



HOUSE OF REPRESENTATIVES
FIFTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
FIRST DAY, SECOND SPECIAL SESSION, 2007

PUBLIC LAW NO. 15-71
H. B. No. 15-265, HD2, SS1, SD1

AN ACT

To amend Public Law 15-28; and for other purposes.

BE IT ENACTED BY THE FIFTEENTH NORTHERN MARIANAS COMMONWEALTH
LEGISLATURE:

1 Section 1, **Findings and Purpose.** The Legislature finds that estimated revenues for
2 Fiscal Year 2007 have declined considerably and the budget of the Government ~~must~~ be
3 reduced accordingly. The Legislature finds that on February 28, 2007, Governor Benigno R.
4 Fitial reduced the budgets of all budgeted activities of the Government of the CNMI
5 proportionately (at a rate of approximately 15.6%) pursuant to the Planning and Budgeting
6 Act (1 CMC §7101 et seq.). The Legislature finds that this cut has left the Judicial and
7 Legislative Branches of government, which account for 2.3% and 3.9% of the entire annual
8 budget respectively, substantially weakened.

9 The Legislature finds that it is necessary to supplement the reduced budget of certain
10 critical departments such as the Department of Public Health, the Department of Public
11 Safety, the Public School System, and others. The Legislature, finds, however, that sparing
12 these primarily Executive departments from budget reductions should not jeopardize further
13 the other independent branches of government.

14 The purpose of this Act is to provide the Governor and other expenditure authorities
15 with greater flexibility to reprogram funds to ensure the on-going delivery of essential public
16 services and to reduce further personnel spending by imposing a hiring and salary
17 moratorium. This Act is intended to supersede the proportional reduction ~~measures~~ taken by
18 Governor Fitial on February 28, 2007, and all conflicting provisions of law.

1 **Section 2. Amendment.** A new Chapter VII is added to Public Law 15-28. The
2 current Chapter VII shall be renumbered as "Chapter VIII. General Provisions." The new
3 Chapter VII shall read as follows:

4 **"CHAPTER VII. EMERGENCY BUDGET REDUCTION**

5 Upon the **effective** date of this chapter there shall be an immediate emergency
6 reduction in the **revenue estimate and the appropriations for** all budgeted **activities** of the
7 Government of the Commonwealth of the Northern **Mariana Islands** previously appropriated
8 pursuant to Public Law 15-28, referred to as 'act' in this chapter, as follows:

9 (a) **Estimated revenue.** The estimated local revenue available for Fiscal Year
10 **2007 is \$163,260,013.** **Except** as provided by this chapter, there shall be a limit on
11 expenditures for Fiscal Year 2007 of \$163,260,013. Any collections or **funds**
12 **received in Fiscal Year 2007** by the Commonwealth Government, regardless of the
13 revenue source, in **excess** of \$163,260,013 shall be **identified and** reported to the
14 **legislature** as **new** revenue in accordance with Public Law 3-68, as amended, and
15 shall be **available for appropriation by** the Legislature. **Funding** levels pursuant to this
16 chapter shall continue until a new annual appropriation act is in effect or **unless**
17 otherwise provided for by law.

18 (b) **Fundina level.** **Consistent** with subsection (a) of this chapter,
19 appropriation **levels** for all budgeted activities of the **Government** of the
20 Commonwealth of the Northern **Mariana** Islands as established prior to the effective
21 date of this chapter are hereby amended pursuant to the reprogramming authority in
22 subsection (c) of **this chapter; except that the** total appropriations of the following
23 **shall be at 95 percent of their former levels:**

- 24 (1) **Public School System** and Board of Education;
25 (2) Marianas Visitors Authority;
26 (3) Northern Marianas College;
27 (4) Department of Public Health;
28 (5) Police (First Senatorial District);
29 (6) Protection and Property - Fire (First Senatorial District);

- 1 (7) Rota Health Center (First Senatorial District);
- 2 (8) Dental Services (First Senatorial District);
- 3 (9) Environmental Health (First Senatorial District);
- 4 (10) Environmental Health (Second Senatorial District);
- 5 (11) Dental Services (Second Senatorial District);
- 6 (12) Tinian Health Center (Second Senatorial District); and
- 7 (13) Police (Second Senatorial District).

8 **Adjustments to funding levels established pursuant to this chapter shall be**
9 **applied prospectively, provided that, the adjusted funding levels of the activities in**
10 **subsections (1) through (13) hereinabove shall commence retroactively to February**
11 **28,2007.**

12 (c) **Reprogramming Authority.** Notwithstanding any provision of law to the
13 contrary, including, but not limited to, 1 CMC §§7205, 7402, 7403 and 7831, but
14 subject to funding levels set forth in subsection (b) of this chapter, the expenditure
15 authorities in the legislative branch and the judicial branch, the resident representative
16 to the United States, mayors, chairs of municipal councils and the governor, with
17 respect to all other budget activities, shall have authority to reprogram all or a portion
18 of the funds under their expenditure authority as necessary to ensure the delivery of
19 public services; provided that,

- 20 (1) The governor:
 - 21 (A) Shall have unlimited authority to reprogram funding lapses
 - 22 from all budget activities, except the legislative branch, judicial branch
 - 23 and subsections (D)(i) and (ii) of this subsection, realized, beginning
 - 24 on the effective date of this chapter to cover budget shortfalls, as he
 - 25 deems fiscally prudent and in the best interest of the public;
 - 26 (B) Is authorized to transfer qualified, operational expenses to
 - 27 the appropriate accounts listed in the attached exhibit A, of which the
 - 28 unencumbered or unappropriated fund balances, not to exceed the
 - 29 grand total as stated in said exhibit, but not including appropriations

- 1 under Public Law 15-65 and subsections (D)(i) and (ii), are hereby
2 appropriated to pay for such expenses,
- 3 (C) Shall make a full report of reprogramming of lapses under
4 subsection (A) and transfers pursuant to subsection (B) to the presiding
5 officers of the legislature, chairperson of the House Committee on
6 Ways and Means and chairperson of the Senate Committee on Fiscal
7 Affairs on or before the end of each month;
- 8 (D) Shall not reprogram:
- 9 (i) Unappropriated local revenues; and
10 (ii) Appropriations enacted by the respective
11 senatorial legislative delegations; and
- 12 (2) All reprogramming authority under this chapter shall expire on
13 September 30, 2007.
- 14 (d) Public Employment and Salary Moratorium,
- 15 (1) Notwithstanding any provision of law to the contrary, no person
16 shall be hired in any branch of the Commonwealth Government, including
17 municipalities and independent agencies, ~~from~~ and including the effective date
18 of this chapter to September 30, 2007, to fill an existing or vacant position;
19 except that this employment moratorium shall not apply to:
- 20 (A) Any government employment contract that is in effect as
21 of the day prior to the effective date of this chapter, or to its
22 renewal(s).
- 23 (B) The employment of doctors, nurses, medical lab
24 technicians, midwives, therapists, psychologists, pharmacists, social
25 workers and counselors, firefighters, non-administrative ~~Department~~ of
26 Public Safety personnel, classroom teachers, teacher aides, college
27 instructors, certified public accountants, engineers and attorneys.
- 28 (C) Employment, either part-time or full-time, that is certified
29 as very critical to the delivery of essential services by:

1 (i) The Governor or his designee in the case of the
2 Executive Branch, including autonomous or semi-autonomous
3 agencies, commissions, boards and corporations;

4 (ii) The Chief Justice in the case of the Judicial Branch;

5 (iii) The respective presiding officer in the case of
6 employment by a legislative member, committee or delegation;
7 in the case of the legislative bureau, the bureau director; and

8 (iv) The mayor of a municipality in the case of
9 employment by the mayor;

10 (v) The municipal council in the case of employment
11 by the municipal council; or

12 (vi) The commissioner of education in the case of the
13 Public School System;

14 Provided that no certification shall be valid unless approved by
15 the legislature through joint legislative resolution.

16 (2) There is hereby a moratorium against increasing, directly or
17 indirectly, the salary pertaining to any position from and including the
18 effective date of this chapter to September 30, 2007.

19 (e) Pre-emption. This chapter shall supersede House Concurrent Resolution
20 15-1, the special budget message transmitted to the Legislature by Governor Benigno
21 R. Fitial pursuant to 1 CMC §7604(c)(4) on February 28, 2007, and any conflicting
22 provisions of law. To the extent that other provisions of this act are inconsistent with
23 this chapter, the provisions of this chapter shall prevail.

24 (f) Penalties for Violation. Any person who willfully and knowingly violates
25 any provision of this act, as amended, shall be subject to prosecution as provided
26 under 1 CMC §§ 7701 et seq., in addition to any other penalty provisions that may
27 apply."

28 **Section 3. Severability**. If any provision of this Act or the application of any such
29 provision to any person or circumstance should be held invalid by a court of competent


1 jurisdiction, the remainder of **this Act** or the application of its provisions to persons or
2 circumstances other than those to which it is held invalid shall not be affected thereby.

3 Section 4. **Savings Clause.** **This Act** and any repealer contained herein shall not be
4 construed as affecting any existing right acquired under contract or acquired under statutes
5 repealed or under any rule, regulation or order adopted under those statutes. Repealers
6 contained in **this Act** shall not affect any proceeding instituted under or pursuant to prior law.
7 The enactment of **this Act** shall not have the effect of terminating, or in any way modifying,
8 any liability, civil or criminal, which shall already be in existence on the date this Act
9 becomes effective.

10 Section 5. **Effective Date,** This Act shall take effect upon its approval by the
11 Governor or upon becoming law without such approval,

CERTIFIED BY:

ATTESTED TO BY:

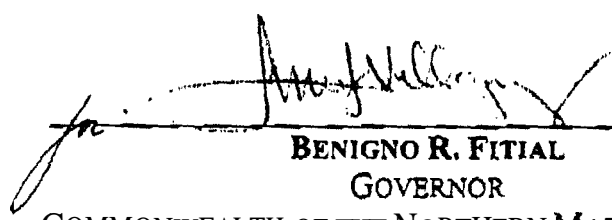


OSCAR M. BABAUTA
SPEAKER OF THE HOUSE



EVELYN C. FLEMING
HOUSE CLERK

Approved on this 26th day of June, 2007



BENIGNO R. FITIAL
GOVERNOR
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

Commonwealth of the N. Mariana Is,
OTHER FUNDS
AS OF 05/31/07

EXHIBIT A

BU/Acct.	Description	Amount
Fund 1013 - Active Revolving Accounts Available Balances:		
1922	Board of Nursing Examiners	\$150,888
1931	PL 12-48 DPH Env. Qual/Sanit Revolving	213,111
1937	PL 14-52 AGO Notary Public Act	6,985
1948	Non lapsing Scholarships per budget acts	925,803
1953	PL 13-12 Saipan Ambulance Fee Revolving	183,263
1954	PL 13-12 Tinian Ambulance Fee Revolving	895
1955	PL 13-12 Rota Ambulance Fee Revolving	820
1958	PL 14-52 Court Notary Public Act	232
1960	Homeland Security Office (indirect cost)	114,251
Total Fund		\$1,598,048
Tobacco Control Fund balancer under PL 14-80 Appropriation		
2067A	Ksgman Wellness Center	\$421,513
20678	San Roque Wellness Center	39,341
2067C	Youth Tobacco-Free Program	57,531
2067D	Tanapag Youth Center	9,367
2067E	As Matuls Learning Center	9,367
2067F	PSS School Health Education	187,339
20676	Guma Esperansa Women's Shelter	23,417
2067H	Family Violence Task Force	46,835
20671	Rota Youth Tobacco Free Program	70,221
2067J	Luta Amateur Sports Fed.	4,683
2067K	Tinian Public Library	51,111
2078A	Rota Health Programs	30,841
2086A	Tinian Health Programs	32,784
Total Fund		\$984,350
Tobacco Control Fund Available Bal./Proj. FY07 Collections		
2071	Available Tobacco Control Fund collections	\$187,348
2071	May collections (not yet transferred)	116,966
2071	FY07 projected additional revenue (FY07 average)	530,650
Total Fund		\$834,964
Tobacco Settlement Fund Collections		
7650	Available Tobacco Settlement Balance	\$8,679
7650	FY07 unposted deposits 4/17 and 4/19	508,184
Total Fund		\$516,863
Developer's Tax Fund Available balances		
3730	Developer's Tax Saipan (over appropriated)	\$45,289
3731	Developer's Tax Tinian	5,522
3732	Developer's Tax Rota	0
Total Fund		\$50,791
Solid Waste Revolving Fund Available Balances		
2082	Saipen Solid Waste Management	\$1,100,939
2083	Rota Solid Waste Management	328,558
2084	Tinian Solid Waste Management	107,486

Commonwealth of the N. Mariana Is.
OTHER FUNDS
AS OF 05/31/07

EXHIBIT A

BU/Acct.	Description	Amount
2088	Rota Summer Youth Program PL 14-5 RLDR 1 4 4	2,011
2089	Rota Purchase of Heavy Equip.-PL 14-5 RLDR 14-4	3,095
2095A	Rota Landfill Equipment & Parts PL 14-79	1,625
Total Fund		\$1,543,714
Deportation Fund		
3490	Deportation Fund	\$1,192,692
Total Fund		\$1,192,692
Fish & Game Revolving Fund (2 CMC Section 5107)		
6045	Saipan (\$158,007 is share of vessel seizure fine)	\$167,711
6046	Tinian	767
6047	Rota	2,683
Total Fund		\$171,381
Tobacco License Revolving Fund (PL 11-75)		
8077	Dept of Commerce Enforcement	\$44,145
6082	Dept of Public Health	5,054
6083	Dept of Public Safety	3,038
Total Fund		\$52,237
Probation/Parole Services Fund (PL 11-02 and 14-33)		
6081	Probation Services PL 11-82	\$57,411
6086	Parole Supervision-Parole Board PL 14-33	14,085
6087	Parole Supervision-DOF PL 14-33	1,725
Total Fund		\$73,221
Soil & Water Conservation Fund (2 CMC Section 3222(5))		
6035	Saipan	\$1,695
6036	Tinian	1,011
6037	Rota	0
Total Fund		\$2,706
Agricultural Equipment Service Fund (PL 13-28)		
6015	Saipan	\$1,834
6017	Tinian	12,188
6016	Rota	268
Total Fund		\$14,290
Zoning Board Revolving Fund (2 CMC 7255)		
6095	Zoning Board	\$7,741
Total Fund		\$7,741
Law Revision Commission Revolving Fund (1 CMC 3869)		
6011	Law Revision Commission	\$124,481
Total Fund		\$124,481
GRAND TOTAL		<u>\$7,165,459</u>