



Arnold I. Palacios
Governor

David M. Apatang
Lieutenant Governor

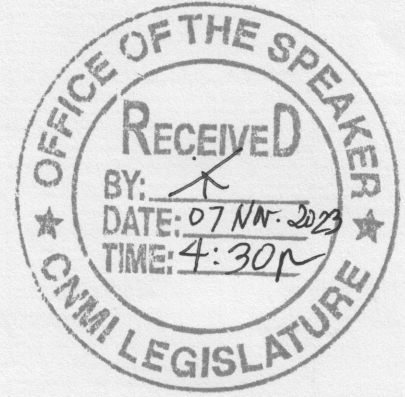
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
OFFICE OF THE GOVERNOR

November 07, 2023

GOV. COMM. 23-58 GOV2024-058
(HOUSE)

The Honorable Karl R. King-Nabors
Chairman
Tinian and Aguiguan Legislative Delegation
Twenty-Third Northern Marianas Commonwealth Legislature
Saipan, MP 96950

The Honorable Edmund S. Villagomez
Speaker, House of Representatives
Twenty-Third Northern Marianas Commonwealth Legislature
Saipan, MP 96950



11/8/23

Dear Mr. Chairman and Mr. Speaker:

This is to inform you that I have signed into law **House Local Bill No. 23-29, S1**, entitled, "To make limited appropriations for the personnel and operations of the Tinian Casino Gaming Control Commission, Office of the Mayor of Tinian and Aguiguan, the Tinian Municipal Council, and the Tinian Municipal Treasury for Fiscal Year 2024 pursuant to 10 CMC § 2581 [Tinian Local Law 21-9] and 1 CMC § 1405(a) [Public Law 11-17]." The bill was passed unanimously by the Tinian and Aguiguan Legislative Delegation of the Twenty-Third Northern Marianas Commonwealth Legislature.

Notwithstanding my signature, I have disapproved the following parts of the enactment for the following reasons:

Vetoed – Page 5 Line 6 (Section 108(c))

Based on the opinion of the Attorney General, I will line-item veto the appropriation of \$20,000.00 to the Delegation for personnel, as this provision is constitutionally problematic.

Notwithstanding the prior approval of similar appropriations, I restate my concern regarding the constitutionality of the appropriation to legislative delegations to fund operational costs. The Legislature has approved a funding ceiling of \$6,791.324 for FY 2024. Cf. NMI CONST. art. II, § 16. Each delegation is a component unit of the Commonwealth Legislature and may not incur expenditures beyond what is established every fiscal year in the annual appropriations acts for the Legislature. See 1 CMC § 7401 ("No expenditure of Commonwealth funds shall be made unless the funds are appropriated in currently effective annual appropriation acts or pursuant to 1 CMC § 7204(d)"); 1 CMC § 7204(d) ("Funds for operations of the Commonwealth shall be appropriated pursuant to annual appropriation acts.").

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RECEIVED BY
DATE 11/07/2023
TIME 4:15 PM

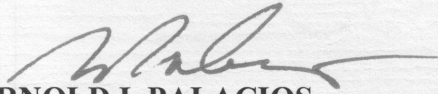
Notwithstanding the approved budget for the legislature, legislative delegations continue to circumvent the legal budget process to fund additional operational expenditures already funded under the annual appropriation acts for each fiscal year.

Vetoed – Page 5 Lines 16–18 (Section 109(c))

I will likewise line-item veto the provision for the Chair of the Tinian and Aguiguan Legislative Delegation to be the expenditure authority for these funds, on the same grounds.

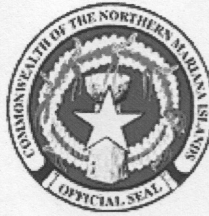
With the exception of the vetoed portions, this bill becomes **Tinian Local Law 23-05**. Copies bearing my signature are forwarded for your reference.

Sincerely,



ARNOLD I. PALACIOS
Governor

- cc: Lieutenant Governor
Attorney General
Commonwealth Law Revision
Secretary of Finance
Public Auditor
Special Assistant for Administration
Tinian Casino Gaming Control Commission
Mayor of Tinian and Aguiguan
Tinian Municipal Council
Tinian Municipal Treasury
Programs & Legislative Review Office



**TINIAN AND AGUIGUAN LEGISLATIVE DELEGATION
SECOND SENATORIAL DISTRICT
TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH LEGISLATURE**

SECOND REGULAR SESSION, 2023

HOUSE LOCAL BILL NO. 23-29, S1

**A LOCAL APPROPRIATION BILL FOR AN ACT
FOR THE SECOND SENATORIAL DISTRICT**

To make limited appropriations for the personnel and operations of the Tinian Casino Gaming Control Commission, Office of the Mayor of Tinian & Aguiguan, the Tinian Municipal Council, and the Tinian Municipal Treasury for Fiscal Year 2024 pursuant to 10 CMC § 2581 [Tinian Local Law 21-9] and 1 CMC § 1405(a) [Public Law 11-17].

OFFERED BY

Representative Patrick H. San Nicolas

Prefiled on October 2, 2023 and Introduced on October 5, 2023

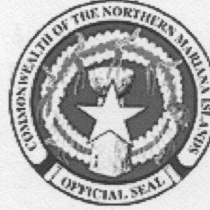
HOUSE ACTION

Transmitted to Tinian and Aguiguan Legislative Delegation for action on
October 5, 2023

DELEGATION ACTION

Referred to:	None
Comments Solicited:	10/5/23: Mayor of Tinian and Aguiguan [Del. Matters 23-30] & Tinian & Aguiguan Municipal Council [Del. Matters 23-31]
Comments Received:	10/13/23: Mayors Comm. 23-12
Standing Committee Report:	None
Passed First & Final Reading:	October 17, 2023 w/Substitute 1

**Frances Joan P. Kaipat
Delegation Clerk**



TINIAN AND AGUIGUAN LEGISLATIVE DELEGATION
SECOND SENATORIAL DISTRICT
TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

SECOND REGULAR SESSION, 2023

H. L. B. 23-29, S1

A LOCAL APPROPRIATION BILL FOR AN ACT
FOR THE SECOND SENATORIAL DISTRICT

To make limited appropriations for the personnel and operations of the Tinian Casino Gaming Control Commission, Office of the Mayor of Tinian & Aguiguan, the Tinian Municipal Council, and the Tinian Municipal Treasury for Fiscal Year 2024 pursuant to 10 CMC § 2581 [Tinian Local Law 21-9] and 1 CMC § 1405(a) [Public Law 11-17].

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

1 SECTION 101. FINDINGS.

2 The Tinian and Aguiguan Legislative Delegation (TALD) is cognizant of the Delegation's
3 obligation to enact a Tinian Local Budget for fiscal year 2024 on or before October 1, 2023. The
4 Office of the Tinian Municipal Treasurer transmitted a communication dated September 27, 2023
5 to the TALD identifying local revenue for fiscal year 2024 in the amount of \$507,750.00 that is
6 available for appropriation. Pursuant to 10 CMC § 2581(b)(3), as established by Tinian Local Law
7 21-9, casino licensees are required to renew their licenses upon its expiration. Failure to renew a
8 conditional or plenary license upon expiration shall be grounds for the revocation, suspension or
9 termination of a casino license.

HOUSE LOCAL BILL 23-29, S1

The Tinian and Aguiguan Legislative Delegation finds that the identified local revenue for FY2024 is insufficient to satisfy in full all the personnel and operation expenses of the TCGCC, Office of the Mayor of Tinian, Tinian Municipal Council, and the Tinian Municipal Treasurer up to the end of the fiscal year on September 30, 2024. Upon the identification of additional gaming funds, the Delegation shall immediately appropriate the additional funds for the programs authorized under this Act.

SECTION 102. PURPOSE.

This Act appropriates limited local funds generated pursuant to 10 CMC § 2581 [Tinian Local Law 21-9, the Revised Tinian Casino Gaming Control Act of 1989], for the personnel and operations of the Tinian Casino Gaming Control Commission, the Tinian Municipal Treasury, Tinian Municipal Council and the Office of the Mayor.

SECTION 103. ESTIMATED LOCAL REVENUES.

Pursuant to Certification of Funds for Tinian Municipal Treasurer, the estimated local revenues deposited pursuant to 10 CMC §§ 2581 [Tinian Local Law 21-9, the Revised Tinian Casino Gaming Control Act of 1989], for the Municipality of Tinian and Aguiguan for Fiscal Year 2024 are hereby identified and classified as resources in this local appropriations Act.

Local Funds Available for Appropriation for Fiscal Year 2024:

- 1. **Casino license fee** **\$500,000.00**
- 2. **Casino Service Industry Fee (FY2023)** **\$ 2,000.00**
- 3. **Casino Key Employee License FEE** **\$ 5,000.00**
- 4. **Casino Employee License Fee** **\$ 750.00**

HOUSE LOCAL BILL 23-29, S1

1 In order to provide expenditure authorities with flexibility in determining the allocation of
2 funding for their operations, expenditure authorities must reduce their expenditures to achieve the
3 level of appropriation under this Act.

4 (a) Expenditure authorities may reduce previous levels of expenditure by:

5 (1) A reduction in work hours;

6 (2) A reduction in wages;

7 (3) Furlough;

8 (4) A reduction in force;

9 (5) A reduction in expenditures for “all others”; or

10 (6) A combination of reductions under subsections (1) through (5).

11 (b) The reduction in work hours shall not apply to inspectors employed by the Tinian
12 Casino Gaming Control Commission, Division of Enforcement – Administration, as required by
13 Articles 2 and 10 of Tinian Local Law 21-9, the Revised Tinian Casino Gaming Control Act of
14 1989, upon the reopening of any casino.

15 **SECTION 108. APPROPRIATION WORKSHEET.**

16 Notwithstanding any provision(s) of law, statutes, rules or regulations to the contrary and
17 pursuant to 10 CMC §§ 2581 [Tinian Local Law 21-9, the Revised Tinian Casino Gaming Control
18 Act of 1989] for the Municipality of Tinian and Aguiguan for Fiscal Year 2023, the Tinian and
19 Aguiguan Legislative Delegation hereby appropriates **\$507,750.00** of the local revenues as
20 follows:

HOUSE LOCAL BILL 23-29, S1

1 (a) \$447,750.00 to the Tinian Casino Gaming Control Commission – Commissioners and
2 Enforcement Administration with \$411,750.00 allocated to personnel and \$36,000.00 allocated to
3 its operations;

4 (b) \$30,000.00 for the discretionary fund and operations of the Mayor of Tinian and
5 Aguiguan;

6 ~~(c) \$20,000.00 to the Tinian & Aguiguan Legislative Delegation for personnel; and~~

7 ~~(d) \$10,000.00 to the Tinian Municipal Council for operations.~~

8 **SECTION 109. EXPENDITURE AUTHORITY.**

9 (a) Notwithstanding any law to the contrary, the Mayor of Tinian and Aguiguan shall be
10 the expenditure authority of the funds appropriated to the Office of the Mayor, the Office of the
11 Municipal Treasurer, and Public Programs.

12 (b) Notwithstanding any law to the contrary, the Chairman of the Tinian Casino Gaming
13 Control Commission (TCGCC) shall be the expenditure authority of the funds appropriated to the
14 Commissioners Division and the Enforcement Division of the Tinian Casino Gaming Control
15 Commission.

16 ~~(c) Notwithstanding any law to the contrary, the Chairperson of the Tinian & Aguiguan~~
17 ~~Legislative Delegation (TALD) shall be the expenditure authority of the funds appropriated to the~~
18 ~~operations of the Tinian & Aguiguan Legislative Delegation.~~

19 (d) Notwithstanding any law to the contrary, the Chairperson of the Tinian Municipal
20 Council (TMC) shall be the expenditure authority of the funds appropriated to the operations of
21 the Tinian Municipal Council.

1 **SECTION 110. MANAGEMENT OF FUNDS.**

2 (a) The Tinian Municipal Treasurer shall regulate and control the expenditure of public
3 funds that are appropriated and allocated by this Act, so that no activity may expend appropriated
4 funds contrary to this Act or fiscal management policies; and

5 (b) Vacant positions or FTEs shall not be announced or filled without certification of
6 available funds by the Tinian Municipal Treasurer and approved for expenditure by the respective
7 expenditure authority. Zero-funded positions or FTEs shall not be filled and funds appropriated
8 herein shall not be reprogrammed to fund zero-funded positions or FTEs.

9 (c) Notwithstanding any law to the contrary and immediately upon approval of this Act,
10 all employment positions or contracts may be amended or adjusted to reflect any increase or
11 change in salary subject to certification of availability of funds.

12 (d) Notwithstanding any law to the contrary, the funds appropriated pursuant to this Act
13 shall not be used to increase the salary of any employee or position from its current level or new
14 level as set forth and appropriated by this Act.

15 **SECTION 111. REPROGRAMMING AND PROPORTIONATE REDUCTION OF**
16 **FUNDS.**

17 Except as provided in Section 110 of this Act, in the event that the estimated revenue
18 collected is ten (10) percent below the projected or estimated revenue indicated in Section 103 of
19 this Act, the respective expenditure authority shall have full reprogramming authority of all funds
20 in order to properly manage expenditures so as to not create a deficit; provided that the funds
21 available shall be prioritized for personnel expenses and no funds shall be used or reprogrammed

1 for travel purposes. In such an event, the Mayor shall proportionately reduce the amounts
2 appropriated herein.

3 **SECTION 112. SUPPLEMENTAL APPROPRIATIONS.**

4 In the event that the Municipal Treasurer determines that the estimated local revenues
5 collected will be increased by \$100,000 or more of the projected or estimated revenue indicated
6 in Section 103 of this Act, the Municipal Treasurer shall transmit within fifteen (15) calendar days
7 a special budget message to the Tinian & Aguiguan Mayor's Office, the Chairman of the Tinian
8 Legislative Delegation and the Chairman of the Tinian Municipal Council proposing to increase
9 the reserve for the fiscal year or provide additional budget authority for the fiscal year. Any
10 increases in revenues shall be held in reserve, unless appropriated by the Tinian and Aguiguan
11 Legislative Delegation.

12 **SECTION 113. NO CONTINUING APPROPRIATIONS.**

13 The Tinian Casino Gaming Control Commission and the Tinian Municipal Treasurer
14 through the Mayor shall provide revenue projections and proposed appropriations on or before
15 June 1, 2024. The Tinian and Aguiguan Legislative Delegation, shall pass a balanced budget by
16 October 1, 2024 unless all casino operations have shut down or gaming funds are not available.
17 Except as provided in Section 104 of this Act, no expenditures shall be made absent an
18 appropriation measure signed into law for fiscal year 2025.

1 **SECTION 114. CRIMINAL PENALTIES.**

2 Without limitation on the applicability of any other part of the Planning and Budget Act of
3 1983, as amended, the criminal penalties set forth therein (1 CMC § 7701 *et seq.*) shall apply to
4 this Act.

5 **SECTION 115. SEVERABILITY.**

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

10 **SECTION 116. SAVINGS CLAUSE.**

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

17 **SECTION 117. EFFECTIVE DATE.**

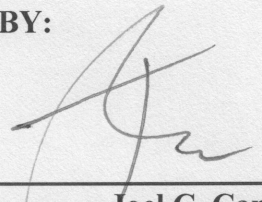
18 This Act shall take effect upon its approval by the Governor or upon it becoming law
19 without such approval.

HOUSE LOCAL BILL 23-29, S1

CERTIFIED BY:

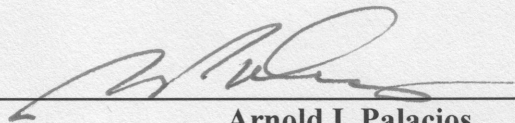


Karl R. King-Nabors
Chairman
Tinian & Aguiguan Legislative Delegation



Joel C. Camacho
Acting Speaker
23rd House of Representatives

Approved this 7th day of November, 2023.



Arnold I. Palacios
Governor
Commonwealth of the Northern Mariana Islands

Office of the Tinian Municipal Treasurer

Municipality of Tinian and Aguiguan

Commonwealth of the Northern Mariana Islands

P.O. Box 520485 Tinian, MP 96952

Tel. No.: (670) 433-2272 • Fax No.: (670) 433-6082

Maria Barbara C. Borja
Municipal Treasurer

Edwin P. Aldan
Mayor

DATE : September 27, 2023

TO : Senator Karl King-Nabors
Chairman, Tinian & Aguiguan Legislative Delegation

Congressman Patrick H. San Nicolas

FROM : Tinian Municipal Treasurer

SUBJECT: Local Revenue for FY 2024


This is to inform you that I have received the local revenue for Fiscal Year 2024 as follow:

- | | |
|--|------------------|
| 1. Bridge Investment Group - Casino License Fees | \$500,000.00 |
| 2. Casino Service Industry Fee (FY 2024) | \$ 2,000.00 |
| • United States Playing Card Co. - \$1,000 | |
| • Matsui Asia, Ltd. - \$500.00 | |
| • Clear Management Group, Ltd. - \$500.00 | |
| 3. Casino Key Employee License Fee | \$ 5,000.00 |
| 4. Casino Employee License Fee | \$ <u>750.00</u> |

Total Amount \$ 507,750.00

The Local revenue in the amount of \$507,750.00 is available for appropriation. For additional information, please do not hesitate to call me at telephone number (670) 433-2275.

Sincerely,


Maria Barbara C. Borja

ENTERED
DATE: 28 Sept 2023
Received *Zania*