

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

§ 7831. Authorization for Funding By Commonwealth Agencies.

(a) The Director of Finance shall withhold one percent of all locally generated funds appropriated by Commonwealth law for all Commonwealth government agencies' operations and activities as well as for all capital improvement projects and, in no event, no less than \$1,000,000 for the office of the Public Auditor. The term "appropriated by law" includes appropriations pursuant to the continuing spending authority provided for in N.M.I. Const. art. III, § 9(a). The withheld amounts shall be deposited in a special account established by the Director of Finance, separate from the General Fund, to be administered in accordance with 1 CMC § 7206 and, therefore, may be expended without further appropriation. The office of the Public Auditor shall report no later than three months after the closing of each fiscal year to the Governor and the legislature in detail on the use of the funds.

(b) The executive directors of all public corporations or other autonomous agencies of the Commonwealth which are not funded primarily by legislative appropriations shall pay to the Public Auditor an amount not less than the greater of one percent of its total operations budget from sources other than legislative appropriations or pursuant to any other formula upon which the Public Auditor and the agency may agree. The funds shall be administered pursuant to subsection (a) of this section.

(c) No funds paid into the account of the office of the Public Auditor shall be reprogrammed for any other purpose to any other agency.

(d) The legislature shall be exempt from the requirement of one percent contribution of legislative funds to the office of the Public Auditor.

(e) The Public School System (PSS) shall be exempt from the withholding and payment requirements of subsections (a) and (b) of this section; provided that one percent of the budget appropriated to PSS shall be used exclusively for the purchase of textbooks and shall not be reprogrammed for any other purpose. The Commissioner of Education shall establish a Textbook Account into which funds realized by operation of this subsection shall be deposited. These funds shall not be commingled with other PSS accounts and shall be used solely for the purposes of this subsection. The Commissioner of Education shall be the expenditure authority for funds deposited into the Textbook Account.

Source: PL 9-68, § 3 (repealing PL 3-91, § 300, as amended by PL 5-44, § 7 and PL 9-66, § 515); (e) added by PL 15-107, § 2, modified.

Commission Comment: See the comment to 1 CMC § 7823. With respect to the references to the "Director of Finance," see Executive Order 94-3 (effective August 23, 1994), reorganizing the executive branch, changing agency names and official titles, and effecting other changes, set forth in the Commission comment to 1 CMC § 2001.

The Commission deleted figures that repeated words when codifying subsection (e) above. PL 15-107 was enacted on November 9, 2007, and contained

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DIVISION 7: PLANNING, BUDGETING AND AUDITING

the following findings and purposes, in addition to severability and savings clause provisions.

Section 1. Findings and Purpose. The Legislature finds that Public Law No. 14-96 was enacted to amend Public Law No. 13-2.4, the "Appropriations and Budget Authority Act of 2003," to supplement the budget of the Public School System (PSS) by returning the one percent Public Auditor fee that is assessed for all government agencies back to the PSS to be used exclusively to purchase textbooks. The Legislature also finds that Public Law No. 15-28, the "Appropriations and Budget Authority Act for 2007," did not provide the same provision for the PSS. The Legislature further finds that this provision enabled PSS to acquire the needed textbooks and that PSS should be permanently exempted from the Public Auditor fee assessment so that it may use these funds specifically to purchase textbooks.

The Legislature finds that Article XV of the Constitution of the Northern Mariana Islands states not only that "[e]very person in the Northern Mariana Islands has the right to free, compulsory and public elementary and secondary education within age and educational levels provided by law," but also that "[t]he educational system shall also provide support and guidance for students in assessing areas of interest and ability, in clarifying values and goals, and in providing students with clear and accurate information so they may gain the most from their educational experience." In addition, the Legislature finds that because the Public School System receives federal funding that it is subject to the provisions of the No Child Left Behind Act of 2001 which holds schools and school districts accountable for results. This essentially means that schools are responsible for ensuring that students are learning, that school districts are accountable for results, that the school district should provide options and accessible information to parents about the quality of their child's school, and that the school district should continuously work to improve teacher quality.

The Legislature further finds that parents and students are complaining about the lack of textbooks available to their children. This shortage of textbooks affects the quality of education a student is receiving and hampers a student's ability to study effectively at home or to complete homework assignments. The Legislature finds that this is a serious problem, as a textbook shortage will have an effect on the performance of students, schools, and the school district. If a school district is not performing, that district may be subject to scrutiny by the federal government and this in turn may affect federal funding. Ultimately, the most immediate and pressing concern is that students are not learning properly. The Constitution mandates that students gain the most from their educational experience, an objective that clearly cannot be realized without textbooks.