



REMEDILO C. MAFNAS
SECRETARY

CONTACTS

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- *Banking / Insurance
☎ (670) 664-8020
- *One stop Center
☎ (670) 664-8018
- *Registrar of Corporation
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DIVISIONS

- *Alcohol Beverage & Tobacco Control
☎ (670) 488-1006
☎ (670) 488-2282
☎ (670) 285-1821 (hotline)
- *Central Statistics Division
☎ (670) 664-3023
- *Economic Development Division
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- *Enforcement & Compliance
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- *Workers Compensation Commission
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DEPARTMENT OF COMMERCE FISCAL YEAR 2024 CITIZEN CENTRIC REPORT (CCR)

MISSION STATEMENT

The mission of the Department of Commerce is to drive sustainable economic growth in the Commonwealth by ensuring the preservation of local businesses and fostering the development of new enterprises. We are committed to creating the necessary conditions for long-term success by enhancing the business environment, attracting strategic investments, and upgrading infrastructure. Through data-driven strategies, streamlined processes, and collaborative partnerships, we aim to build a thriving economy that generates jobs, promotes innovation, and adapts to evolving challenges. Our focus is on measurable outcomes that contribute to a robust and inclusive economic landscape for all.

The Department of Commerce was originally created under PL I-8 (codified as I CMC § 2451) and later modified or reorganized through Executive Order 94-2 and 94-3, Section 302, with the separation of Labor and Immigration from the former Department of Commerce and Labor.

OFFICE OF THE SECRETARY

The Office of the Secretary of Commerce is responsible for the stimulation, encouragement and regulation of private investment, planning, coordinating, and promoting economic policy decisions of the executive branch to enhance commerce within the CNMI through partnership with other government agencies, non-profit organizations, private sector associations, and other key partners including outside the CNMI.

DIVISION DIRECTORS

- ***DAVID R. MARATITA**
Director / Alcohol Beverage & Tobacco Control
- ***JUSTIN H. ANDREW**
Director / Central Statistics Division
- ***KIOSHI CODY**
Economic Development Division
- ***DAVID S. PALACIOS**
Director / Enforcement & Compliance Division
- ***FRANCISCO D. CABRERA**
Director / Workers Compensation Commission
- ***FRANCISCO D. CABRERA**
Acting Registrar of Corporation

"COMMITTED TO THE SUCCESS OF BUSINESSES IN THE CNMI"

ACCOMPLISHMENT

- Registrar of Corporation
 - Streamline Registration Process: Implementing efficient procedures to reduce the time it takes for businesses to register and obtain necessary licenses, enhancing overall customer satisfaction;
 - Developing resources that help businesses understand and comply with Registrar of Corporation requirements, leading to higher compliance;
 - Upgrading database systems for better tracking and management of corporation records, ensuring accuracy and accessibility of information;
 - Building strong relationships with business owners, Government agencies, and the public, to foster collaboration and communication;
 - Effectively handling challenges or crises that arise within the corporate sector, ensuring stability and trust in the registration process.
- Enforcement & Compliance
 - Continues to provide monitors all weights and measures activities of all businesses in the CNMI to include petroleum companies and taxi operators;
 - Continue to monitor reports from recycling companies pursuant to compliance requirements;
 - Continue collaboration and assistance to the islands of Tinian and Rota on all matters.
- Banking Section
 - Ensure that all banking operations comply with local regulations, thereby avoiding penalties and maintaining the institution's reputation;
 - Strategic vision in enhancing the banking institutions and customer relations.
- Insurance Section:
 - Continues to monitor solvency of admitted insurers and complies various reports and other filing requirements which are published in the Commissioners' Annual Report and serves as a resource for the industry, business community and consumers;
 - Published the 35th Annual Report of admitted insurers with exhibits of premiums and losses by lines of business for property and casualty company, life and health;
 - As a state member of the National Association of Insurance (NAIC) the Office of the Insurance Commissioner continues to engage and participate in emerging trends and issues with other state regulators, achieving the following fundamental insurance regulatory goals in a responsive, efficient and cost-effective manner.
- Economic Development
 - Attended the Western U.S. Agricultural Trade Association (WUSATA);
 - Discussions with the USDA FAS pertaining to the CNMI's trade barriers for preclusion from U.S. Free Trade agreements (Korea, Japan, Taiwan) Deputy Administrator of Programs. The discussion included opportunities and challenges regarding agriculture in the CNMI;
 - Sponsored two (2) small business owners under the SBA – State Trade Expansion Program (STEP) FY2022 award to attend the Foreign Trade Mega-show in Bangkok; Business owners had the opportunity to increase their exporting capabilities by connecting with foreign buyers, networking with suppliers and expanding their business acumen;
 - Government savings of \$15k on personnel/fringe expenses and added \$8k in indirect costs to the General Fund STEP;
 - Two (2) Successful Export Training Workshop to educate the community with creating an export plan, inclusive in marketing strategies;
 - Local Farmers Food Purchase (LFPA) awarded of \$410k and will continue until July 2025. A total amount of \$285k worth of local produce will be distributed to the underserved population.
- Central Statistics Division
 - 2024 CNMI Labor Force Survey – Completion date expected end of September 2024;
 - 2024 CNMI Prevailing Wage - Completed and can be accessed via Department of Commerce Webpage;
 - 2023 CNMI Census of Agriculture – Data collections on all three (3) Islands completed. The USDA will publish a report in the summer of Year 2025;
 - 2022 CNMI Economic Census- The Economic Census Report has been published. The Report can be found on the U.S. Census Bureau page: <http://www.census.gov/programs-surveys/economics-census/data/tables/island-areas.html>

- Alcohol Beverage & Tobacco Control
 - Continues to strengthened the control and distribution of alcohol and tobacco, leading to reduced underage access and consumption;
 - Fostered strong partnership with local law enforcement and community organizations to enhance compliance monitoring, leading to significant drop in violations related to alcohol and tobacco sales;
 - Issued [21] citations during the year, demonstrating our unwavering commitment to ensuring compliance and safety across various sectors in the licensed industries;
 - The enforcement team conducted [472] inspections during the year. These inspections were comprehensive, thorough, and aimed at upholding the highest standards of safety and compliance in our jurisdiction;
 - Conducted [194] certification training sessions and certified a total of [914] individuals in selling and serving alcohol and tobacco products responsibly during this year, ensuring our responsibility and commitment to protecting our economic resources and safeguarding our youth and community from the harms of alcohol and tobacco consumption and having safer streets.
 - Visited and conducted presentations at [2] public middle schools; conducted [2] community event outreaches during this year, reflecting our commitment of not only for the safety of our youth population but also giving back to the community.
- Workers' Compensation Commission
 - The WCC One-Stop Processing sections continues to provide efficient and effective public services; assistance with the WCC programs, Registrar of Corporations;
 - Continues to Certify Employers Business Licenses;
 - Continues to be vigilant with all businesses in addressing the requirements for workers' compensation insurance coverage;
 - Process and reviews all filed workers compensation claims and monitor benefits;
 - Recently completed draft to change claims benefit pursuant to P.L. 6-33 for the Secretary of Commerce approval;
 - Continues to monitor and reviews all license carriers with their SDF 2% quarterly filings;
 - Continues to provide public information and education about the WCC program.
 - Continues collaboration and assistance to the islands of Tinian and Rota on all related matter.

HIGHLIGHTS

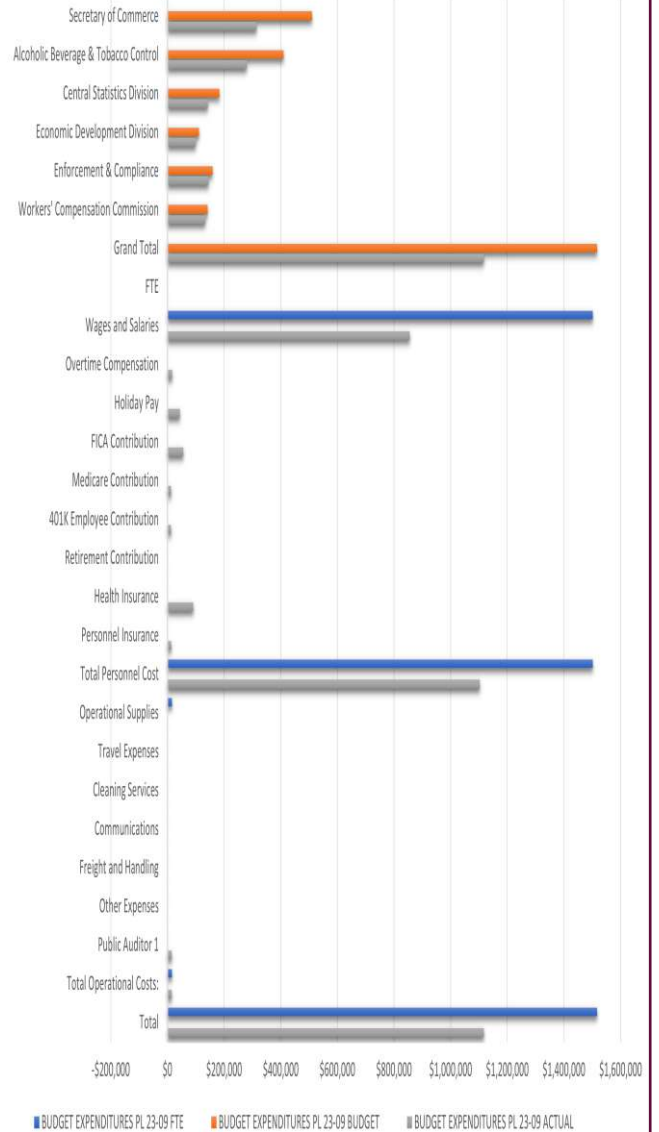
- Collaborated and assisted the Bureau of Economic Analysis in the publication of the CNMI Gross Domestic Product report for 2020 estimates;
- Successfully published the NMI 2023 Prevailing Wage Study Report;
- Assisted the Census Bureau launch the Economic Census
- Collaborated with the U.S. Census Bureau for the release of the Demographic & Housing Characteristics File report;
- Successfully Published the NMI 2024 Prevailing Wage Study Report;
- Successfully Completed data collection for Census of Agriculture on Saipan, Rota and Tinian;
- Assisted the U.S. Census Bureau in the Data Review and publication of the CNMI Economic Census Report;
- Successfully launched and conducted the CNMI 2024 Labor Force Survey on Saipan, Rota and Tinian
- The additional goal of the LFPA is to foster a new generation of farmers to strengthen the local food supply chain;
- Paid out \$175k in produce sales to farmers directly, supporting DLNR agriculture efforts.
- Economic Development Division, competed nationally and was awarded 1 of 65 highly-sought Economic Recovery Corps (ERC) Fellows. The contract is for 30 months which started February 2024.
- Successful collaboration with the CNMI Drug Enforcement Task Force and CNMI Revenue Collection Task Force

BUDGET EXPENDITURES

| Detail Allocation of Budget and Actual Expenditures by Division | PL 23-09 | | |
|---|-----------|------------------------|------------------------|
| | FTE | BUDGET | ACTUAL |
| Secretary of Commerce | 13 | \$ 510,341.00 | \$ 314,536.85 |
| Alcoholic Beverage & Tobacco Control | 18 | \$ 410,385.00 | \$ 280,288.50 |
| Central Statistics Division | 6 | \$ 183,843.00 | \$ 142,710.02 |
| Economic Development Division | 3 | \$ 111,416.00 | \$ 100,350.73 |
| Enforcement & Compliance | 5 | \$ 159,350.00 | \$ 145,412.46 |
| Workers' Compensation Commission | 4 | \$ 142,011.00 | \$ 134,161.38 |
| Grand Total | 49 | \$ 1,517,346.00 | \$ 1,117,459.94 |

| Detail Allocation of Budget and Actual Expenditure | PL 23-09 | |
|--|------------------------|------------------------|
| | rev-BUDGET | ACTUAL |
| FTE | 49 | 38 |
| Wages and Salaries | \$ 1,501,559.00 | \$ 855,656.61 |
| Overtime Compensation | \$ - | \$ 16,941.26 |
| Holiday Pay | \$ - | \$ 43,630.37 |
| FICA Contribution | \$ - | \$ 56,358.15 |
| Medicare Contribution | \$ - | \$ 12,804.19 |
| 401K Employee Contribution | \$ - | \$ 12,628.98 |
| Retirement Contribution | \$ - | \$ - |
| Health Insurance | \$ - | \$ 90,921.75 |
| Personnel Insurance | \$ - | \$ 13,735.19 |
| Total Personnel Cost | \$ 1,501,559.00 | \$ 1,102,676.50 |
| Operational Supplies | \$ 15,787.00 | \$ 52.00 |
| Travel Expenses | \$ - | \$ (442.00) |
| Cleaning Services | \$ - | \$ - |
| Communications | \$ - | \$ - |
| Freight and Handling | \$ - | \$ - |
| Other Expenses | \$ - | \$ - |
| Public Auditor 1 | \$ - | \$ 15,173.44 |
| Total Operational Costs: | \$ 15,787.00 | \$ 14,783.44 |
| Total | \$ 1,517,346.00 | \$ 1,117,459.94 |

BUDGET EXPENDITURES



PERFORMANCE INDICATORS

| SERVICES | FY 22 | | FY 23 | | FY 24 | |
|--------------------------------------|---------------|-----------------------|--------------|-----------------------|---------------|---------------------|
| | ACTIVITIES | REVENUES | ACTIVITIES | REVENUE | ACTIVITIES | REVENUE |
| Alcoholic Beverage & Tobacco Control | 2,790 | \$213,225.00 | 1959 | \$250,455.00 | 2,291 | \$229,889.00 |
| Banking | 123 | \$19,204.00 | 160 | \$24,550.00 | 365 | \$21,449.00 |
| Enforcement & Compliance | 555 | \$40,904.00 | 483 | \$45,374 | 546 | \$35,757.00 |
| Office of the Insurance Commissioner | 806 | \$35,350.00 | 767 | \$33,400.00 | 929 | \$31,525.00 |
| Registrar of Corporation | 4,844 | \$671,806.00 | 3290 | \$571,316.33 | 4,053 | \$545,866.96 |
| Workers' Compensation Commission | 4,345 | \$47,154.00 | 6345 | \$53,316.00 | 4,243 | \$45,000.00 |
| Rota - Commerce | 259 | \$13,915.00 | 531 | \$10,010.00 | | |
| Tinian - Commerce | 0 | \$14,855.00 | 250 | \$21,490.00 | 370 | \$47,165.00 |
| TOTAL | 13,722 | \$1,056,413.00 | 13785 | \$1,009,911.33 | 12,797 | \$956,651.96 |

| SERVICES | FY 22 ACTIVITIES | FY 23 ACTIVITIES | FY 24 ACTIVITIES |
|-------------------------------|------------------|------------------|------------------|
| Central Statistics Division | 123 | 153 | 167 |
| Economic Development Division | 71 | 59 | 175 |
| TOTAL | 194 | 212 | 342 |

PERFORMANCE INDICATORS

