected against unfair or deceptive
4 acts or practices by rental companies that have been profiting from renting motor vehicles.
5 It is long overdue for rental companies to be regulated by the Commonwealth for the
6 benefit of the people. Accordingly, the purpose of this legislation is to regulate motor
7 vehicle rental companies doing business in the Commonwealth.

8 **Section 2. Amendment.** Subject to codification by the CNMI Law Revision
9 Commission, Title 4, Division 5 of the Commonwealth Code is hereby amended by adding
10 a new chapter 20 read as follows:

11 **“Chapter 20. Motor Vehicle Rental Industry.**

12 **§ 101. Short title.** This chapter shall be known and may be cited as the “Motor
13 Vehicle Rental Industry Act”.

14 **§ 102. Scope.** This chapter shall apply to all persons in the business of renting or
15 leasing rental or U-drive motor vehicles in the CNMI.

16 **§ 103. Definitions.** As used in this chapter:

17 (a) “Advertisement” means any oral, written, graphic, or pictorial statement or
18 representation, including those made through any electronic or print medium.

19 (b) “Advertisement” does not include telephonic communications.

20 (c) “Damage waiver” means any contract or contractual provision, whether separate
21 from or a part of a rental agreement, whereby the rental company agrees, for a charge, to
22 waive any or all claims against the renter for any damages to the rental or U-drive motor
23 vehicle during the term of the rental agreement.

24 (d) “Plain language” means language written or spoken in a clear and coherent
25 manner using words with common and everyday meanings.

26 (e) “Rental agreement” means any written agreement setting forth the terms and
27 conditions governing the use of the rental or U-drive motor vehicle by the renter.

28 (f) “Rental company” means any person in the business of providing rental or U-
29 drive motor vehicles to the public.

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1 (g) "Rental cost" means the daily or periodic rate charged for the use of the rental
2 or U-drive motor vehicle, but does not include optional or refueling charges.

3 (h) "Rental or u-drive motor vehicle" or "vehicle" means a motor vehicle as
4 defined in 9 CMC § 1102(x), which is rented or leased or offered for rent or lease in the
5 CNMI, whether for personal or commercial use, for a period of six months or less.

6 (i) "Renter" means any person obtaining the use of a rental or U-drive motor
7 vehicle from a rental company for a period of six months or less under the terms of a
8 rental agreement.

9 (j) "Secretary" means the Secretary of the Department of Commerce.

10 **§ 104. Required valid motor vehicle operator's license.**

11 (a) No rental company shall rent or lease a rental or U-drive motor vehicle to any
12 person(s) unless the person has on his/her person or in his/her immediate possession a
13 valid picture operator's license issued by the Commonwealth Bureau of Motor Vehicles or
14 a valid picture operator's license from outside the Commonwealth, provided there is
15 compliance with 9 CMC § 2202.

16 (b) All renters of a rental or U-drive motor vehicle shall be provided by a rental
17 company and shall have in his/her possession while operating a rental or U-drive motor
18 vehicle copies of the following documents:

19 (1) English translation of the rental agreement with a clear copy of the
20 primary driver's valid picture operator's license attached to it; or

21 (2) Any foreign language version of a rental agreement which shall have
22 attached to it the following:

23 (i) an English translation of the rental agreement; and

24 (ii) a clear copy of the primary driver's valid picture operator's
25 license.

26 **§ 105. Rental agreements; delivery to Secretary.**

27 No rental company shall offer a rental agreement or damage waiver unless a
28 specimen of the rental agreement or damage waiver is delivered to the Secretary prior to its
29 use.

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1 **§ 106. Rental agreements; damage waivers.**

2 (a) Each rental agreement that contains a damage waiver shall disclose, at a
3 minimum, in plain language and in at least ten-point boldface type, the following
4 information:

5 (1) That the damage waiver is optional;

6 (2) That the damage waiver entails an additional charge;

7 (3) The actual charge per day for the damage waiver;

8 (4) All restrictions, conditions, and provisions in or endorsed on the damage
9 waiver;

10 (5) That the renter may already be sufficiently covered and should examine
11 the renter's personal automobile insurance policy to determine whether it provides
12 coverage for damage and the amount of the deductible;

13 (6) That by entering into the rental agreement, the renter may be liable for
14 damage to the rental or U-drive motor vehicle; and

15 (7) The acknowledgment described in Section 116 of this chapter.

16 (b) The rental agreement shall not contain an unreasonable restriction, condition, or
17 provision in or endorsed on a damage waiver. The damage waiver shall not exclude
18 damages caused by ordinary negligence on the part of the renter.

19 **§ 107. Offers or sales of collision insurance by rental companies.**

20 (a) The provisions in this chapter relating to or otherwise regulating the offer or
21 sale of damage waivers shall apply to the offer or sale of collision insurance by rental
22 companies.

23 (b) For purposes of this chapter, collision insurance means coverage to pay a
24 specified amount to or on behalf of the renter for claims by the rental company relating to
25 loss of or damage to the rented vehicle. The definitions of collision insurance and damage
26 waiver stated in this chapter shall apply only to this chapter. No definition of insurance in
27 this chapter or in any other statute shall be deemed to include damage waiver as defined in
28 this chapter.

29 **§ 108. Additional mandatory charges prohibited.**

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1 The daily and periodic rental cost to the renter shall include the amount of each
2 charge which is required as a condition to the rental other than those charges provided for
3 in Section 111 of this chapter. The rental company shall disclose as part of any quotations
4 of price, including all quotations contained in advertising or by telephone, all payments a
5 renter must make in order to rent the vehicle, including all charges provided for in Section
6 111 of this chapter.

7 **§ 109. Rate disclosure requirements; advertising.**

8 (a) Each rental company, and each officer, employee, agency, or other
9 representative of the rental company, who states or permits to be stated the rental cost of a
10 rental or U-drive motor vehicle in any advertisement, shall state conspicuously, in plain
11 language and in conjunction with the advertised rental cost of the vehicle, the daily rate of
12 the applicable damage waiver, and that the rate constitutes an additional daily charge to the
13 renter.

14 (b) When a written advertisement, including all print media, contains the statement
15 of the rental cost of a vehicle, the disclosure required by this section shall be printed in
16 type no less than one-third the size of the type used to print the rental cost, or twelve-point
17 type, whichever is larger. When the video presentation of a television advertisement
18 contains the statement of the rental cost of a vehicle, the depiction of the disclosure
19 required by this section shall be no less than one-third the size of the depiction of the rental
20 cost. When a radio advertisement or the audio presentation of a television advertisement
21 contains the statement of the rental cost of the vehicle, the oral statement of the rental cost
22 shall be immediately accompanied by an oral statement of the disclosure required by this
23 section.

24 (c) Except as set forth in this section, the statement of the rental cost and the
25 disclosure shall be equally prominent in all respects.

26 **§ 110. Rate disclosure requirements; oral or written statements.**

27 Each rental company, and each officer, employee, agent, or other representative of
28 the rental company, who makes any oral statement, excluding telephonic communications,
29 or written statement of the rental cost of a vehicle, shall disclose, in plain language and in

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1 conjunction with that statement, the daily rate of the applicable damage waiver and that the
2 rate constitutes an additional daily charge to the renter.

3 **§ 111. License and registration fees.**

4 (a) Notwithstanding any law to the contrary, a rental company may visibly pass on
5 to a renter:

6 (1) The general excise tax attributable to the transaction;

7 (2) The vehicle license and registration fee and weight taxes, prorated at
8 1/365th of the annual vehicle license and registration fee and weight taxes actually
9 paid on the particular vehicle being rented for each full or partial twenty-four-hour
10 rental day that the vehicle is rented; provided the total of all vehicle license and
11 registration fees charged to all renters shall not exceed the annual vehicle license
12 and registration fee actually paid for the particular vehicle rented;

13 (3) The surcharge taxes attributable to the transaction;

14 (4) The business gross tax; provided that the rental company itemizes the
15 tax for the renter; and

16 (5) The rents or fees paid to the Commonwealth Ports Authority under
17 concession contracts, service permits, or rental motor vehicle customer facility
18 charges; provided that:

19 (i) The rents or fees are limited to amounts that can be attributed to
20 the proceeds of the particular transaction;

21 (ii) The rents or fees shall not exceed the rental company's net
22 payments to the Commonwealth Ports Authority made under concession
23 contract or service permit;

24 (iii) The rental company submits to the Commonwealth Ports
25 Authority and the Department of Commerce, verified by a certified public
26 accountant as correct, that reports the amounts of the rents or fees paid to
27 the Commonwealth Ports Authority pursuant to the applicable concession
28 contract or service permit:

29 (A) For all airport locations; and

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- (B) For each airport location;
- (iv) The rental company submits to the Commonwealth Ports Authority and the Department of Commerce, verified by a certified public accountant as correct, that reports the amounts charged to renters:
 - (A) For all airport locations;
 - (B) For each airport location; and
 - (C) For each renter;
- (v) The rental company includes in these reports the methodology used to determine the amount of fees charged to each renter; and
- (vi) The rental company submits the above information to the Commonwealth Ports Authority and the Department of Commerce within three months of the end of the preceding annual accounting period or contract year as determined by the applicable concession agreement or service permit.

The Commonwealth Ports Authority and the Department of Commerce, in their sole discretion, may extend the time to submit the statement required in this subsection. If the Secretary determines that an examination of the rental company's information is inappropriate under this subsection and the rental company fails to correct the matter within ninety days, the Secretary may conduct an examination and charge a rental company an examination fee based upon the cost per hour per examiner for evaluating, investigating, and verifying compliance with this subsection, as well as additional amounts for travel, per diem, mileage, and other reasonable expenses incurred in connection with the examination, which shall relate solely to the requirements of this subsection, and which shall be billed by the Commonwealth Ports Authority and the Department of Commerce as soon as feasible after the close of the examination. The cost per hour shall be \$40 or as may be established by rules adopted by the Secretary. The rental company shall pay the amounts billed within thirty days following the billing. All moneys collected by the Secretary shall be credited to the compliance resolution fund.

(b) A representation by the rental company to the renter which states that the

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1 visible pass on of the charges in this section is mandatory or that it is a government
2 assessment upon the consumer shall be a per se violation of 4 CMC § 5105.

3 **§ 112. Commissions.**

4 (a) No rental company or officer, employee, agent, or other representative of the
5 rental company shall pay or receive a commission for selling damage waivers, except as
6 provided in subsection (b) of this section. Any violation of this section shall be an unfair or
7 deceptive act or practice as provided in 4 CMC § 5105.

8 (b) As used in this section:

9 "Commission for selling damage waivers" includes any compensation,
10 bonus, award, or remuneration that corresponds directly to the amount of sales of
11 damage waivers. "Commission for selling damage waivers" does not include any
12 compensation, bonus, award, or remuneration to an employee that corresponds to
13 the overall gross receipts of a sales location, where sales of damage waivers are one
14 of many factors contributing to overall gross receipts.

15 "Sales location" means any location at which the employee worked or had
16 oversight responsibility during the applicable compensation period.

17 **§ 113. Damage waiver statistics.**

18 Rental companies shall maintain records of the sale of damage waivers in a given
19 year and amounts expended to repair damage to rental vehicles caused while the vehicles
20 are subject to the damage waiver. Rental companies shall maintain all records reflecting
21 these statistics for a period of three years and shall make the records available to the
22 department of commerce and consumer affairs upon request. Neither the Secretary, nor any
23 other employee of the department of commerce and consumer affairs, nor any other person
24 appointed by the Secretary as provided by law, shall release or divulge any of the
25 information or data required by this section, except as may be required or allowed by
26 regulations adopted pursuant to Section 124 of this chapter.

27 **§ 114. Posting requirements.**

28 Except as provided in Section 122 of this chapter, each rental company who offers
29 the damage waiver shall conspicuously display at the rental area of each rental location a

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1 notice, in plain language and printing, that includes all of the information in Section
2 106(a)(1), (2), (5), and (6) of this chapter, and a statement that restrictions or conditions
3 apply.

4 **§ 115. Pamphleting requirements.**

5 Before the execution of a rental agreement, each rental company who offers a
6 damage waiver option to a renter shall provide to the renter a pamphlet, written in plain
7 language, that includes all of the information described in Section 106(a)(1) through (6) of
8 this chapter. The requirements of this section shall be deemed to be satisfied if the rental
9 company places the pamphlets prominently and conspicuously on the rental desk,
10 countertop, or in a wall holder, where the pamphlets may be easily seen and reached by
11 renters and potential renters.

12 **§ 116. Acknowledgment by renter.**

13 No rental company shall rent a motor vehicle or U-drive to a renter until the renter
14 has acknowledged that the renter understands the information described in Section
15 106(a)(1), (2), (3), (5), and (6) of this chapter, and that restrictions or conditions apply. The
16 acknowledgment shall be written in plain language on the rental agreement and signed by
17 the renter.

18 **§ 117. Deposit or advance charge prohibited; payment for damages to rental**
19 **motor vehicle.**

20 No rental company shall require a deposit or an advance charge against the credit
21 card of a renter, in any form, for damages to a vehicle which is in the renter's possession,
22 custody, or control. No rental company shall require any payment for damages to the rental
23 vehicle, upon the renter's return of the vehicle in a damaged condition, until after the cost
24 of the damage to the vehicle and liability therefor is agreed to between the rental company
25 and renter or is determined pursuant to law.

26 **§ 118. Notice and posting required concerning motor vehicle laws.**

27 Every rental company shall display at all times a sign or signs in a conspicuous
28 place in the main rental area of all rental locations, written in plain language and in no less
29 than ten-point type, that informs the renter of:

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1 (a) CNMI traffic laws, traffic signs, signals and markings, and rules of the road;

2 (b) CNMI's seat belt and child passenger restraint laws and the prohibition against
3 operating a vehicle under the influence of an intoxicant and leaving a child unattended in a
4 motor vehicle;

5 (c) The existence and location of additional information concerning the laws
6 relating to seat belts, child passenger restraints, operating a vehicle under the influence of
7 an intoxicant, and leaving a child unattended in a motor vehicle; and

8 (d) CNMI traffic infractions, the process and location to pay traffic infractions, and
9 the amount to pay for the different infractions.

10 **§ 119. Fuel charges.**

11 (a) Except as provided in this section, refueling charges are prohibited.

12 (b) Upon the renter's return of the vehicle, if the amount of fuel remaining in the
13 vehicle is less than the amount originally provided by the rental company, the rental
14 company may charge the renter to refuel the vehicle based upon the number of gallons or
15 liters used by the renter. The amount of fuel that may be charged to the renter shall be
16 calculated in one of two ways:

17 (1) If the vehicle was delivered to the renter with a full tank, the number of
18 gallons or liters required to refill the tank; or

19 (2) If the vehicle was rented with less than a full tank, the number of gallons
20 or liters less than the amount originally provided by the rental company according
21 to the vehicle's gas gauge as read both before and after the renter's use thereof,
22 employing an appropriate chart showing the number of gallons or liters
23 corresponding to the gas gauge readings. Each chart shall be specifically keyed to
24 the model of car.

25 (c) Upon the renter's return of the vehicle, if the amount of fuel remaining in the
26 rental vehicle is greater than the amount originally provided by the rental company upon
27 delivery of the vehicle to the renter, the rental company shall credit the renter an amount
28 based on the gallons or liters added by the renter, calculated by the method set forth in
29 subsection (b)(2) of this section.

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1 (d) In the event that the rental company has no reasonably accessible refueling
2 facilities, the rental company is not required to give the credit to the renter as described in
3 subsection (c) of this section; provided that if no credit is given, the rental company shall
4 disclose that fact to the renter at the time the rental agreement is signed.

5 (e) The rental company shall provide the renter with written notice of the amount to
6 be credited, except as provided in subsection (d) of this section, or charged on a per gallon
7 or per liter basis.

8 (f) The price per gallon or per liter that is charged for the amount of fuel required to
9 refuel the vehicle, as provided in subsection (b) of this section, shall not exceed the
10 average of the locally prevailing retail market price for similar fuel sold at self-service
11 gasoline pumps by commercial gasoline dealers and a reasonable surcharge not to exceed
12 one-half of that retail price.

13 (g) The per gallon or per liter amount that is credited pursuant to subsection (c) of
14 this section, except as provided in subsection (d) of this section, may not be lower than the
15 locally prevailing retail market price for similar fuel sold by commercial gasoline dealers.

16 (h) Nothing in this section shall prohibit the rental company from offering the
17 renter the option of purchasing, at the time of taking delivery of the vehicle, a full tank of
18 fuel from the rental company at a price per gallon or per liter that shall not exceed the
19 average of the locally prevailing retail market price for similar fuel sold at self-service
20 gasoline pumps by commercial gasoline dealers; provided that the option includes the
21 provisions that:

22 (1) If the vehicle is driven one hundred miles or less, and the renter has not
23 returned the vehicle with a full tank of fuel, the renter shall be credited for the
24 amount charged to the renter for the purchase of fuel when the renter took delivery
25 of the vehicle, and be charged in the method set forth in subsection (b) of this
26 section; or

27 (2) If the renter returns the vehicle with a full tank of fuel, the renter shall
28 be credited for the amount charged to the renter for the purchase of fuel when the
29 renter took delivery of the vehicle.

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1 **§ 120. Unfair trade practices.**

2 Each rental company, and each officer, employee, agent, and other representative
3 thereof, is prohibited from engaging in any practice constituting a violation of the
4 Consumer Protection Act set forth at 4 CMC § 5101 *et seq.* The following shall be *per se*
5 violations of 4 CMC § 5105:

6 (a) The making of any material statement that has the tendency or capacity to
7 mislead or deceive, either orally or in writing, in connection with the rental of, offer to
8 rent, or advertisement to rent a vehicle;

9 (b) The omission of any material statement that has the tendency or capacity to
10 mislead or deceive, in connection with the rental of, offer to rent, or advertisement to rent a
11 vehicle;

12 (c) The making of any statement to the effect that the purchase of a damage waiver
13 is mandatory;

14 (d) Any violation of Sections 106, 119 and 123 of this chapter;

15 (e) The charging by the rental company to a renter of:

16 (1) More than the cost of the parts and labor necessary to repair a damaged
17 vehicle in accordance with standard practice in the motor vehicle repair industry in
18 the community, if the vehicle is repaired;

19 (2) More than the actual cash value of a vehicle if it is declared a total loss;

20 (3) More than the diminution in value of a vehicle if it is not repaired and
21 not declared a total loss; or

22 (4) More than the cost of the parts and labor necessary to repair a damaged
23 vehicle in accordance with standard practice in the motor vehicle repair industry in
24 the community if the vehicle is not repaired and is not declared a total loss but is
25 determined by the rental company to be no longer in rentable condition; provided
26 that the vehicle shall not be rented or leased by the rental company to any other
27 renter after that determination has been made by the rental company.

28 To the extent the rental company obtains recovery from a third party, the rental
29 company shall not recover any amount specified in this paragraph from the renter;

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1 (f) The making of any statement by the rental company to the effect that the renter
2 is or will be confined to remain within boundaries specified by the rental company unless
3 payment or an agreement relating to the payment of damages has been made by the renter;

4 (g) The charging of a renter more than a reasonable estimate of the actual income
5 lost for loss of use of a vehicle; and

6 (h) The charging of a renter more than actual towing charges.

7 **§ 121. Application of insurance laws.**

8 (a) None of the provisions of this chapter shall apply to the issuance of collision
9 insurance underwritten by an insurer authorized to transact property and casualty business
10 in the CNMI; provided that the insurer is not a rental company as defined in this chapter.

11 (b) A rental company and its agents shall not sell to offer or sell insurance in
12 connection with and incidental to rental agreements unless the rental company and its
13 agents are authorized by a certificate of authority or a license granted to them by the
14 Commonwealth Insurance Commissioner.

15 **§ 122. Exceptions to posting requirements.**

16 The posting requirements of Sections 114 and 118 of this chapter shall not apply to
17 a rental company who is a party to a commercial lease which prohibits all posting.

18 **§ 123. Rental agreements; unpaid traffic infractions.**

19 (a) Pursuant to CNMI law and except for summons, citations, or violations relating
20 to the care and maintenance of a rental motor vehicle, the rental company, as the registered
21 owner of the rental motor vehicle, may be responsible for fines, costs, penalties, fees, or
22 other charges related to traffic infractions of a motor vehicle while being leased or rented
23 to a renter.

24 (b) The rental company may adopt a policy of charging the renter the actual amount
25 paid for the traffic infractions to the court or other state government agency plus an
26 administrative fee not to exceed out-of-pocket expenses documented by receipts plus up to
27 four hours of work multiplied by CNMI's prevailing minimum wage relating to research of
28 files and communications with the court, governmental agencies and renter; provided that
29 every rental agreement of a rental company adopting the policy must disclose, at a

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1 minimum, in plain language and in at least ten-point bold typeface print:

2 (1) Notice to renter that the rental company will charge the renter for any
3 fine, fee, or cost paid by the rental company for a renter's unpaid traffic infraction
4 including charging the renter's credit card.

5 (2) The maximum estimated amount of the administrative fee to be charged
6 by the rental company; and

7 (3) Language encouraging the renter to pay directly to the court, county
8 government or other appropriate government agency the applicable fines, costs,
9 monetary assessments, penalties, fees, surcharges, or other charges.

10 **§ 124. Power and duties of the Secretary.**

11 The Secretary shall have the power and duty to adopt, amend, and repeal
12 regulations in accordance with the Administrative Procedure Act to carry out the purposes
13 of this chapter and to do all things necessary to carry out the functions, powers, and duties
14 set forth in this chapter.

15 **§ 125. Civil penalties.**

16 Any person who violates or attempts to violate any provision of this chapter shall
17 be deemed to have engaged in an unfair and deceptive act or practice in the conduct of
18 trade or commerce within the meaning of 4 CMC § 5105.”

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

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

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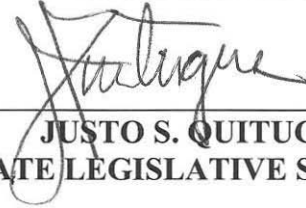
1 **Section 5. Effective Date.** This Act shall take effect upon its approval by the
2 Governor or becoming law without such approval.

CERTIFIED BY:



**ARNOLD I. PALACIOS
PRESIDENT OF THE SENATE**

ATTESTED BY:



**JUSTO S. QUITUGUA
SENATE LEGISLATIVE SECRETARY**

Approved this 21st day of September, 2018



**RALPH DLG. TORRES
Governor**

Commonwealth of the Northern Mariana Islands