

TENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

PUBLIC LAW NO. 10-41

H. B. NO. 10-312, HD4, SD9

FIRST SPECIAL SESSION, 1996

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 1997; and for other purposes.

BE IT ENACTED BY THE TENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

Section 101. Short Title. This Act may be cited as the “Appropriations and Budget Authority Act of 1997.”

Section 102. Purpose. This Act appropriates local funds for the operations and activities of the Government of the Northern Mariana Islands, its agencies, instrumentalities, independent agencies and political subdivisions, except for the Public School System (PSS), and provides budget authority for government corporations for Fiscal Year 1997, commencing October 1, 1996 and ending September 30, 1997.

The level of funds appropriated under this Act are enacted as cumulative spending and budget limits for each matter contained herein for the entire 1997 Fiscal Year; consequently, except as may occur via lawful reprogramming, no money or funds may be spent, obligated, or otherwise encumbered during the 1997 fiscal year for any given agency, department, program, or any other entity, above the funding levels set forth in this Act, and such cumulative total spending levels shall include any funds or monies spent, obligated, or otherwise encumbered by way of continuing appropriation under the Planning and Budgeting Act or otherwise prior to the effective date of this Act. Thus, the effect of this Act is such that any amount of funds spent, encumbered or otherwise obligated for any matter prior to the effective date of this Act shall be deducted from the total appropriation for that matter under this Act, with the resulting difference being the total amount of funds still available to be spent, obligated, or otherwise encumbered for that matter during the remainder of the 1997 Fiscal Year.

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) Family Court
 - (D) Law Revision Commission
- (3) Executive Branch, which includes the following departments and offices:
 - (A) Office of the Governor, including
 - 1. Governor's Representative, Rota
 - 2. Governor's Representative, Tinian
 - (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
 - (K) Office of Personnel Management
 - (L) Public Defender
- (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) Resident Department of Community and Cultural Affairs
 - (D) Resident Department of Public Works
 - (E) Resident Department of Finance
 - (F) Resident Department of Public Health Services
 - (G) Resident Department of Lands and Natural Resources
 - (H) Resident Department of Public Safety
 - (I) Resident Department of Commerce
 - (J) Resident Department of Labor and Immigration
 - (K) Office of Personnel
- (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) Resident Department of Community and Cultural Affairs
 - (D) Resident Department of Public Works
 - (E) Resident Department of Finance
 - (F) Resident Department of Public Health Services
 - (G) Resident Department of Lands and Natural Resources
 - (H) Resident Department of Public Safety
 - (I) Resident Department of Commerce

(J) Resident Department of Labor and Immigration

(K) Office of Personnel

(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 Corporation

(C) Commonwealth Ports Authority

(D) Commonwealth Development Authority

(E) Northern Marianas Retirement Fund

(F) Marianas Public Land Trust

(G) Public Auditor's Office

(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) 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) Government Utilities

(5) Special Annuity for Gov./ Lt. Gov.

(6) Covenant Section 902 Consultation

(7) Deficit Reduction

(8) Developmental Disabilities Planning Agency

(9) Land Acquisition/Exchange

(10) Joeten/Kiyu Public Library

(11) Karidat (Marianas Bound)

(12) Micronesia Legal Services Corporation

(13) Western Legislative Conference

(14) National Governors Association

- (15) NMI OICC
- (16) NM Protection & Advocacy Program
- (17) Pacific Basin Development Council
- (18) East West Center
- (19) Quarantine Overtime
- (20) South Pacific Commission
- (21) Youth Congress
- (22) Retirement PL 5-3 (Poker)
- (23) Tax Task Force
- (24) Retirement (PL 8-31)
- (25) CNMI Boy Scouts
- (26) CNMI Girl Scouts
- (27) Little League Baseball - Saipan
- (28) Little League Baseball - Rota
- (29) Little League Baseball - Tinian
- (30) Claims against Judgments
- (31) Flame Tree Arts Festival
- (32) Tanapag Land Lease Buyback
- (33) Street Naming Commission
- (34) Ayuda Network
- (35) Custom's/User Fee
- (36) Pacific Islands Development Bank

(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 the maximum number of persons that may be employed, pursuant to Article X, Section 7 of the Commonwealth Constitution but does not include Job Training Partnership Act (JTPA) trainees, substitute teachers, or summer trainees.

CHAPTER II. ESTIMATED REVENUES

Section 201. Estimated Revenues.

a) Local Funds:

1) Internal Revenues	\$240,800,900 ¹
2) Covenant Funds (Operations)	-0-
Total Local Funds	\$240,800,900
3) Non-Resident Workers Fee Fund	

¹This total amount is inclusive of \$4,000,000 transferred from the Non Resident Worker Fee Fund (PL. 5-32) which is hereby amended accordingly for Fiscal Year 1997.

(Public Law 5-32)	\$ 2,000,000
4) Division of Public Lands	\$ 4,662,000 ²
b) Total Local Revenue and Resources available for Fiscal Year 1997 (per Governor's Communication (House) No. 10-175, dated Oct. 29, 1996	\$247,462,900
1) Minus \$42,481,300 appropriated for PSS under Public Law 10-34	(\$42,481,300)
2) Total local revenues and resources remaining available for appropriation in Fiscal Year 1997	<u>\$204,981,600</u>

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, except for the Public School System, are hereby appropriated as per the attached appropriation worksheets, which are incorporated by reference in this Act. The FTEs identified therein 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; Provided, that the employment ceilings in this Act shall not be construed as prohibiting the continued employment of Customs, Quarantine, and Immigration employees lawfully employed during FY 1996 and paid from reimbursable accounts instead of funds appropriated by this Act.

CHAPTER IV. - BUDGET ADOPTION

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>ALL OTHERS</u>	<u>TOTAL</u>
1.	CUC	435	\$14,144,861	\$41,970,215	\$56,115,076
2.	CPA	168	7,633,444	4,782,857	12,416,301
3.	CDA	15	907,700	612,400	1,520,100
4.	NMRF	26	1,066,800	29,044,300	30,111,100
5.	NM Housing Corp. (MIHA)	19	876,430	2,092,111	2,968,541
6.	OPA	<u>39</u>	<u>1,438,000</u>	<u>520,700</u>	<u>1,958,700</u>
Grand Total:		<u>702</u>	<u>26,067,235</u>	<u>79,022,583</u>	<u>105,089,818</u>

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

CHAPTER V. ADMINISTRATION OF APPROPRIATED FUNDS

Section 501. Administrative Guidelines. The funds appropriated under Chapter III of this Act shall be distributed and allotted by the Office of Management and Budget in accordance with the expenditure Class Codes 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 of 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.

In the event allotments greater than 25% are approved, allotments in subsequent quarters shall be reduced below 25% to the extent necessary so that total allotments do not exceed 100%. ~~Further, an allotment of less than 25% may be approved for one quarter in conjunction with irrevocable approval of an allotment of more than 25% for a subsequent quarter; Provided, that total allotments for the fiscal year shall not exceed 100%.~~

(b) Nothing in this section shall be construed as modifying, limiting, or otherwise affecting the authority of the Governor pursuant to Chapter 6 of Division 7 of Title 1 of the Commonwealth Code; ~~Provided, that no such action shall single out either the First or Second senatorial district or both.~~

Section 502. Appropriation Worksheets. Unless otherwise provided in this Act, the funds appropriated pursuant to Section 301 hereof shall be expended in compliance with the appropriation 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. In case of any conflict between the attached worksheets and the administrative provisions of this bill, the administrative provisions shall prevail.

Section 503. Supplemental FTEs; Department of Labor and Immigration; Department of Finance.

(a) The Legislature finds a need for 45 (forty five) new positions in the Department of Labor and Immigration. These positions are included in the FTE levels fixed in the accompanying worksheets but are authorized only conditionally subject to the provisions of this section. The necessary funding for all these 45 positions, including salaries and all benefits and other obligations in relation thereto, would total \$1,621,240, but such funds are not available at this time to be so appropriated to fund these new positions. Each of these FTEs is subject to availability of funds ~~pursuant to Section 527 of this Act~~ and shall not exist or be filled until the funding for the position for the balance of the fiscal year has been made fully

~~available from lapsed funds under Section 527 of this Act.~~ Any positions not so funded prior to July 1, 1997 are hereby eliminated, and this Act shall be deemed automatically amended accordingly to reflect the lower level of authorized employment. These positions so identified as needed and so restricted are as follows: 16 in the Office of the Secretary of the Department; 14 in the Division of Labor; 11 in the Division of Immigration; and, 4 in the Division of Employment Services.

(b) The Legislature finds a need for 45 (forty five) new positions in the Department of Finance. These positions are included in the FTE levels fixed in the accompanying worksheets but are authorized only conditionally subject to the provisions of this section. The necessary funding for all these 45 positions, including salaries and all benefits and other obligations in relation thereto are not available at this time to be so appropriated to fund these new positions. Each of these FTEs is subject to availability of funds subsequently to be made available and shall not exist or be filled until the funding for the position for the balance of the fiscal year has been made fully available from lawfully available funds. Any positions not so funded prior to July 1, 1997 are hereby eliminated, and this Act shall be deemed automatically amended accordingly to reflect the lower level of authorized employment. These positions so identified as needed and so restricted are as follows: 20 in the Division of Revenue and Taxation under class code 6110 and 25 in Custom Services under class code 6110.

(c) None of the positions covered by subsections (a) and (b) of this Section shall be exempt from civil service classification.

Section 504. Custom's/User's Fee; Computer Upgrade. Notwithstanding any other provision of law, the \$871,500 that is appropriated by this Act for operations of Custom's/User Fee, is appropriated for the sole purpose of financing a computer hardware and software upgrade for the Department of Finance, for the Divisions of Customs, and Revenue and Taxation, as recommended by the Inspector General in his audit report on the Commonwealth, and including expenses related to such an upgrade, such as electrical upgrade, personnel training costs, travel, and needed operational supplies.

Section 505. Municipalities; Mayors and Municipal Councils; Senatorial Districts.

(a) Of the FTE's assigned to several of the Mayors and Municipal Councils, many of those FTE's are in turn assigned to the various government department offices of the respective Senatorial District. While these FTE's and such assignments shall continue through the 1997 Fiscal Year, by May 1, 1997, the Mayors and Municipal Councils shall report to the Presiding Officers of the Legislature as to whether these FTE's so assigned to other departments are planned to be continued or terminated in the 1998 Fiscal Year.

(b) To ensure fiscal accountability and control, in the event a vacancy shall occur in any of the positions (FTEs) authorized by this Act, if the position is within the office of the Mayor of Tinian or the Mayor of Rota, or the office of Governor's Representative on Rota or Tinian, then except as provided in paragraph (1) and (4) of this subsection, notwithstanding any other provision of law, that FTE shall expire, the vacancy shall not be filled, and the number of FTEs authorized by this Act shall be deemed reduced accordingly; ~~Provided, that each mayor shall have the authority to exempt three vacancies from the application of this section, to be exercised on a case by case basis as the vacancies arise.~~

(1) FTEs in the offices of the Mayor of Rota and Governor's Representative - Rota which expire shall not be eliminated but shall instead be transferred to the Public School System on Rota for purposes of staffing the new Sinapalo elementary school.

~~(2) Any person presently employed within the offices of the Mayor of Rota, the Mayor of Tinian, Governor's Representative - Rota, or Governor's Representative - Tinian, or whose name appears on the personnel worksheets in the Governor's budget submission for these offices, shall be offered employment in those offices for the duration of the fiscal year, regardless of whether they are presently employed under another office or under a contract or appointment which expires prior to September 30, 1997.~~

~~(3) Notwithstanding Section 528 of this Act or any provision of the general and permanent laws of the Commonwealth, funds which lapse or will lapse as a result of elimination of a FTE in the office of Governor's Representative - Rota and Tinian or the office of the Mayor of Rota and Tinian by operation of this subsection shall be and hereby are transferred to the Public School System on Rota, and for Tinian as prescribed within Section 505(b)(4) of this Act.~~

~~(4) FTEs in the office of the Mayor of Tinian and the office of the Governor's Representative - Tinian which expire shall not be eliminated but shall instead be transferred to the Tinian Health Center, Public Safety, Public Schools System, Aging Center, Commerce and the respective departments FTE shall increase accordingly as determined by the Mayor of Tinian.~~

(5) Upon the expiration or transfer of any FTE as provided by this subsection, or the transfer of any funds pursuant to this subsection, this Act, and Public Law 10-34 where applicable, shall be deemed automatically amended accordingly to reflect the lower level of authorized employment, new FTEs, increased funding, and decreased funding as the case may be.

(c) This Act provides 35 new FTEs in the Second Senatorial District as follows: 4 in the Resident Department of Community and Cultural Affairs, 6 in the Resident Department of Commerce, 8 in the Tinian Health Center, and 17 in the Resident Department of Public Safety. These positions shall not be filled prior to February 1, 1997, and shall be deemed not to exist or be authorized until that time. Nothing in this subsection precludes advertising, interviewing, or other recruitment efforts prior to February 1, 1997, so long as the position is not filled until that date.

Section 506. Medical Referral Funds.

(a) Renal Transplant Funds. Notwithstanding any other provision of law, \$500,000 of the \$7,100,000 appropriated to the Department of Public Health under Medical Referral expenditure class code 6219 shall be used exclusively for the purposes of renal transplants and shall be available without fiscal year limitation until exhausted.

~~(b) Notwithstanding any other provision of law, funds appropriated for the purpose of medical referral under this Act shall include reimbursement for emergency medical expenses incurred at an off-island facility by otherwise eligible patients who are residents of the CNMI traveling or studying abroad.~~

(c) Bone Marrow Transplants. Notwithstanding any other provision of law, \$600,000 of the \$7,100,000 appropriated to the Department of Public Health under Medical Referral expenditure class code 6219 shall be used exclusively for purposes of bone marrow transplants and shall be available without fiscal year limitation until exhausted.

Section 507. Excess FTEs. This Act conditionally creates 103 new FTE's in the Executive Branch as follows:

<u>Office/Department</u>	<u>No. of new FTE's</u>
Office of the Governor	39
Administrative Services	13
Office of Management and Budget	2
Public Information Office	2
Emergency Management Office	5
Department of Finance	
Treasury Office	3
Procurement and Supply	1
Customs Service, Saipan	1
Department of Community and Cultural Affairs,	
Secretary's Office	1
Aging Office	5
Department of Labor and Immigration, Labor	3
Department of Commerce, Secretary's Office	1
Department of Lands and Natural Resources,	
Secretary's Office	5
Fish and Wildlife	12
Land Registration	1
Department of Public Works, Secretary's Office	9.

The aforesaid FTEs are included in the FTE levels fixed in the accompanying worksheets but are authorized only conditionally, subject to the provisions of this section and only for the duration of Fiscal Year 1997. Each of these FTEs is subject to availability of funds and shall not exist or be filled until the Governor has, in the manner prescribed by this section, reprogrammed funds sufficient to fully fund the position for the balance of the fiscal year. Any of these positions which has not been funded and filled within 45 days of the effective date of this Act is hereby eliminated, and this Act shall be deemed automatically amended accordingly to reflect the lower level of authorized employment. To fund these positions, the Governor is hereby authorized, notwithstanding any other provision of law, to reprogram, without limitation, any of the funds appropriated by this Act except funds appropriated for medical referral, funds appropriated to the department of Public Safety, funds for which reprogramming is prohibited by Article XV, Section 1(e) of the Commonwealth Constitution, and funds for which reprogramming is restricted or prohibited by this Act other than by Section 513(a). These FTEs shall be filled only with individuals who were in the employ of the Commonwealth government at some time during the period October 1, 1996 to November 15, 1996.

Notwithstanding any other provision of law, the above new FTE's shall not be transferred or detailed to any other purpose, department, division, agency or branch, or, to any activity listed in Chapter IV, Section 401 of this Act, other than those to which they are listed above; further, if any of the above FTE's becomes vacant during the 1997 Fiscal Year for any reason, such FTE shall cease to exist and shall not be refilled or occupied by new or different persons or personnel, and this Act shall be deemed automatically amended accordingly to reflect the lower level of authorized employment.

Section 508. Enforcement of Employment Ceilings. No person may be hired on a temporary, part-time, probationary, provisional, permanent, or other basis unless a vacant FTE exists for that person or the position filled is of a type specifically exempted by this Act consistent with Article X,

Section 7 of the Commonwealth Constitution. For purposes of this section, the term "vacant" includes new FTEs. In addition to any other penalties or remedies as may be provided by law, any person who hires or approves the hiring of any person, in violation of this provision, shall be personally liable for the costs of employment of the person hired illegally, together with reasonable costs and attorneys fees in any action brought by any taxpayer to recover on behalf of the Commonwealth monies improperly spent (which spending is hereby declared as not for a public purpose) as a result of such illegal hiring. A right of action is hereby created in every Commonwealth taxpayer to enforce this section, as a supplement to all other rights and remedies as may already exist at law or in equity. Sections 301 and 401 of this act are specifically made subject to this section.

Section 509. 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, provided that:

The President of the Senate shall allocate the \$1,400,000 allocated 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 the \$1,400,000 allocated to 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 510. Legislative Staff Exemption. Legislative staff employed by individual legislators 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 511. 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 Chairpersons of the Municipal Councils of the respective Senatorial Districts shall have the expenditure authority for appropriations for their respective offices. Each Municipal Council Chairperson shall allocate, and provide for the expenditure of, the funds appropriated to the Council in accordance with the Official Rules of the Council. Additionally, in accord with the Superior Court's decision in the case of Inos v. Tenorio, the Mayors shall also have expenditure authority over resident government departments in the First and Second senatorial districts respectively unless the Governor revokes expenditure authority in a manner consistent with the Superior Court's holdings in Inos v. Tenorio, to wit: expenditure authority over resident departments that are primarily concerned with the delivery of public services can be revoked only on a prior showing of just cause, but the Governor has discretion to revoke expenditure authority over those departments that are primarily concerned with enforcing the law; Provided, that such expenditure authority shall be modified,

extended, or canceled in any manner as the CNMI Supreme Court may subsequently direct in a decision in this case.

(b) For the Covenant Section 902 Consultations, expenditure authority is vested in the Chairman of the Special Representatives to the 902 Consultations.

(c) For the Ground Water Management and Protection Act Fund, expenditure authority is vested in the Chief of the Division of Environmental Quality.

(d) For the CNMI Flame Tree Arts Festival, expenditure authority is vested in the Executive Director of the Commonwealth Council for Arts and Culture.

(e) For the Junior Reserve Officer Training Corps (JROTC), expenditure authority is vested in the Commissioner of Education or his designee.

(f) For the NM Protection and Advocacy Program, expenditure authority is vested in the Chairman of the Board of Directors or her designee.

~~(g) For the Youth Congress, the expenditure authority is vested in the Speaker of the Youth Congress with the concurrence of the Director of the Legislative Bureau.~~

(h) For the APIL, the expenditure authority is vested in the Secretary of the Department of Finance.

(i) For the APPU, the expenditure authority is vested in the Secretary of the Department of Finance.

(j) For the Developmental Disabilities Planning Agency, the expenditure authority is vested in the Executive Director of the Agency.

(k) For the Marianas Bound (KARIDAT), the expenditure authority is vested in the Chairman of the Board of Directors.

(l) For the Micronesian Legal Services Corporation, the expenditure authority is vested in the Executive Director of the Micronesian Legal Services Corporation.

(m) For the Ayuda Network, the expenditure authority is vested in the Chairman of the Board of Directors.

(n) 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, is vested in the appropriate agency officials designated by law as having expenditure authority.

(o) For the Manila Liaison Office in the Philippines, expenditure authority is vested in the Governor.

(p) For the air and sea vessel charters to the Northern Islands, expenditure authority is vested in the Mayor of the Northern Islands.

(q) For the NMC Multi-purpose gym, expenditure authority is vested in the Secretary of Public Works in consultation with the NMHC.

(r) For the sewer system improvement for election precinct three, expenditure authority is vested in the Executive Director of CUC.

(s) For the Oleai Elementary School sewage line connection, expenditure authority is vested in the Executive Director of CUC.

(t) For the Ada Gym improvement, expenditure authority is vested in the Secretary of Community and Cultural Affairs.

(u) For the Nan Ocha and Kanat Tabla road asphalt pavement, expenditure authority is vested in the Mayor of Saipan.

(v) For the Capital Hill bus shelter, expenditure authority is vested in the Secretary

of Public Works.

~~(w) For road paving/improvement/equipment/repair and maintenance projects in Rota, expenditure authority is vested in the Mayor of Rota in consultation with the Rota Legislative Delegation.~~

(x) For the Texas road paving project, expenditure authority is vested in the Secretary of Public Works.

~~(y) For the Pacific Islands Development Bank, expenditure authority is vested in the Secretary of Finance.~~

(z) For the funds appropriated to Administrative Services for the Public School System on Rota, expenditure authority is vested in the Rota PSS Administrative Officer.

Section 512. 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 513. Reprogramming of Funds. Reprogramming of funds appropriated under this Act shall be in accordance with 1 CMC Section 7402 except as follows, notwithstanding any other provision of law:

(a) Reprogramming is prohibited to or from 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) No funds from any object class shall be reprogrammed for vehicle purchases.

(c) Reprogramming is permitted from any object class to medical referral.

(d) 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.

(e) Notwithstanding 1 CMC § 7402(a)(2) funds may be reprogrammed to zero funded accounts within the Department of Public Health.

(f) Notwithstanding any other provision of law, funds appropriated for the following purposes shall not be reprogrammed to any other purpose:

~~(1) the \$60,000 for the APIL;~~

~~(2) the \$840,000 appropriated to the Department of Public Health for Hemodialysis building improvement and collateral equipment;~~

~~(3) the \$80,000 for air and sea vessel charters to the Northern Islands;~~

~~(4) the \$700,000 appropriated for the NMC multipurpose gym;~~

~~(5) the \$600,000 for the sewer system improvement for Election Precinct #3;~~

~~(6) the \$100,000 appropriated for the Oleai Elementary School sewer line connection;~~

~~(7) the \$300,000 for the Ada Gym improvement;~~

~~(8) the \$250,000 for the Nan Ocha and Kanat Tabla asphalt road pavement;~~

~~(9) the \$325,000 appropriated in this Act to the Department of Public Health, Radiology Department, for CT Scan additional equipment and mammography instruments;~~

~~(10) the \$245,000 appropriated under class code 6219 to the Division of Mental Health in the Department of Public Health;~~

~~(11) the \$500,000 appropriated to the Department of Public Health for renal transplants;~~

~~(12) the \$600,000 appropriated to the Department of Public Health for bone marrow transplants;~~

~~(13) the \$5,000 for the capital hill bus shelter;~~

~~(14) the \$1,000,000 to Rota for road paving/improvement/equipment/repairs;~~

~~and~~

~~(15) the \$180,000 for the Texas road construction and paving.~~

~~(g) Notwithstanding any other provision of law, no funds may be reprogrammed from the First or Second Senatorial District except to other uses within the same senatorial district unless made pursuant to a reprogramming for a particular purpose which applies a uniform percentage throughout the Commonwealth government.~~

Section 514. Restriction on Charging Multiple Accounts. No employee of any branch of government may receive salaries from more than one FTE, nor from more than one local account except as provided in Section 510 of this Act.

Section 515. 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, provided that this limitation shall not be applicable to civil service within-grade increases, and provided further that employees in the Department of Labor and Immigration may receive retroactive salary raises dating back to October 1, 1996 if such raises were recommended for that Department and such employee in the most recent OPM desk audit.

Section 516. 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 517. Salary Exemption. Notwithstanding 1 CMC § 8248. attorneys whose primary responsibilities consist of practice of their profession and who have been admitted to practice in a U.S. jurisdiction for at least two years may receive an annual salary in excess of \$50,000 but not more than \$70,000, and engineers may not receive salaries in excess of \$70,000.

~~Section 518. Office of the Public Auditor. Notwithstanding any other provision of law, of those funds that would otherwise be allotted to the Public Auditor under 1 CMC § 7831, such funds in excess of \$1,958,700 are hereby instead appropriated as follows: the first \$1,000,000 to the Salary Adjustment Account created by Section 519 of this Act, and the balance, in equal amounts, to the Medical Referral account (class code 6219), and the Scholarship account, and except as otherwise provided by this Act, such monies so appropriated to these entities may be spent without further appropriation.~~

~~Section 519. Reserve for Salary Adjustment. A special reserve account is hereby created to be used for salary adjustments under a new salary scale to be enacted by the Legislature during Fiscal Year 1997. Funds in this special reserve account shall not be reallocated, expended, or reprogrammed for any other purpose except as may be provided by law after the effective date of this Act. The funds specified in Section 518 and the first \$3,000,000 in lapsed funds under Section 527 of this Act shall be placed into this special reserve account. Subject to the restrictions provided by law or this Act, the Governor may reprogram into this special reserve account any of the funds appropriated by this Act, and any funds so reprogrammed shall disregarded for purposes of the limits~~

~~on particular and cumulative reprogramming authority under 1 CMC § 7402.~~

Section 520. The Marianas Visitors Bureau. Notwithstanding any other provision of law, the Mariana Visitors Bureau shall only receive those funds appropriated thereto in this Act.

~~Section 521. Restrictions on the Rental, Lease, and Purchasing of Government Vehicles. Within 90 days of the effective date of this Section, the Office of Management and Budget shall promulgate rules and regulations, to have the force and effect of law, to regulate the rental, lease, and purchase of government vehicles with public funds. Thereafter, for so long as this Act shall provide the basis for budget authority, it shall be unlawful to use any public funds in any manner to rent, lease, or purchase government vehicles except as provided in such regulations. A violation of such regulations shall be deemed to be violation of 1 CMC § 7701 and thereby subject to the applicable criminal penalties under 1 CMC § 7702.~~

Section 522. Appropriation Levels are Inclusive of Continuing Appropriation Spending Prior to Effective Date of this Act. The level of funds appropriated under this Act are enacted as cumulative spending and budget limits for each matter contained herein for the entire 1997 Fiscal Year; consequently, except as may occur via lawful reprogramming, no monies or funds may be spent, obligated, or otherwise encumbered during the 1997 Fiscal Year for any given agency, department, program, or any other entity or matter, above the funding levels set forth in this Act, and such cumulative total spending levels shall include any funds or monies spent, obligated, or otherwise encumbered by way of continuing appropriation under the provisions of the Planning and Budgeting Act prior to the effective date of this Act. Thus, the effect of this Act is such that any amount of funds spent, encumbered or otherwise obligated for any matter prior to the effective date of this Act shall be deducted from the total appropriation for that matter under this Act, with the resulting difference being the total amount of funds still available to be spent, obligated, or otherwise encumbered for that matter during the remainder of the 1997 Fiscal Year.

Section 523. The Public School System and Public Law 10-34. This Act shall not be construed in any way to amend, repeal, or otherwise affect Public Law 10-34 or the appropriations made therein except as expressly provided by this Act; and, this Act shall not be construed to enact any additional or supplemental funding to the funding for PSS that is provided by Public Law 10-34 except as expressly provided by this Act. Section 508 of this Act is hereby made applicable to Public Law 10-34, and Public Law 10-34 is hereby amended accordingly to incorporate Section 508 of this Act as a part of that public law.

Section 524. Liquidated Damages.

(a) Any liquidated damages paid or accrued during the 1997 Fiscal Year by the contractor in relation to construction of the new judicial building in Susupe shall, without further appropriation, be spent for repayment of the judicial building loan from the Retirement Fund.

(b) Any liquidated damages paid or accrued during the 1997 Fiscal Year in relation to the Tinian High School construction project shall, without further appropriation, be used to procure equipment, tools, and fixtures solely for Tinian High School.

Section 525. Earmarked Funds. The earmarking provisions in Public Laws 5-3, 5-32, 9-22 and 9-29 are hereby amended for the 1997 Fiscal Year such that monies earmarked under these laws that are not explicitly appropriated with reference to those laws for their earmarked purpose(s) are hereby transferred into the General Fund for general appropriation under this Act. The earmarking and automatic appropriation of funds under Public Law 10-1 is not affected or amended by this Act.

Section 526. Judicial Branch. Pursuant to 1 CMC § 8250(b), the Judicial Branch is

authorized to provide a salary in excess of \$50,000 for the one position (FTE) of Court Director; Provided, that the salary shall not be more than \$75,000 and no government housing or housing benefit shall be provided.

~~Section 527. Lapsed Funds. At the close of each quarter of the fiscal year, the Secretary of Finance shall determine the amount of each allotment pursuant to Section 501 of this Act remaining unexpended at the end of the quarter and transfer the balance to appropriate accounts as provided by this section. The first \$3,000,000 of such lapsed funds shall be transferred to the special account (reserve for salary adjustment) created by Section 519 of this Act. Provided, that in the event that at the end of any quarter lapsed funds exist in an amount greater than the balance required for the special reserve account, the balance shall be satisfied utilizing an equal percentage of all the lapsed funds. At the end of each fiscal quarter, after the reserve for salary adjustment has been satisfied and subject to the provisions of Section 528 of this Act, lapsed funds are hereby re-appropriated for the following projects. Such re-appropriations shall be given effect in order of budget size, beginning with those projects below with the largest budget:~~

Childcare Innovation, Demonstration, and Pilot Projects	\$75,000;
Girl Scouts	\$15,000;
Boy Scouts	\$15,000;
Social Hall renovations	\$100,000;
Legislature Building renovation and computer system upgrade	\$177,000;
Board of Election for electronically operated election tabulation system	\$85,000;
Koblerville/Fina Sisu Sewer System	\$300,000;
Man Hoben Center (Youth Center), San Antonio	\$15,000;
Texas road asphalt overlay	\$100,000;
Chalan Kanoa District No. 4 Social Hall construction	\$120,000;
Chalan Kanoa/Susupe five basketball courts renovation	\$100,000;
Sugar Dock Traffic light installation	\$100,000;
Garapan School sewer	\$9,000;
Garapan and Oleai schools parking lot pavement	\$81,300;
Island wide bus shelter construction	\$82,000;
Northern Island school building construction	\$300,000;
Northern Island multi-purpose building construction	\$300,000;
CHC nursing, professional services	\$755,000;
Drug Rehabilitation Program under Public Law 7-42	\$350,000;
Department of Labor and Immigration, for 45 additional FTE's	\$1,683,218;
DPS Crime Lab	\$300,000;
Flood Mitigation and Island wide anti-skid pavement overlay	\$146,000;
PSS Food Service Program	\$210,000;
DCCA, HPO/CNMI Museum, OPRN (PL 10-5)	\$350,000;
CCAC Arts and Culture Gallery building improvement	\$125,000;
Ada Gym track and field improvement	\$800,000;

Sports and Cultural Activities, CNMI off-island participation	\$300,000;
DPS Crime Stoppers	\$10,000;
PSS 30% retirement bonus for teachers	\$230,000;
CNMI/RF 30% retirement Bonus for Legislative Member	\$11,000;
Road improvement, Saipan International School and Tun Antonio Apa Road	\$100,000;
Water exploration/production for As Matusis, San Roque and Tanapag Villages	\$242,300;
For secondary road paving in election precinct three	\$350,000;
GTC and Tanapag Elementary Schools parking lot improvement	\$180,000;
GTC Elementary School playground equipment	\$16,500;
SPC Conference Expansion	\$500,000;
Preservation and documentation of Carolinian traditional practices	\$50,000;
Canoe Restoration Project	\$60,000;
San Juan, Marpi, Agricultural Revitalization Project	\$196,000;
Feasibility Study and disposal of oil and toxic liquids	\$75,000;
Mental Health Substance Abuse Project	\$200,000;
Farming Equipment	\$80,000;
Water Irrigation Project	\$100,000;
Agricultural Fair, additional funds	\$15,000;
Land grant farmers assistance	\$30,000;
China Town road improvement	\$40,000;
4H Club building renovation, equipment, and implements	\$60,000;
MHS Gym	\$250,000;
COLA for retirees	\$800,000
MHC house rentals for displaced Northern Island residents	\$285,000.

Section 528. ~~First Senatorial District Lapsed Funds.~~ Upon the full amount of lapsed funds (including lapsed funds from the First Senatorial District) being paid to the reserve for salary adjustment under Sections 519 and 527 of this Act, thereafter, for the funds appropriated under this Act for the First Senatorial District, at the end of each fiscal quarter, lapsed funds therefrom are hereby re-appropriated to the following projects, in the order and the amounts indicated below. At the close of each quarter of the fiscal year, the Secretary of Finance shall determine the amount of each allotment for the First Senatorial District under Section 501 of this Act not subject to Section 527 of this Act and remaining unexpended at the end of the quarter, and shall transfer the balance to appropriate accounts as provided by this section.

- a) Rota Health Center
 1. Machinery, tools, equipment \$40,000
- b) Resident Department of Community & Cultural Affairs
 1. Deputy Resident Director (1 FTE) including benefits \$41,600

c) Rota Gym Renovation	\$200,000
d) Public School System	
1. Sinapalo School furniture/air conditioning, equipment	\$100,000
2. Rota Public Library building improvement & equipment	\$50,000
Sub-total	<u>\$150,000</u>
e) Department of Public Works	
1. Road Vacuum Sweeper	\$50,000
2. Flood Control and Storm Drainage Improvements	\$100,000
3. Government Buildings Renovation & Repair	\$100,000
4. Low boy Tractor	\$50,000
Sub-total	<u>\$300,000</u>
f) Department of Public Safety	
1. Vehicle (2 each)	\$50,000
g) Sinapalo Police/Fire Station	\$250,000
h) Survey Appraisal (Island Perimeter Road)	\$500,000
Grand Total	<u>\$1,031,600</u>

~~Section 529. Second Senatorial District Lapsed Funds. Upon the full amount of lapsed funds (including lapsed funds from the Second Senatorial District) being paid to the reserve for salary adjustment under Sections 519 and 527 of this Act, thereafter, for the funds appropriated under this Act for the Second Senatorial District, at the end of each fiscal quarter, lapsed funds therefrom are hereby reappropriated to the Mayor of Tinian for Road Improvement (including procurement of equipment) without fiscal year limitation, and with the concurrence of the Tinian Legislative Delegation. At the close of each quarter of the fiscal year, the Secretary of Finance shall determine the amount of each allotment for the Second Senatorial District under Section 501 of this Act not subject to Section 527 of this Act and remaining unexpended at the end of the quarter, and shall transfer the balance to the Tinian Mayor's account as stated within this section.~~

Section 530. Additional Administrative Provisions.

(a) Northern Islands Air and Sea Vessel Charter Appropriation. The funds appropriated in this Act for the purpose of chartering vessels to the Northern Islands shall be spent so as to provide non-emergency field trip service to the three islands of Anatahan, Alamagan, and Agrihan every three months, to the extent that funding is so available, provided that such funds may be used in a different manner for emergency purposes.

(b) Texas Road Construction and Paving Project. The \$180,000 appropriated in this Act for the construction and paving of Texas Road, (beginning behind MTC Susupe to Angel Market Intersection) shall, notwithstanding any other provision of law, be available without fiscal year limitation, and shall not be reprogrammed for any other purpose except upon completion of the project.

(c) Pacific Islands Development Bank. Notwithstanding any other provision in this Act or other law, the \$175,000 appropriated for this purpose shall not be reprogrammed for any other purpose unless such reprogramming is approved by Joint Resolution from the Legislature; and, expenditure authority of this appropriation shall be with the Secretary of Finance.

(d) The Legislature finds that Civil Action No. 95-853 in the Commonwealth Superior Court was undertaken for a public purpose, to secure for the benefit of the people

~~of Tinian certain capital improvement funds. From the \$350,000 appropriated for Judgment/Claims under Independent Programs in the detailed worksheets, \$19,000 shall used to pay plaintiff's attorneys fees and costs in that action. The Secretary of Finance shall disburse the \$19,000 upon receipt of a request for payment from plaintiff's counsel accompanied by the final billing.~~

(e) Notwithstanding any other provision of law, the funds appropriated by this Act for road paving and construction on Rota shall not be reprogrammed and shall remain available for expenditure without fiscal year limitation. No more than \$300,000 of these funds shall be used for purchase of road grader and sand seal sprayer equipment and related materials. No more than \$30,000 of these funds shall be used for safety rail material. No more than \$150,000 of these funds shall be used for village road drainage. No more than \$120,000 of these funds shall be used for fuel, lubrication, maintenance, and repairs by the Rota Resident Department of Public Works. All of these funds not expended for any of the previously specified uses shall be spent for new construction/paving, and no portion of this balance shall be spent for repair of existing coral roads. None of the funds covered by this subsection shall be expended except by contract (including purchase order) awarded through a competitive bidding process advertised in a newspaper of general circulation in the Commonwealth; Provided that this requirement applies to the \$120,000 for fuel, lubrication, maintenance, and repairs by the Rota Resident Department of Public Works only to the extent otherwise required by Commonwealth law or procurement regulations. There shall be no exemptions from Commonwealth procurement regulations in the expenditure of these funds.

(f) Notwithstanding any other provision of law, the \$100,000 appropriated by this act for the Rota Guest House and former mayor's office, the funds for Building and Improvement under the Rota Resident Department of Public Works, funds for Guata Beach Park Pavilion, and the \$100,000 for the Rota High School baseball field under Rota PSS Administrative Services expenditure authority, shall not be reprogrammed and shall remain available for expenditure without fiscal year limitation. None of these funds shall be expended except by contract awarded through a competitive bidding process advertised in a newspaper of general circulation in the Commonwealth, and there shall be no exemptions from Commonwealth procurement regulations in the expenditure of these funds.

~~Section 531. Termination of Continuing Budget Authority. Notwithstanding 1 CMC § 7204(d), continuing budget authority for every branch, department, agency, other entity, or program is terminated upon this Act becoming law. The effect of any veto of any appropriation in this Act is to zero-fund the item, program, branch, department, agency, or other entity vetoed.~~

Section 532. 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 533. 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 534. 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/ Jesus T. Attao
JESUS T. ATTAO
Acting Speaker
House of Representatives

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

Subject to line-item vetoes

Approved this 9th day of December, 1996

/s/ Froilan C. Tenorio
FROILAN C. TENORIO
Governor
Commonwealth of the Northern Mariana Islands