

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

§ 7303. DPW Technical Services Division Third Senatorial District Local CIP Funding.

(a) Notwithstanding any provision of law, the Director of the TSD is authorized to use five percent of the total funds allocated for each locally appropriated capital improvement project in the Third Senatorial District, provided that such allocation of funds per project is limited to \$15,000 regardless of the project amount. Funds allocated from each project shall be strictly for administrative costs such as copying costs, copying equipment, certification costs, advertisements, architectural and engineering design, and other costs that are directly related to the specific project except for the hiring of personnel and travel. Such fund allocations shall be continuous and without further legislative appropriations.

(b) The Director of the Technical Services Division at DPW shall be the expenditure authority of these funds in consultation with the Secretary of DPW. The Director with the concurrence of the Secretary shall prepare and provide an annual report at the end of October of every year detailing the expenditures of the allocated funds per project to the Secretary of Finance and to the Chairman of the Saipan and Northern Islands Legislative Delegation. The Secretary of Finance shall prohibit the allocation and expenditure of such funds for failure to comply with the reporting requirements herein. Any lapses or fund balances at the end of the fiscal year shall be returned to its respective capital improvement project account.

(c) The allotted funds under this Act shall not be reprogrammed for purposes other than what is set forth under this Act.

Source: [SLL 15-25](#), §§ 2, 3, 4; [SLL 19-10](#) § 2 (Oct. 27, 2015); (a) amended by [SLL 19-22](#) § 2 (Aug. 9, 2016).

Commission Comment: [SLL 15-25](#) was enacted on August 30, 2007, and contained the following findings and purpose, in addition to severability and savings clause provisions:

Section 1. Findings and Purpose. The Saipan and Northern Islands Legislative Delegation (SNILD) finds that the Technical Services Division (TSD) of the Department of Public Works (DPW) does not have the necessary funds to financially support the administrative costs of the Third Senatorial District locally appropriated capital improvement projects. The associated costs for the TSD per project include copying costs, certification costs, advertisements, and other directly related expenses. The SNILD also finds that it is imperative that the TSD continues to proceed with its projects in order to stimulate economic activity and to complete these critical civic projects on a timely manner for the benefit of the community. The SNILD further finds that as the operations budget of the TSD decreases along with other governmental departments and agencies, that its work is hindered by its inability to pay for the associated costs of engaging any locally appropriated project.

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DIVISION 7: PLANNING, BUDGETING AND AUDITING

The purpose of this Act is to make available funding to the TSD to ensure that the Third Senatorial District locally appropriated capital improvement projects are undertaken and completed without any delays.

In addition to severability and savings clauses [SLL 19-10](#) contained the following Findings and Purpose section:

Section 1. Findings and Purpose. The Saipan and Northern Islands Legislative Delegation finds that the Technical Services Division (TSD) of the Department of Public Works did not have the necessary funds to financially support the administrative costs of the Third Senatorial District's locally appropriated capital improvement projects CIP.

[Saipan Local Law 15-25](#) was enacted which granted the Director of the TSD the authority to use two percent of the total funds allocated for each locally appropriated capital improvement project in the Third Senatorial District over \$50,000, provided that such allocation of funds per project was limited to \$10,000 regardless of the project amount. The hurdle is that majority of the projects fall under the \$50,000 dollar mark. Department of Public Works (DPW) end result is zero collection. DPS is not able to collect the two percent and would have to rely on collections from other projects that are above \$50,000 which is seldom and rare.

The Saipan and Northern Islands Legislative Delegation finds that the two percent of the total funds allocated is not enough to sustain capital improvement projects. This percentage inadequately copes with the costs associated with the processing of such projects.

In addition, the Delegation finds that to be able to competently deal with all project necessities and ensure that projects are undertaken without any delays the threshold of \$50,000 should be reduced to not less than \$5,000, thus enhancing the ability to the TSD to fully implement capital improvement project plans.