

**SAIPAN AND NORTHERN ISLANDS COMMONWEALTH LEGISLATURE
THIRTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE**

FOURTH REGULAR SESSION, 2003

SAIPAN LOCAL LAW No. 13-21
HOUSE LOCAL BILL NO. 13-048, S1

A LOCAL BILL FOR AN ACT

To establish a Saipan Higher Education Financial Assistance Board; and
for other purposes.

**BE IT ENACTED BY THE THIRD SENATORIAL DISTRICT DELEGATION
PURSUANT TO CHAPTER 4, DIVISION 1, TITLE 1 OF THE
COMMONWEALTH CODE:**

Section 1. Short Title. This Chapter may be cited as the "Saipan Higher Education Financial Assistance Act of 2003."

Section 2. Definitions. In this Act, unless the context otherwise provided or the context clearly requires a different construction or application, the following definitions shall apply:

- (a) "Board" means the Saipan Higher Education Financial Assistance Board established under section 3 of this Act.
- (b) "Delegation" means the Saipan and Northern Islands Legislative Delegation as provided under 1 CMC § 1404(a).
- (c) "Financial assistance" includes but is not limited to grants, loans, merit-based scholarships and other programs of student financial assistance provided by regulation or statute.
- (d) "Fund" means Saipan Higher Education Financial Assistance Fund established under section 5 of this Act.
- (e) "Resident" means a person who is a United States citizen or a United States permanent resident, who has resided in the Municipality of Saipan for at least a year before applying for financial assistance administered by the Board and who is attending or has been accepted for enrollment at an institution of higher education in the CNMI or outside the CNMI. The

residency requirement may be met by proof of a parent residing on Saipan for the requisite period.

Section 3. Saipan Higher Education Financial Assistance Board: Establishment.

There is hereby established, within the Office of the Mayor of Saipan, a Saipan Higher Education Financial Assistance Board, to be composed of five members who shall serve for a term of two years. All members shall be eligible to vote in the CNMI, be at least 21 years of age, and be residents of Saipan for at least three years immediately prior to appointment. The Mayor of Saipan shall appoint members of the Board subject to confirmation by the Saipan and Northern Islands Legislative Delegation. The Board shall choose a chairperson among its members to preside over board meetings. It also may establish committee necessary for the conduct of its business and prescribe by regulation procedures to govern meetings.

Section 4. Persons Ineligible for Board. No person who holds an elective office in any branch of the Commonwealth or Municipal governments shall be eligible to serve on the Board. Any board member may be removed by the Mayor on the grounds of gross neglect of duty, conviction of a felony, or mental or physical incapacity.

Section 5. Powers and Duties. The Board shall:

- (a) Establish policies pertaining to higher education financial assistance consistent with this Act.
- (b) Administer the higher education financial assistance program for eligible residents of Saipan as authorized under this Act.
- (c) Have authority and control of all funds appropriated by the Saipan and Northern Islands Legislative Delegation or the Commonwealth Government or otherwise made available to the Board for higher education financial assistance. The Board may designate the chairperson or another member to carry out specific functions relating to the financial management of the funds subject to the authority and direction of the Board.

- (d) Receive and accept from any individual, association or corporation, gifts, grants and donations of money for the purpose of providing higher education financial assistance.
- (e) Enter into such contracts as are necessary or incidental to the performance of the Board's duties and in carrying out the functions of the Board under this Act. The Board may designate the chairperson or another member to execute contracts on its behalf subject to the authority and direction of the board.
- (f) Record, monitor, and maintain financial records of monies received by the Board for higher education financial assistance and for its operational costs.
- (g) Establish programs for higher education financial assistance including, but not limited to, grants and merit-based scholarships.
- (h) Set up procedures for awarding higher education financial assistance.
- (i) Prioritize fields of study for which higher education financial assistance will be granted.
- (j) Receive and review applications for higher education financial assistance from the Board.
- (k) Establish criteria for eligibility for higher education financial assistance with significant attention to those with special needs, which shall include, but not be limited to:
 - (i) The financial status and capability of the applicants including, the sources of financial support, i.e., the income of parents or guardians;
 - (ii) The fields of study to be pursued by the applicants; and
 - (iii) The tuition, fees, and room and board to be incurred by applicants.
 - (iv) Eligibility to receive other forms of financial aid from the Commonwealth and the Federal governments.

- (l) Receive, maintain and review records of all higher education financial assistance granted by the Board.
- (m) Issue an annual report to the Mayor of Saipan, to the Saipan and Islands Legislative Delegation, and to the Saipan and Northern Islands Municipal Council which shall include, but not be limited to its policies, financial reports, listing of students by school attended and school year, and any other information which the Board, the Mayor, the Legislative Delegation and the Council may deem appropriate.
- (n) Prescribe reasonably necessary rules and regulations pursuant to 1 CMC §§ 9101 through 9115, Administrative Procedure Act, to carry out the intent of this Act.
- (o) Do any and all other things necessary to the full and convenient exercise of the above powers.

Section 5. Saipan Higher Education Financial Assistance Fund.

(a) There is hereby established the Saipan Higher Education Financial Assistance Fund, wholly segregated and separate from the General Fund, into which all monies accruing to the benefit of the Saipan Higher Education Financial Assistance Board shall be deposited. The Secretary of Finance is hereby authorized and directed to establish a separate account into which all funds appropriated, donated, or accruing to the benefit of the fund shall be deposited, and for the payments made therefrom as directed by the Board.

(b) *Continuing Appropriation.* The sum of \$1,200,000 is hereby continuously appropriated from the fees collected from the local license fees for poker and pachinko machines imposed under Saipan Local Law 13-8. The Secretary of Finance shall transfer the amount every fiscal year into the fund established under this section.

Section 6. Municipal Assistance. The Office of the Mayor of Saipan shall, upon request, and subject to the limits of availability, provide the Board with administrative, personnel and logistic support.

Section 7. Eligibility for Scholarship. No person other than residents of the Municipality of Saipan as defined under section 2 of this Act shall be eligible for or receive assistance from the Saipan Higher Financial Assistance Fund.

Section 8. Record of Awards. The Board shall keep a current record of all persons who are recipients of assistance from the Saipan Scholarship Fund.

Section 9. Severability. If any provision of this Act or the application of any such provision to any person or circumstance should be held invalid by a court of competent jurisdiction, the remainder of this Act or the application of its provisions to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

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

CERTIFIED BY:

ATTESTED TO BY:

/s/ _____

PETE P. REYES
Chairman
Saipan and Northern Islands
Legislative Delegation

/s/ _____

HEINZ S. HOFSCHEIDER
Speaker
House of Representative

Approved this 2nd day of February, 2004

/s/ _____

JUAN N. BABAUTA
GOVERNOR