

NINTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

THIRD REGULAR SESSION, 1995

H. B. NO. 9-358, H. D. 4

AN ACT

To make appropriations for the operations and activities of the Government of the Commonwealth of the Northern Mariana Islands, its agencies, instrumentalities and independent programs and to provide budget authority for Government Corporations for Fiscal Year 1995; and for other purposes.

BE IT ENACTED BY THE NINTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

Section 101. Short Title. This Act may be cited as the “Appropriations and Budget Authority Act of 1995”.

Section 102. Purpose. This Act appropriates local funds for the operations and activities of the Government of the Northern Mariana Islands, its agencies, instrumentalities and independent agencies, and political subdivisions, and provides budget authority for government corporations, for Fiscal Year 1995 commencing October 1, 1994, and ending September 30, 1995.

Section 103. Definitions. As used in this Act:

- (a) Government of the Commonwealth of the Northern Mariana Islands includes:
 - (1) Legislative Branch, which includes the following:
 - (A) Senate
 - (B) House of Representatives
 - (C) Legislative Bureau
 - (2) Judiciary Branch, which includes the following:
 - (A) Supreme Court
 - (B) Superior Court
 - (C) Law Revision Commission
 - (3) Executive Branch, which includes the following departments and offices:
 - (A) Office of the Governor

- (B) Office of the Attorney General
- (C) Department of Community and Cultural Affairs
- (D) Department of Public Works
- (E) Department of Commerce
- (F) Department of Public Safety
- (G) Department of Finance
- (H) Department of Public Health Services
- (I) Department of Lands and Natural Resources
- (J) Department of Labor and Immigration

(4) Office of the Resident Representative to the United States

(5) First Senatorial District (the senatorial district of Rota) which includes

the following government offices and resident departments:

- (A) Office of the Mayor
- (B) Office of the Municipal Council
- (C) Office of Women's Affairs
- (D) Office of Personnel
- (E) Resident Department of Community and Cultural Affairs
- (F) Resident Department of Public Works
- (G) Resident Department of Finance
- (H) Resident Department of Public Health Services
- (I) Resident Department of Lands and Natural Resources
- (J) Resident Department of Public Safety
- (K) Resident Department of Commerce
- (L) Resident Department of Labor and Immigration

(6) Second Senatorial District (the senatorial district of Tinian and Aguiguan)

which includes the following governmental offices and resident departments:

- (A) Office of the Mayor
- (B) Office of the Municipal Council
- (C) Office of Women's Affairs
- (D) Office of Personnel

- (E) Resident Department of Community and Cultural Affairs
- (F) Resident Department of Public Works
- (G) Resident Department of Finance
- (H) Resident Department of Public Health Services
- (I) Resident Department of Lands and Natural Resources
- (J) Resident Department of Public Safety
- (K) Resident Department of Commerce
- (L) Resident Department of Labor and Immigration

(7) Third Senatorial District (Senatorial District of Saipan and the Northern Islands) which includes the following governmental offices:

- (A) Mayor of Saipan
- (B) Mayor of the Northern Islands
- (C) Saipan Municipal Council

(8) All government corporations, as defined in 1 CMC §7103(n), for which budget authority is herein provided including the following:

- (A) Commonwealth Utilities Corporation
- (B) Mariana Islands Housing Authority
- (C) Commonwealth Ports Authority
- (D) Commonwealth Development Authority
- (E) Northern Marianas Retirement Fund

(9) All other public and quasi-public entities, boards or commissions incorporated or established pursuant to the Commonwealth Constitution or Commonwealth law and including the following agencies and instrumentalities;

- (A) Alcoholic Beverage Control Board
- (B) Board of Elections
- (C) Board of Parole
- (D) Board of Professional Licensing
- (E) Chamorro and Carolinian Language Commission
- (F) Civil Service Commission
- (G) Northern Marianas College

(H) Public School System

(I) Worker's Compensation Commission

(b) "Independent programs" means those non-profit corporations and associations or organizations established outside of the Government of the Commonwealth of the Northern Mariana Islands to which the Commonwealth Government provides financial assistance such as the:

- (1) Agricultural Fair
- (2) American Red Cross, CNMI Chapter
- (3) APIL
- (4) APPU
- (5) CNMI Flame Tree Arts Festival
- (6) Covenant Section 902 Consultation
- (7) Criminal Justice Planning Agency (CJPA)
- (8) Developmental Disabilities Planning Agency
- (9) Ground Management Protection Act.
- (10) Joeten/Kiyu Public Library
- (11) Karidat (Marianas Bound)
- (12) Micronesian Legal Services Corporation
- (13) National Council of State Legislatures
- (14) National Governors Association
- (15) NMI OICC
- (16) NM Protection & Advocacy Program
- (17) Pacific Basin Development Council
- (18) Retirement Pension
- (19) Retirement PL 5-3
- (20) Retirement PL 7-39
- (21) South Pacific Commission
- (22) Youth Congress

(c) "Local funds" means locally generated revenues and revenues received pursuant to Section 702(a) of the Covenant.

(d) "Operations" means appropriations for all lawful activities other than personnel.

(e) "Personnel" means appropriations for the salaries, employer's contribution to the Northern Marianas Retirement Fund, overtime, night differential, hazardous pay and other employee wages and benefits.

(f) "Position" or "Full Time Equivalent" (FTE) means full time employment position.

CHAPTER II. ESTIMATED REVENUES

Section 201. Estimated Revenues.

a) Local Funds:

- 1) Internal Revenues (per Governor's Communication dated 1/18/95).....\$183,777,900 ¹
- 2) Covenant Funds (Operations).....-0-
Total Local Funds.....\$183,777,900
- 3) Non-Resident Workers Fee Fund (Public Law 5-32).....2,000,000
- 4) Division of Public Land.....\$4,598,700²

b) Less: Monies already appropriated by P.L. 9-19 (Judicial Appropriation Act).....(\$4,680,200)

c) Total Local Revenue and Resources available for appropriation.....\$185,696,400

CHAPTER III. APPROPRIATIONS

Section 301. Appropriations for all Activities of the Government of the Northern Mariana Islands. Funds for the programs and activities of the Government of the Commonwealth of the Northern Mariana Islands are hereby appropriated as per the attached appropriation and personnel worksheets, which are incorporated by reference in this Act. The FTEs identified are the maximum number of positions approved and authorized and shall not be exceeded unless authorized in accordance with Article X, Section 7 of the Commonwealth Constitution.

CHAPTER IV. - BUDGET ADOPTION

This total amount is inclusive of \$2,680,000 transferred from the Non Resident Worker Fee Fund (P.L. 5-32) which is hereby amended accordingly for Fiscal Year 1995.

Land permits and fees, including monies from the leasing of public lands.

Section 401. Government Corporations. Pursuant to 1 CMC Section 7206, budget authority for the following activities is hereby approved. Expenditures in excess of the budget authority approved herein for agencies to which public funds are appropriated shall not be incurred or committed, and FTE ceilings approved shall not be exceeded without specific approval of the Legislature by joint resolution in accordance with Article X, Section 7 of the Commonwealth Constitution.

	<u>ACTIVITIES</u>	<u>FTE</u>	<u>PERSONNEL</u>	<u>OPERATIONS</u>	<u>TOTAL</u>
1.	CUC	271	\$8,445,900	\$25,910,500	\$34,356,400
2.	MIHA	20	720,010	1,632,274	2,352,284
3.	CPA	187	5,424,850	5,949,026	11,373,876
4.	CDA	15	809,000	673,500	1,482,500
5.	NMRF	25	880,300	15,738,100	16,618,400
Grand Total:		<u>5181</u>	<u>6,280,060</u>	<u>49,903,400</u>	<u>66,183,460</u>

CHAPTER V. ADMINISTRATION OF APPROPRIATED FUNDS

Section 501. Administrative Guidelines. The funds available for appropriation under Chapter II of this Act shall be distributed and allotted by the Office of Management and Budget in accordance with the expenditure Class Code approved in the individual activities' budget worksheets which are attached hereto. The funds appropriated shall be allotted at the beginning of each quarter to each budget activity at a rate not to exceed twenty-five percent (25%) of the amount appropriated, except:

(a) Quarterly Allotments in Excess of Twenty-Five Percent (25%). The following governmental officials may approve a quarterly allotment in excess of the twenty-five percent (25%) of the total approved operation budget, and the Office of Management and Budget shall authorize the allotment to the expenditure authority consistent with the nature and need of the activity:

- (1) The Speaker of the House in the case of the House of Representatives;
- (2) The President of the Senate in the case of the Senate;
- (3) The Chief Justice of the Supreme Court in the case of the Judicial Branch;
- (4) The Governor in the case of the Executive Branch;

(5) The Resident Representative in the case of the Office of the Resident Representative to the United States;

(6) The President of the College, with the written approval of the Board of Regents, in the case of the Northern Marianas College; and

(7) The Commissioner of Education, with the written approval of the Board of Education, in the case of the Public School System.

(b) Quarterly Allotments Under Continuing Resolution. Consistent with the nature and need of each activity, the following government officials may approve a quarterly allotment in excess of the twenty-five percent (25%) authorized in accordance with the provisions of 1 CMC Subsection 7204(d):

(1) The Speaker of the House in the case of the House of Representatives;

(2) The President of the Senate in the case of the Senate;

(3) The Chief Justice of the Supreme Court in the case of the Judicial Branch;

(4) The Resident Representative in the case of the Office of the Resident Representative to the United States; and

(5) The Governor in the case of the Executive Branch.

(6) The President of the College, with the written approval of the Board of Regents, in the case of the Northern Marianas College

(7) The Commissioner of Education, with the written approval of the Board of Education, in the case of the Public School System.

Section 502. Appropriation and Personnel Worksheets. Unless otherwise provided in this Act, the funds appropriated pursuant to Section 301 hereof shall be expended in compliance with the appropriation and personnel worksheets attached hereto and incorporated by reference herein, and in accordance with the fiscal authority the listed agencies have pursuant to statute and the administrative provisions of this act.

Section 503. Payment of Commonwealth Utilities Corporation Charges. The cost of utilities shall be paid by each individual agency out of the total amount appropriated to such agency in this Act. Since these utility services were previously provided gratuitously, accurate estimates of actual costs are not feasible, and the amounts allocated in the budget worksheets are therefore speculative. Accordingly, transition to a payment system necessitates flexibility in the manner that agencies may

satisfy this new obligation. Therefore, solely for the purposes of paying CUC charges, and notwithstanding any other provision to the contrary herein or in existing law, governmental agencies are authorized to use funds allocated to other line items in their budgets to pay CUC charges. In addition, in accordance with the reprogramming authority set out in Section 509 (c) of this Act, the Governor may, but is not obligated to, reprogram funds to pay for utilities for any governmental building if the entity occupying such building lacks sufficient funds to cover the full cost of the CUC charges.

Section 504. Legislative Budget Authority. The budget authority for funds appropriated to the Legislature shall be vested in the Senate President for funds allocated to the Senate, and in the Speaker of the House for funds allocated to the House of Representatives. The President of the Senate shall allocate the \$1,400,000 appropriated to the Senate in accordance with the Senate's Official Rules of Procedure and shall cause the establishment of allotted accounts over which each individual senator shall have expenditure authority. The Speaker of the House shall allocate funds for the House of Representatives among its members and shall cause the establishment of allotment accounts over which the individual representatives shall have expenditure authority. Provided, however, that each Minority member of the House shall be allocated not less than \$50,000 exclusive of that member's salary; and provided further that the remainder of the fund appropriated for operations and activities of the House of Representatives shall be divided equally among the members of the House. The spending authority for the Legislative Bureau shall be vested in the Director of the Bureau. Funds appropriated to the Legislative Bureau shall not be expended other than for the activities and operations of the Legislative Bureau.

Section 505. Legislative Staff Exemption. Legislative staff employed by individual legislator may be compensated out of each legislator's allotment share, or out of any joint account established by several legislators, derived from the funding appropriated to the Legislature in accordance with Article II, Section 16 of the Constitution. The restriction on reprogramming from operations to personnel pursuant to 1 CMC Section 7402(c)(3) shall not be applicable to the personnel costs associated with employing such staff.

Section 506. Expenditure of Appropriated Funds. The funds appropriated pursuant to this Act shall be expended by the expenditure authority provided in 1 CMC Section 7401(a) (b), (c) (4) and (d) through (r), and 3 CMC Section 1323(c) except as provided below:

(a) The Mayor and the Chairmen of the Municipal Councils of the respective Senatorial Districts shall have the expenditure authority for appropriations for their respective offices.

(b) For the Public School System, expenditure authority shall rest with the Commissioner of Education, or his designee, for all funds appropriated for administration. Expenditure authority for funds appropriated to the Board of Education shall rest with the Chairman of the Board. The principals of each school in all three senatorial districts shall be vested with expenditure authority for the funds appropriated to each of their respective schools. The school principals shall reprogram funds only in consultation with the Commissioner of Education.

(c) For the Covenant Section 902 Consultations, expenditure authority shall rest with the Chairman of the Special Representatives to the 902 Consultations.

(d) For the Ground Water Management and Protection Act Fund, the Chief of the Division of Environmental Quality shall have the expenditure authority.

(e) For the CNMI Flame Tree Arts Festival, expenditure authority shall rest with the Executive Director of the Commonwealth Council for Arts and Culture.

(f) For the Junior Reserve Officer Training Corps (JROTC), expenditure authority shall rest with the Commissioner of Education or his designee.

(g) For the NM Protection and Advocacy Program, expenditure authority shall rest with the President of the Board of Directors or her designee.

(h) For the Youth Congress, the expenditure authority shall rest with the Speaker of the Youth Congress with the concurrence of the Director of the Legislative Bureau.

(i) For the APIL, the expenditure authority shall rest with the Secretary of the Department of Finance.

(j) For the APPU, the expenditure authority shall rest with the Secretary of the Department of Finance.

(k) For the Developmental Disabilities Planning Agency, the expenditure authority shall rest with the Executive Director of the Agency.

(l) For the Marianas Bound (KARIDAT), the expenditure authority shall rest with President of the Board of Directors.

(m) For the Micronesian Legal Services Corporation, the expenditure authority shall rest with the Executive Director of the Micronesian Legal Services Corporation.

(n) For Executive Branch expenditures for operations in the Second Senatorial District, the Mayor of Tinian and Aguiguan, subject to the consent of the Tinian Legislative Delegation.

(o) For all government agencies receiving appropriated funds for personnel or staff housing, administrative authority over housing and expenditure authority over housing funds, including but not limited to approval of lease agreements, shall rest with the appropriate agency officials designated by law as having expenditure authority.

Section 507. Appropriation Provisions.

(a) \$13,000 is appropriated to the Tinian Little League Baseball Association. Funds appropriated to the Association shall be expended for teams' and officials' travel, ground transportation, food, lodging, supplies, equipment and other related needs of the Association under the expenditure authority of the Resident Director of Community and Cultural Affairs.

(b) \$13,000 is appropriated to the Rota Little League Baseball Association. Funds appropriated to the Association shall be expended for teams' and officials' travel, ground transportation, food, lodging, supplies, equipment and other related needs of the Association under the expenditure authority of the Resident Director of Community and Cultural Affairs.

(c) \$23,125 is appropriated to the Saipan Little League Baseball Association. Funds appropriated for the Association shall be expended for teams' and officials' travel, ground transportation, food, lodging, supplies, equipment, uniforms and other related needs of the Association, under the expenditure authority of the District Administrator. Allocation of funds to the Little League, the Senior League and the Big League shall be determined by the District Administrator.

(e) \$1,000 is appropriated for the CNMI Boy Scouts for the purchase of supplies and materials under the expenditure authority of the Scouts Coordinator.

(f) \$1,000 is appropriated for the CNMI Girl Scouts for the purchase of supplies and materials under the expenditure authority of the Scouts Coordinator.

(h) \$518,800 is appropriated out of the Non-Resident Worker Fee Fund to the Department of Labor and Immigration for the Commonwealth wide enforcement of the

Nonresident Workers Act in addition to the \$60,000 mandated by 3 CMC section 4424 (c) (1) for a total of \$578,800, under the expenditure authority of the Secretary of Labor and Immigration. An additional \$25,000 each is mandated for Tinian and Rota by 3 CMC section 4424 (c) (1). Expenditure authority of these funds for the island of Rota shall rest with the Resident Director of Labor and Immigration. Expenditure of these funds for the island of Tinian shall rest with the Mayor of Tinian. These appropriations and administrative provisions are made notwithstanding the provisions of 3 CMC Section 4424(c) (1) which is amended accordingly for Fiscal Year 1995.

(j) \$251,300 is appropriated to the Joeten-Kiyu Library Council as a lump sum grant for the operations, activities, including personnel costs, of the Joeten-Kiyu Public Library. Expenditure authority for these funds shall rest with the Chairman of the Joeten-Kiyu Library Council or his designee.

(k) \$350,000 is appropriated to Class Code 6535 (Judgments Against the Government) for the Office of the Attorney General. Expenditure authority for these funds shall rest with the Secretary of the Department of Finance.

(l) \$150,000 is transferred from the amount allocated to the Marianas Visitors Bureau for object class code 6211 (Advertising) to the Office of the Washington Representative of which (a) \$30,000 shall be appropriated for professional services, and (b) \$120,000 for the hiring of three additional FTEs.

(m) \$23,000 is appropriated to the Micronesian Legal Services in addition to the \$150,000 shown on the worksheets.

(n) \$40,000 is appropriated to the Association of Pacific Island Legislatures.

(o) \$4,500 is appropriated to reimburse medical expenses incurred by Ignacia Taisakan.

(p) \$2,500 is appropriated to reimburse medical expenses incurred by Joaquina T. Mendiola.

(q) \$4,000 is appropriated to pay 94/95 membership dues in the Western Legislative Conference.

(r) \$4,000 is appropriated to pay 95/96 membership dues in the Western Legislative Conference.

(s) \$33,075 is appropriated to CJPA for personnel costs for the employment of Harry C. Blanco.

(t) \$2,000 is appropriated to CJPA for dues and subscription costs.

(u) \$43,629 is appropriated to reimburse medical expenses incurred by Julian Concepcion.

(v) \$14,771 is appropriated to reimburse medical expenses incurred by Jennifer Tkel.

Section 508. Management of Funds. The Secretary of Finance shall regulate and control the expenditure of Public Funds that are appropriated and allocated by this Act, so that no activity may expend appropriated funds contrary to the law or fiscal management policies and practices of the Commonwealth.

Section 509. Reprogramming of Funds. Reprogramming of funds appropriated under this Act shall be in accordance with 1 CMC, Section 7402 except as follows:

(a) Except pursuant to subsection (c) of this section, reprogramming is not authorized on funds appropriated under expenditure class codes 6222, 6223, 6226, 6404, 6405, 6406, 6430, 6431, 6440, 6450, 6451, 6535, 6540 and any expenditure line item included in the detailed budget worksheets and not assigned specific class codes.

(b) Notwithstanding the reprogramming restrictions of 1 CMC Section 7402 (c) (3), funds appropriated under this Act for housing rental (Class Code 6222) and housing allowance (6120) may be used interchangeably. Affected offices and activities are encouraged to utilize the housing allowance method to fulfill their employees' housing requirements.

(c) Notwithstanding any provisions of this act or of existing statute(s), in the fourth quarter of FY 1995 (i.e., beginning July 1, 1995 and ending on September 30, 1995) the Governor is hereby authorized to reprogram up to but not more than 50% of the total unexpended and unobligated funds appropriated to the Executive Branch pursuant to this Act.

Section 510. Salary Adjustment. No employee shall receive a retroactive salary adjustment for any period earlier than thirty (30) days prior to the effective date of this Act. This limitation shall not be applicable to civil service within-grade increases.

Section 511. Lateral Transfer. An employee moving from one position to another position within the same pay level, shall be paid at the same pay level and step as the former position and be treated as a lateral transfer, not as a promotion.

Section 512. Repealer and Amendment. 1 CMC, Division 8, subsections 8324(b)(2), (3), and (4) and subsections 8326(b) and (c) are hereby permanently repealed and new subsections 1 CMC Section 8327(c) and (d) are added to read as follows:

“Section 8327(c). Any member who has paid employer’s contribution pursuant to former subsections 8324(b), (3), (4) and former subsections 8326(b) and (c) shall not be required to make any future contributions based on the employer’s rate pursuant to these former subsections upon the effective date of this subsection; furthermore, any member who has paid any employer’s contributions pursuant to these subsections prior to the effective date of this act, shall receive a refund of such contributions within one year from the effective date of this subsection.

Section 8327(d). All such contributions due or to be refunded shall be included as a liability of the CNMI Government. The Administrator of the Fund shall notify the Governor, the Speaker of the House of Representatives, and the President of the Senate of the cost impact to the government of this subsection not later than sixty (60) days after the effective date of this Act.”

Section 513. Amendment. The appropriate subsections of 1 CMC Section 8245 are hereby permanently amended to increase the annual salary of the following appointed officials as follows:

Attorney General	\$70,000
Director of Public Works	\$54,000
Director, Emergency Management Office	\$40,800
Director, Coastal Resources Management	\$48,000
Public Defender	\$56,000
Special Assistant for Programs and Legislative Review	\$45,000
Governor's Legal Counsel	\$60,000
Special Assistant for Management and Budget	\$54,000
Special Assistant for Administration	\$54,000
Secretary of Public Health Services	\$60,000, or \$80,000 if the Secretary holds an

M.D. or a Ph.D.

Section 514. Continuing Appropriation. If the annual appropriation act(s) for the subsequent fiscal year is (are) not enacted into law prior to the beginning of such fiscal year, the appropriation levels, criminal penalties, and administrative provisions for government operations and obligations provided under this Act shall continue to apply. With respect to the appropriation amounts, the funds appropriated under expenditure class codes 6405, 6406, 6430, 6431, 6440, 6450, 6451, and any other expenditure line item included in the detailed budget worksheets and not assigned specific class codes shall not be subject to continuing appropriation.

Section 515. Severability. If any provision of this Act, or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the Act which can be given effect without the invalid provision or applications, and to this end the provisions of this Act are severable.

Section 516. Savings Clause. This Act and any repealer contained herein shall not be construed as affecting any existing right acquired under contract or acquired under statutes repealed or under any rule, regulation or order adopted under the statutes. Repealers contained in this Act shall not affect any proceeding instituted under or pursuant to prior law. The enactment of this Act shall not have the effect of terminating, or in any way modifying, any liability civil or criminal, which shall already be in existence at the date this Act becomes effective.

Section 517. Effective Date. This Act shall take effect upon its approval by the Governor, or upon its becoming law without such approval.

CERTIFIED BY:

ATTESTED BY:

/s/Diego T. Benavente
DIEGO T. BENAVENTE
Speaker
House of Representatives

/s/Evelyn C. Fleming
EVELYN C. FLEMING
House Clerk

APPROVED this 24th day of JANUARY, 1995

/s/Jesus C. Borja

~~FROILAN C. TENORIO~~ JESUS C. BORJA

Acting Governor

Commonwealth of the Northern Mariana Islands