

TITLE 1: GOVERNMENT
DIVISION 7: PLANNING, BUDGETING AND AUDITING

§ 7206. Budget Preparation.

(a) Each government corporation as defined by [1 CMC § 7103\(n\)](#), autonomous agency, and regulatory agency shall prepare annually a business-type budget program which shall be submitted to the Governor or his designee under such rules and regulations as the office of the Governor may establish as to the date of submission, the form and content, the classification of data, and the manner in which such budget shall be prepared and presented. The budget program shall be a business-type budget, or plan of operations, with due allowance given to the need for flexibility, including provision for emergencies and contingencies, in order that the corporation or agency may properly carry out its activities as authorized by law.

(b) The budget program shall contain estimates of the financial condition and operations of the corporation for the current and proposed budget year and the actual condition and results of operation for the last two completed fiscal years. This budget program shall include a statement of financial condition, a statement of income and expense, an analysis of surplus or deficit, a statement of changes in financial position, and such other supplementary statements and information as necessary or desirable to make known the financial condition and operations of the corporation. Such statements shall include estimates of operations by major types of activities in a form similar to that required by [1 CMC § 7202\(d\)](#) for Commonwealth agencies, together with estimates of administrative expenses, estimates of borrowings, and estimates of the amount of government capital funds which shall be returned to the treasury during the fiscal year or the appropriations required to provide for the restoration of capital improvements. Such statements shall be prepared in accordance with generally accepted governmental accounting, auditing, and financial reporting standards.

(c) Except for the Marianas Public Land Trust, the budget programs of each government corporation or agency shall be transmitted to the legislature for approval, rejection, or modification as a part of the annual budget submission.

(d) Government corporations shall not be subject to the other sections of this part, unless a specific intent indicates otherwise.

(e) For the purposes of this section, autonomous agency and regulatory agency includes the Commonwealth Development Authority, the Commonwealth Public Utilities Commission, and the Commonwealth Gaming Commission.

(f) Failure of government corporations including the Marianas Public Land Trust, autonomous agencies, and regulatory agencies to timely submit their annual budget to the office of the Governor as mandated by subsection (a) shall be subject to a fine of \$5,000 which shall be paid to the CNMI Treasury.

Source: [PL 3-68](#), § 206; amended by [PL 6-5](#), § 318, modified; amended by [PL 20-15](#) § 3 (Sept. 26, 2017), modified.

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Commission Comment: The Commission inserted serial commas in (a) and (e), and struck “of this section” after “subsection (a)” and “.00” from “\$5,000.00” in (f) pursuant to [1 CMC § 3806](#)(g).