

AN ACT

To amend 4 CMC §8131 to add the Director of the Department of Finance and the Special Assistant to the Governor for Planning and Budgeting as two additional members of the Board of Directors of the Commonwealth Utilities Corporation; and for other purposes.

BE IT ENACTED BY THE NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

1 Section 1. Findings. The Legislature finds that the
2 Commonwealth Utilities Corporation (CUC) is an autonomous
3 agency of the CNMI government and has the duty to become
4 financially independent of all appropriations by the
5 Legislature. The Legislature further finds that CUC must
6 administer delivery of public utilities to the people of the
7 Commonwealth in the most economic and efficient means
8 available at a fair and rational fee. The Legislature further
9 finds that due to many factors the goal of becoming
10 financially independent has yet to be achieved and that CUC
11 has been forced to seek financial aid from the Legislature to
12 ward off eminent crises. The Legislature finds that often
13 such crisis may have been averted had prior action been
14 pursued with complete participation of all CUC board members.

15 Section 2. Purpose. It is the purpose of this bill, to
16 make the Director of the Department of Finance and the Special
17 Assistant to the Governor for Planning and Budgeting permanent
18 members of the Board of Directors of CUC. These two
19 additional members shall serve as a direct link between the
20 Executive Branch and CUC in order to effectively monitor any
21 possible financial difficulties which may arise at the
22 earliest possible time.

1 Section 3. Amendment. 4 CMC 58131 is hereby amended as
2 follows:

3 "§8131. Board of Directors: Established.

4 (a) The Corporation shall be governed by a Board of
5 Directors. The Board shall be composed of nine members.
6 The Director of the Department of Finance and the Special
7 Assistant to the Governor for Planning and Budgeting
8 shall be ex official members having the same power and
9 authority as the other board members and the remaining
10 seven members shall be appointed by the Governor and
11 confirmed by the Senate. Each of the appointed members
12 shall have at least five years of managerial or financial
13 experience in business, finance or utility services. 1
14 CMC, Division 2, Part 2 is applicable to this Board.

15 (b) The appointed members shall serve a term of
16 four years with the initial term of the first members to
17 be staggered upon drawing of lots. Each appointed member
18 replacing an appointed Board member after his original
19 term shall have a four year term.

20 (c) The appointed members shall receive such
21 compensation as is provided by law.

22 (d) The Board shall elect its officers from among
23 its members and establish its rules of procedures.

24 (e) Appointed members shall be reimbursed for
25 reasonable and necessary expenses at established

1 Commonwealth government rates for meetings actually
2 attended. Rules on travel and per diem rates shall be
3 the same as those established for the Executive Branch.

4 (f) The Governor may remove an appointed member for
5 gross neglect or dereliction of duty, breach of fiduciary
6 duty, conviction of a felony, or mental or physical
7 incapacity. Any vacancy caused by death, resignation,
8 removal or otherwise shall be filled for a new four year
9 term in the same manner as the original appointment. The
10 Board may remove any member for missing three consecutive
11 meetings or other frequent absences without the prior
12 written approval of the Chairman. Upon resignation,
13 removal, or expiration of the term of appointment, the
14 member shall cease to sit on the Board and shall not be
15 included in a quorum count."

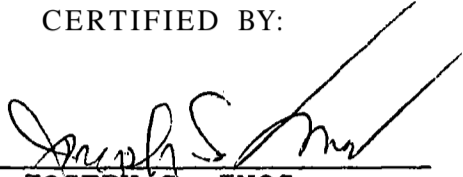
16 Section 4. Amendment. 4 CMC §8132(c) is hereby amended
17 as follows:

18 "(c) The presence of four members shall constitute
19 a quorum for the transaction of business at any Board
20 meeting."

21 Section 5. Severability. If any section of this Act
22 should be declared invalid or unenforceable by a court of
23 competent jurisdiction, the judicial determination shall not
24 affect the validity of the Act as a whole, other than the
25 particular part declared invalid or unenforceable.

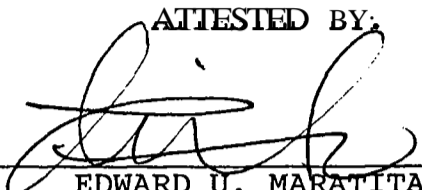
1 Section 6. Effective Date. This Act shall take effect
2 upon its approval by the Governor or upon its becoming law
3 without such approval.

CERTIFIED BY:




JOSEPH S. INOS
President of the Senate

ATTESTED BY:



EDWARD U. MARATITA
Senate Legislative Secretary

Approved this 20th day of FEB., 199²



LORENZO I. DE LEON GUERRERO
Governor
Commonwealth of the Northern Mariana Islands