



COPY

THE SENATE
Twenty-Second Northern Marianas Commonwealth Legislature
P. O. Box 500129
Saipan, MP 96950

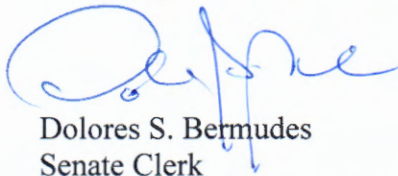
August 20, 2021

The Honorable Edmund S. Villagomez
Speaker
House of Representatives
22nd Northern Marianas Commonwealth
Legislature
Saipan, MP 96950

Dear Speaker Villagomez:

I have the honor of returning with amendments House Bill No. 22-74, HD3, SD1 entitled, "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 2022; and for other purposes." The Senate passed on Final Reading, House Bill No. 22-74, HD3, SD1 by the unanimous vote of the members, a quorum being present, in its 1st First Special Session within the Second Regular on August 19, 2021.

Sincerely,

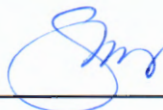


Dolores S. Bermudes
Senate Clerk

Attachment

Transmitted to HOUSE:

Received by: _____



Date: _____

8/20/2021

Time: _____

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1 (b) "NEW" means that the Legislature hereby authorizes the Secretary of
2 Finance to establish a business unit as set for therein for the named entity.

3 (c) Government of the Commonwealth of the Northern Mariana Islands
4 includes:

5 (1) Judicial Branch, which includes the following:

6 NEW Mental Health Court

7 1689 Justices and Judges

8 1691 Supreme Court

9 1690 Superior Court

10 1694 Judiciary Administrative Office

11 1692 Law Revision Commission

12 1695 Drug Court

13 (2) Legislative Branch, which includes the following business units:

14 1722 House of Representative Salaries

15 1722A House Members Allocation

16 1754 House Leadership Account

17 1762 Senator Salaries

18 1764A Senate Members Allocation

19 1764 Senate Leadership Account

20 1770 Legislative Bureau

21 1593 CNMI Youth Congress

1 (3) Executive Branch, which includes the following departments and
2 offices:

3 (A) Offices of the Governor, which includes business units:

4 1011 Governor's Office

5 1021 Governor's Discretionary Account

6 (B) Office of the Lt. Governor

7 1050 Lt. Governor's Office

8 1051 Lt. Governor's Discretionary Account

9 (C) Other Offices of the Governor and Lt. Governor

10 1014 Management and Budget

11 1016 Administrative Services

12 1019 CNMI Homeland Security and Emergency Management Office

13 1020 Office of Youth Affairs

14 1022 Office of Planning & Development

15 1023 Board of Parole

16 1043 Office of Grants Management

17 1190 Public Defender

18 1201 Carolinian Affairs Office

19 1202 Indigenous Affairs Office

20 1251 Veterans Affairs Office

21 1260 Women's Affairs Office

1 1492 Environmental Protection Act

2 1493 Environmental Quality Saipan

3 1494 Environmental Quality Tinian

4 1555 Saipan Zoning Board

5 1584 Criminal Justice Planning Agency

6 1915 Vocational Rehabilitation Service

7 1044 Commonwealth Office of Transit Authority (COTA)

8 (D) Department of Commerce, which includes business units:

9 1300 Secretary of Commerce

10 1310 Economic Development – Saipan

11 1331 Statistical Research

12 1332 Alcohol Beverage & Tobacco Control

13 1333 Enforcement & Compliance

14 1334 Workers Compensation Commission

15 (E) Department of Community and Cultural Affairs, which includes

16 business units:

17 1200 Secretary of CCA

18 1220 Youth Services – Saipan

19 1223 Child Care Licensing Program

20 1224 Child Care Development Fund

21 1230 Historic Preservation – Saipan

- 1 1240 Office on Aging – Saipan
- 2 1250 Council for Arts & Culture
- 3 1252 Low Income Home Energy Asst. Program
- 4 1534 DDC CNMI Respite Service Program
- 5 1557 Chamorro/Carolinian Language Commission
- 6 1270 Sports and Recreation
- 7 (F) Department of Corrections, which includes business units:
- 8 1335 Corrections Commissioner
- 9 1335A Juvenile Detention Unit
- 10 (G) Department of Fire and Emergency Medical Services, which includes
- 11 business units:
- 12 1339 Administration
- 13 1339A Emergency Services
- 14 1339B Fire Prevention & Arson Investigation
- 15 1339C Emergency Medical Services
- 16 1339D Logistics and Support
- 17 1339E DFEMS Training Section
- 18 1339F Dispatch Section
- 19 (H) Department of Finance, which includes business units:
- 20 1100 Secretary of Finance
- 21 1110 Finance and Accounting – Saipan

- 1 1120 Treasury
- 2 1130 Revenue and Taxation – Saipan
- 3 1140 Procurement & Supply – Saipan
- 4 1150 Customs Services – Saipan
- 5 1160 Electronic Data Processing
- 6 1024 Passport Office
- 7 9040 CIQ Reimbursement (Airport/Seaport) Overtime
- 8 (I) Department of Labor, which includes business units:
- 9 1275 Secretary of Labor
- 10 1283 Administrative Hearing Office
- 11 1330 Employment Services
- 12 1583 Workforce Investment Agency
- 13 3430 Labor Enforcement Fund
- 14 (J) Department of Lands and Natural Resources, which includes business
- 15 units:
- 16 1400 Secretary of DLNR
- 17 1410 Agriculture
- 18 1420 Fish & Wildlife – Saipan
- 19 1440 Parks & Grounds – Saipan
- 20 1461 Soil & Water (SPN & NI) District
- 21 1467 Land Registration & Survey – Saipan

- 1 (K) Department of Public Safety, which includes business units:
- 2 1340 DPS Commissioner
- 3 N/A Executive Protection Services
- 4 1340A War on Ice Program
- 5 1350 Police – Saipan
- 6 1360 Police Training Academy
- 7 1362 Administrative Division
- 8 1365 Motor Vehicles Division
- 9 1370 Investigation Division – Saipan
- 10 (L) Department of Public Works, which includes business units:
- 11 1471 Secretary of DPW
- 12 1471A Street Lights
- 13 1470 Building Safety Code
- 14 1484 Roads and Grounds Division
- 15 1485 Solid Waste Management
- 16 1490 Technical Services Division
- 17 (4) First Senatorial District (Rota) which includes the following business
- 18 units:
- 19 1065 Mayor Rota
- 20 1066 Municipal Council – Rota
- 21 1112 Finance & Accounting – Rota

- 1 1132 Revenue & Taxation – Rota
- 2 1142 Procurement & Supply – Rota
- 3 1152 Customs Service – Rota
- 4 1232 Historic Preservation – Rota
- 5 1272 Sports & Recreation – Rota
- 6 1282 Labor – Rota
- 7 1312 Commerce - Rota (Economic Development Rota)
- 8 1352 Police - Rota (DPS)
- 9 1353 Fire & EMS – Rota
- 10 1412 Agriculture – Rota
- 11 1422 Fish & Wildlife – Rota
- 12 1442 Parks & Recreation – Rota
- 13 1463 Soil and Water Conservation – Rota
- 14 1468 Land Registration & Survey – Rota
- 15 1482 Public Works - Rota (Operations and Maintenance Rota)
- 16 1523 Public Library – Rota
- 17 (5) Second Senatorial District (Tinian and Aguiguan) which includes the
- 18 following business units:
- 19 1063 Mayor Tinian
- 20 1064 Municipal Council – Tinian
- 21 1111 Finance & Accounting – Tinian

- 1 1131 Revenue & Taxation – Tinian
- 2 1141 Procurement & Supply – Tinian
- 3 1151 Customs Service – Tinian
- 4 1231 Historic Preservation – Tinian
- 5 1241 Aging – Tinian
- 6 1271 Sports & Recreation – Tinian
- 7 1281 Labor – Tinian
- 8 1311 Commerce-Tinian (Economic Development Tinian)
- 9 1351 Police - Tinian (DPS)
- 10 1351A Fire and EMS – Tinian
- 11 1411 Agriculture – Tinian
- 12 1421 Fish & Wildlife – Tinian
- 13 1441 Parks & Recreation – Tinian
- 14 1462 Soil & Water Conservation -Tinian
- 15 1481 Public Works-Tinian (Operations & Maintenance Tinian)
- 16 1524 Public Library – Tinian
- 17 (6) Third Senatorial District – Saipan & Northern Islands Mayors &
- 18 Municipal Council which includes the following governmental offices:
- 19 1061 Mayor Saipan
- 20 1060 Mayor Northern Islands
- 21 1062 Municipal Council Saipan

1 (7) Boards and Commissions which includes the following business units:

2 1540 Board of Civil Service Commission

3 1026 Office of Personnel Management – Saipan

4 1027 Office of Personnel Management – Tinian

5 1028 Office of Personnel Management – Rota

6 1551 Board of Election Commission

7 1556 Board of Professional Licensing

8 3540 Commonwealth Public Utilities Commission (CPUC)

9 1545 Commonwealth Casino Commission

10 1501 Commonwealth Cannabis Commission

11 1501A CNMI Cannabis Commission Board

12 (8) “Independent programs” means government programs under separate
13 boards established by law (unless receiving appropriations or budget authority
14 under another heading), specialized general items of appropriations, and those
15 non-profit corporations and associations or organizations established outside of
16 the Government of the Commonwealth of the Northern Mariana Islands to which
17 the Commonwealth Government provides financial assistance including business
18 units:

19 1033 CNMI Scholarship Office

20 1508 Substance Abuse Prevention

21 1515 Public Assistance Matching

- 1 1519 Elected Attorney General
- 2 1524B Civil Service Conversion (P.L. 19-83)
- 3 1526 Settlement Account
- 4 1526D 25% Retirees' Pension Benefits
- 5 1527 NMI DC Employer Contributions
- 6 1528 GHLI Retirees
- 7 1531 Northern Marianas Sports Association
- 8 1533 Gov't Health Insurance Employer Contribution (Active
- 9 Employees)
- 10 1541 Breadfruit Program
- 11 1549 Humanities Council
- 12 1562 Ayuda Network
- 13 1568 Domestic Violence
- 14 1577 Marianas Bound-Karidat
- 15 1580 Micronesian Legal Services
- 16 1592 Joeten/Kiyu Public Library
- 17 1601 Gov/Lt.Gov Pension
- 18 1623 Judgments Against Government
- 19 1951 Medicaid Reimbursement
- 20 1980 Medicaid Agency
- 21 1981 Medicaid Enterprise Systems

1 3661 NMI Museum of History and Culture
2 1532 La Fiesta Lease
3 1536 Commonwealth Cancer Association
4 N/A Workman's Compensation Insurance
5 N/A NMPASI
6 N/A NMTI
7 ~~N/A Latte Academy~~
8 1595 General Fund Deficit Reduction
9 (9) Other Programs:
10 1507 Commonwealth Healthcare Corp. (CHCC Subsidy)
11 NEW CHCC Medical Referral
12 -1979 Medical Referral - Services
13 -1979A Medical Referral - Administration
14 1605 Northern Marianas College
15 1627 NMC Board of Regents
16 1606 Marianas Visitor's Authority
17 1607 Public School System
18 1624 PSS Board of Education
19 N/A Coalition of Private Schools
20 1580 Micronesian Legal Services Corporation
21 NEW Northern Marianas Technical Institute

1 Commonwealth Economic Development Authority

2 Commonwealth Ports Authority

3 Commonwealth Utilities Corporation

4 Northern Marianas Housing Corporation

5 Office of the Public Auditor

6 (d) "Local funds" means locally generated revenues and revenues received
7 pursuant to Section 702 (a) of the Covenant.

8 (e) "Operations" means appropriations for all lawful activities other than
9 personnel.

10 (f) "Personnel" means appropriations for salaries, employer's contribution
11 to the Northern Marianas Retirement Fund, the Defined Contribution Plan,
12 overtime, night differential, hazardous pay and other employee wages and benefits.

13 (g) "Number of Positions"(NOP) means the maximum number of persons
14 that may be employed, pursuant to Article X, Section 7 of the Commonwealth
15 Constitution but does not include Workforce Investment Agency, substitute
16 teachers, summer trainees, teacher aides, physicians, licensed professional nurses
17 and licensed allied health providers working part-time and paid only for
18 instructional time, student teacher trainees, or short term specialized instructors,
19 such as visiting artists, performers, writers, and the like. For purposes of this
20 exception, "part-time" means employment not exceeding 40 hours in any biweekly

1 exception, "part-time" means employment not exceeding 40 hours in any
2 biweekly pay period, and "short-term" means not more than 90 instructional days
3 employment within the Public School System during the fiscal year.

4 **CHAPTER II. ESTIMATED REVENUES**

5 **Section 201. Estimated Revenues.** Pursuant to House Concurrent
6 Resolution No. 22-1, HD1, SD1 the total estimated revenues and resources
7 approved and identified for FY 2022 are as follows:

8	I. The total identified budgetary resources for FY 2022 is	<u>\$144,848,801</u>
9	II. This amount is subject to the following adjustments:	
10	(A) Less Debt Services Previously Appropriated:	
11	(1) 2007A Refunding Bond Payment	<u>(\$3,621,250)</u>
12	(2) 2007B Refunding Bond Payment	<u>(\$3,330,250)</u>
13	(B) Less Debt Service Settlement	
14	Fund Agreement, 468-1, PL 20-33:	<u>(\$39,000,000)</u>
15	Subtotal	<u>(\$45,951,500)</u>
16	III. Total local revenue and resources	
17	(a) Total local revenue and resources available for appropriation for	
18	Commonwealth Government activities in Fiscal Year 2022:	\$98,897,301
19	(b) Department of Public Lands	\$4,487,022
20	Grand Total	\$103,384,323

1 Notwithstanding Title 1 section 7204 of the Commonwealth Code, funds
2 appropriated for FY 2022 shall be allotted monthly; except programs that require
3 one time payments may receive advance allotments. The CNMI Scholarship Office
4 may receive advance allotments for its scholarship award program. Furthermore,
5 the Commonwealth Healthcare ~~Center~~ Corporation shall receive advance
6 allotments for the Medical Referral Program.

7 **Section 202. Suspension of Earmarked Funds.**

8 Except for debt service obligations and other earmarking of funds as
9 permitted in Section 201 of this Chapter, the earmarking, reservation,
10 commitment, allotment, or allocation of funds pursuant to the following public
11 laws are hereby suspended for Fiscal Year 2022:

- 12 (a) Tobacco Control – Cigarette Tax, Public Law 13-38;
- 13 (b) PSS Technical Education – 4 CMC § 1503;
- 14 (c) Revenue and Taxation Enforcement – 4 CMC § 1503;
- 15 (d) Cancer Fund – Cigarette Tax, 4 CMC § 1402(g)(2);
- 16 (e) NMIRF – Hotel Tax (20%), 4 CMC § 1803;
- 17 (f) NMIRF – Alcohol Container (30%), 4 CMC § 1803;
- 18 (g) MVA – Alcohol Container (20%), 4 CMC § 1803;
- 19 (h) NMIRF DB Plan Fund – 15% E-gaming, Public Law 18-30;
- 20 (i) NMIRF – 60% E-gaming, Public Law 18-30;
- 21 (j) 3rd Senatorial District – 10% 15% E-gaming, Public Law 18-30;

- 1 (k) 1st and 2nd Senatorial District – 10% E-gaming, Public Law 18-30;
2 (l) 3rd and 2nd Senatorial District – Public Law 20-59, 4 CMC § 1508;
3 (m) Solid Waste R/F, 7% Excise Transfer, 4 CMC § 1402(g)(1);
4 (n) GHLI, 4 CMC § 1402(g)(3);
5 (o) CIQ Reimbursement for Overtime, NMIAC § 70-10.1-720;
6 (p) MVA Hotel Tax (80%), 4 CMC § 1803; and
7 (q) MPLT Interest Appropriated: Public Law 21-3.

8 **Section 203. Reporting Requirements for the Secretary of Finance.**

9 (a) Comparison of Actual Revenues Collected and Revenues Estimated.
10 Notwithstanding any law to the contrary, the Secretary of Finance shall submit to
11 the Presiding Officers of the Legislature, Chairperson of the Senate Committee on
12 Fiscal Affairs and the Chairperson of the House Committee on Ways and Means,
13 at the end of each quarter, a fund status report comparing the actual revenues
14 collected and the revenues estimated of all funds appropriated for the operations
15 and activities of the Commonwealth Government in this Act. The Secretary of
16 Finance shall meet with the Chairperson of the Senate Committee on Fiscal Affairs
17 and the Chairperson of the House Committee on Ways and Means in mid-
18 February, mid-May and mid-August to discuss actual revenues collected versus the
19 revenues estimated.

20 (b) Comparison of Actual Expenditures and Appropriated Expenditures.
21 Notwithstanding any law to the contrary, the Secretary of Finance shall submit to

1 the Presiding Officers of the Legislature, Chairperson of the Senate Committee on
2 Fiscal Affairs and the Chairperson of the House Committee on Ways and Means,
3 at the end of each quarter, a fund status report comparing the actual expenditures
4 and appropriated expenditures of all funds appropriated for the operations and
5 activities of the Commonwealth Government in this Act.

6 (c) Transfer In and Out Funds. Notwithstanding any law to the contrary,
7 the Secretary of Finance shall submit to the presiding officers of the Legislature, at
8 the end of each quarter, a fund status report on the funds transferred in and out
9 each quarter pursuant to Section 201 of this Act.

10 (d) Quarterly Reports. In Fiscal Year 2022, within 30 days of the end of
11 each quarter, the Secretary of Finance shall submit financial records covering all
12 quarterly allotments for all local and federal funds for the CNMI Public School
13 System, Department of Labor for Contract Workers fees, Northern Marianas ~~Trade~~
14 Technical Institute, Commonwealth Healthcare Corporation, Northern Marianas
15 College, and Marianas Visitors Authority to the Presiding Officers of the
16 Legislature, Chairperson of the Senate Committee on Fiscal Affairs and the
17 Chairperson of the House Committee on Ways and Means.

18 (e) The Secretary of Finance shall establish a Business Unit into which 5%
19 of money allocated to all sub-accounts of BU 64570 shall be used for purchase of
20 indigenous art pursuant to Title 1 section 7203 of the Commonwealth Code.

CHAPTER III.

**GOVERNMENT CORPORATIONS AND DESIGNATED
AGENCIES/ACTIVITIES**

Section 301. Appropriation and Budget Authority.

Pursuant to Title 1 section 7206 of the Commonwealth Code and as provided herein, budget and expenditure 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 hiring in excess of the number of positions authorized by this Act is prohibited, unless authorized by a legislative joint resolution in accordance with Section 7, Article X of the N.M.I. Constitution.

<u>ACTIVITIES</u>	<u>NOP</u>	<u>PERSONNEL</u>	<u>OPERATIONS</u>	<u>TOTAL</u>
(a) Commonwealth <u>Economic</u> Development Authority	13	\$971,680	\$378,950	\$1,350,630
(b) Commonwealth Ports Authority	239	\$7,512,748	\$8,166,532	\$15,679,280
(c) Commonwealth Utilities Corporation	496	\$20,034,748	\$55,704,684	\$75,739,432
(d) Northern Marianas Housing Corporation	91	\$4,980,029	\$3,049,353	\$8,029,382
(e) Office of the Public Auditor	25	\$1,642,347	\$950,560	\$2,592,907
(f) Commonwealth Healthcare Corporation	951	\$65,420,826	\$38,666,147	\$104,086,973
(g) Commonwealth Casino Commission	51	\$2,410,159	\$780,901	\$3,191,060
(h) Marianas Visitors Authority	41	<u>\$1,620,000</u>	<u>\$1,671,230</u>	<u>\$3,291,230</u>
Grand Total:	1,907	<u>\$104,592,537</u>	<u>\$109,368,356</u>	<u>\$213,960,893</u>

1 Notwithstanding the above dollar amounts, the entities above shall expend
2 only the lesser of funds actually generated, collected or received, or the amounts
3 indicated above.

4 **Section 302. Prior Certification of Funds.**

5 No contract shall be entered into with the Commonwealth or any
6 government entity therein without first receiving from the Secretary of the
7 Department of Finance certification that lawful and sufficient funds have been
8 appropriated. Notwithstanding any Commonwealth laws, regulations, or
9 provisions to the contrary, this section shall not apply to the Judicial Branch, the
10 Public School System, and the Northern Marianas College.

11 **Section 303. Reporting Requirement.**

12 The expenditure authorities of the foregoing activities listed in Section 301
13 shall submit to the Presiding Officers of the Legislature, at the end of each
14 quarter, a fund status report on the expenditures for personnel and operations of
15 each government entity, and the payments of the public auditor's fee, for the
16 quarter ended and, if applicable, year-to-date totals as of the close of the reporting
17 period.

18 Furthermore, notwithstanding any provisions or laws to the contrary, all
19 additional resources realized within the fiscal year outside of those specified and
20 identified under this Act shall be reported in detail to the Legislature for
21 appropriation purposes.

1 **Section 304. Overtime Payments.**

2 Notwithstanding any other CNMI laws, executive orders, regulations, or
3 provisions to the contrary, any payments funded directly or indirectly by federal
4 or local funds, made in excess of base salaries, to include but not be limited to
5 overtime, supplemental time, premium pay, extra pay or other such payments
6 must comply with all applicable federal and CNMI laws and regulations. Any
7 person that authorizes or receives any payments in violation of this provision shall
8 be personally liable for any and all such payments. This provision shall be
9 enforced by the CNMI Office of Public Auditor or the CNMI Office of Attorney
10 General.

11 **CHAPTER IV. ADMINISTRATION OF APPROPRIATED FUNDS**

12 **Section 401. Management of Funds.**

13 The expenditure of the funds appropriated and allocated under this Act
14 shall be regulated and controlled by the Secretary of Finance so that no agency,
15 department, instrumentality, program, or activity may expend the funds contrary
16 to the law or fiscal management policies and practices of the Commonwealth.
17 Provided further that, in addition to the report required under Title 1 section 7209
18 of the Commonwealth Code, the Secretary of Finance shall submit within 30
19 calendar days at the end of each quarter, a fund status report on the expenditures
20 for personnel and operations of each business unit funded in whole or in part by

1 the General Fund for the quarter ended and, if applicable, year-to-date totals as of
2 the close of the reporting period.

3 **Section 402. Number of Position(s) (NOP) Ceiling.**

4 Employment Ceilings. Pursuant to Article X, § 7 of the Commonwealth
5 Constitution, the employment ceilings relative to the number of positions are
6 hereby established as set forth in this Act.

7 **Section 403. Expenditure Authority.**

8 The distribution and expenditure of funds shall be in compliance with the
9 fiscal expenditure authority that the listed agencies have pursuant to statute and
10 the administrative provisions of this Act.

11 **Section 404. Reduction of Budget Authority.**

12 Notwithstanding any law to the contrary, whenever the Secretary of the
13 Department of Finance determines with reasonable certainty that the actual
14 revenues which the Commonwealth will receive during fiscal year 2022 will
15 decrease by more than \$200,000 or by more than three percent from the revenue
16 estimates in House Concurrent Resolution No. 22-01, HD1, SD1, the Secretary
17 shall mandate an immediate prospective proportionate reduction in the allotment
18 authority of all branches, offices, departments, agencies, and instrumentalities of
19 the Commonwealth which are subject to appropriations. The prospective
20 proportionate reduction shall be applied to the remaining period of the fiscal year
21 and shall commence upon receipt of the Governor's special message to the

1 presiding officers of the legislature mandating a reduction up to the remainder of
2 the fiscal year.

3 **CHAPTER V. REPROGRAMMING AUTHORITY**

4 **Section 501. Reprogramming Authority**

5 (a) Authority to reprogram appropriated funds shall be as provided under
6 Title 1 section 7402 of the Commonwealth Code, unless otherwise specified in
7 this Act. Provided further, notwithstanding any provision of law to the contrary,
8 that prior to exercising reprogramming authority, for the Executive Branch, under
9 Section 501 of this Act, Title 1 section 7402 of the Commonwealth Code, or
10 otherwise, the Governor shall provide written notice and a detailed breakdown of
11 the reprogramming of funds of not less than 15 calendar days to the Presiding
12 Officers of the Legislature.

13 (b) Pursuant to Title 1 section 7402(e) of the Commonwealth Code, all
14 reprogramming shall be reported in writing to the Presiding Officers of the
15 Legislature, Chairperson of the House Committee on Ways and Means and the
16 Chairperson of the Senate Committee on Fiscal Affairs within 30 days after the
17 end of each quarter of the fiscal year. Such reports shall include a description of
18 each item reprogrammed, the reason for each reprogramming, the change in the
19 approved budget caused by the reprogramming, the cumulative amount of all
20 reprogramming during the fiscal year, and such other information as may be
21 requested by the Chairpersons. The Governor shall submit to the Presiding

1 Officers and Chairpersons an annual summary of all reprogramming activity
2 within 60 days after the end of a fiscal year.

3 **CHAPTER VI. SUPPLEMENTAL ADMINISTRATIVE PROVISIONS**

4 **Section 601. Utilities.**

5 The amount appropriated for the payment of utilities shall not be
6 reprogrammed, nor shall other appropriations be reprogrammed for the payment
7 of utilities, except for the purpose of covering increased utility costs due to rate
8 increases. Notwithstanding any provision of law to the contrary, funds that are
9 appropriated by this Act or any subsequent amendments shall not be used or
10 reprogrammed to pay for the utilities of any elected officials, including but not
11 limited to any utility expenses incurred at a private or official residence. For
12 purposes of this section, "utilities" does not include the expenses of elected
13 officials incurred by reason of traveling or working on official business outside
14 their respective home senatorial district.

15 **Section 602. Hiring Restriction.**

16 No new or vacant position shall be filled in the executive branch, except
17 for positions which are essential for the delivery of public services as determined
18 by the Governor. Provided, however, that should a need arise for an essential
19 position, employees who have been furloughed shall have first priority. The
20 Governor shall approve the filling of new and vacant position prior to the
21 announcement of the position.

1 **Section 603. Public Auditor's Fee.**

2 ~~Notwithstanding other provisions of law,~~ Except as provided in
3 subsection (b) of this section, for FY 2022 this Act mandates that all public
4 corporations and autonomous government agencies pay the 1% Public Auditor's
5 Fee. The Secretary of Finance shall collect and withhold this fee and deposit the
6 amounts in a special account established by the Secretary of Finance, separate
7 from the General Fund, to be managed and distributed according to law by the
8 Public Auditor. The Secretary of Finance shall work with the Attorney General to
9 implement this provision and enforce collection.

10 (b) The 1% Public Auditor's Fee shall not be withheld for the Legislature
11 and Public School System in accordance with 1 CMC § 7831(d) and (e),
12 respectively; the Northern Marianas College; and the Northern Marianas
13 Technical Institute.

14 ~~**Section 604. Overtime Payments.**~~

15 ~~Notwithstanding any other CNMI laws, executive orders, regulations, or~~
16 ~~provisions to the contrary, any payments funded directly or indirectly by federal~~
17 ~~or local funds, made in excess of base salaries, to include but not be limited to~~
18 ~~overtime, supplemental time, premium pay, extra pay or other such payments~~
19 ~~must comply with all applicable federal and CNMI laws and regulations. Any~~
20 ~~person that authorizes or receives any payments in violation of this provision shall~~
21 ~~be personally liable for any and all such payments. This provision shall be~~

1 ~~enforced by the CNMI Office of Public Auditor or the CNMI Office of Attorney~~
2 ~~General.~~

3 **Section 605. Emergency Power Limitations.**

4 Pursuant to the CNMI Constitution, Executive Orders shall have legal
5 force and effect only within the CNMI Executive Branch. Accordingly, the
6 Governor shall not, via Executive Order, Emergency Order, or otherwise,
7 reprogram or in any other manner, exercise any authority or control over the funds
8 appropriated by this Act unless expressly authorized by law.

9 The Governor, via Executive Order, Emergency Order, or otherwise, shall
10 not delegate the capacity or power to reprogram or in any other manner exercise
11 any authority or control over the funds that are appropriated by this Act to any
12 person or entity unless authorized by law.

13 **CHAPTER VII. APPROPRIATIONS.**

14 **Section 700. In General.**

15 (a) Funds designated in Chapter II as available for appropriation for
16 FY 2022 are hereby appropriated pursuant to this Chapter; and

17 (b) Pursuant to Art. X, Sec.7 of the N.M.I. Constitution, no business unit's
18 maximum number of positions shall exceed the authorized number of positions
19 established in this Chapter, unless authorized by a joint resolution of the
20 legislature.

1 (c) All appropriations and allocations of general revenue and local funds
2 made in this Act, were done based upon the legislatively-approved concurrent
3 resolution (HCR 22-1 HD1, SD1) and the Governor's American Rescue Plan Act
4 (ARPA) spending plan as reflected in Schedule B and as set forth in Volume 4 of
5 the Governor's annual budget submission of April 2021 as amended by the July
6 2021 submission. ~~Therefore, absent legislative consent in the form of a House~~
7 ~~Joint Resolution, the Governor shall make no changes to the outside-sourced~~
8 ~~funds submission or the outside-sourced funds as listed in Chapter VIII, that may~~
9 ~~directly or indirectly affect the appropriations made herein. Provided however,~~
10 ~~the~~ The expenditure authorities of all branches, municipalities, departments,
11 agencies, instrumentalities, and offices, to which ARPA funds are allocated, may
12 reprogram funds allocated for personnel expenses to non-personnel expenses in
13 accordance with the CNMI Planning and Budgeting Act as set forth in Title 1
14 section 7402 of the Commonwealth Code. In the event of any discrepancies or
15 conflicts between Schedule A and Schedule B, Schedule A shall govern with
16 respect to general fund/non-federal appropriations.

17 **Section 701. Appropriation.**

18 The amount of \$103,384,323 is hereby appropriated as set forth in the
19 attached Schedule A which is inclusive of the Department of Public Lands.

20 **Section 702. Judicial Branch.**

1 (a) The Number of Personnel and appropriations for personnel,
2 operations, and utilities for the Judicial Branch shall be as shown in Schedule A.

3 (b) Notwithstanding Title 1 section 7204 of the Commonwealth Code,
4 without prior legislative approval, no funds appropriated to the Judicial Branch
5 shall be reduced. The Chief Justice shall be the expenditure authority for the
6 Judicial Branch.

7 (c) Funds appropriated for FY 2022 to the Judicial Branch shall be allotted
8 quarterly pursuant to Title 1 section 7204 (e) of the Commonwealth Code.

9 (d) Under the Superior Court Personnel, BU#1690, the following 10 new
10 positions are hereby authorized: (1) Probation Officer II; (2) Probation Officer I;
11 (1) Assistant Probation Officer; (1) Records Assistant; (1) Deputy Clerk;
12 (1) Administrative Specialist; (1) Specialty Courts Manager; (1) Lead Case
13 Worker; and (1) Limited English Proficiency Coordinator.

14 (e) Under the Judiciary Administrative Office Personnel, BU#1694, the
15 following 14 new positions are hereby authorized: (1) Computer Specialist; (1)
16 Workforce Affairs Officer; (2) Building and Grounds Maintenance; (1) General
17 Counsel; (4) Deputy Marshalls I; (2) Deputy Marshalls II; (1) Accountant; and (2)
18 Supply Specialist.

19 (f) Establishment of Mental Health Court: There is hereby established
20 within the Commonwealth Superior Court a mental health court which shall
21 operate a collaborative non-adversarial system to facilitate the treatment,

1 rehabilitation and recovery of offenders through specialized treatment and
2 supervision. The Number of Personnel and appropriations for personnel and
3 operations for the newly established Mental Health Court shall be as shown in
4 Schedule A.

5 (g) The position under Employee Number 793893 shall be adjusted from
6 \$29,400 to \$32,918.

7 **Section 703. Legislative Branch.**

8 The Number of Personnel and appropriations for personnel, operations,
9 and utilities for the Legislative Branch shall be as shown in Schedule A.

10 (a) Notwithstanding Title 1 section 7204 of the Commonwealth Code,
11 without prior legislative approval, no funds appropriated to the Legislature shall be
12 reduced.

13 (b) Art. II Sec. 16(e) of the Commonwealth Constitution provides:

14 e) Beginning the second Monday of January 1998, the amount of
15 the ceiling and all other dollar amounts stated in this section shall
16 be adjusted every two years by the same percentage as the
17 percentage change in the United States Department of Commerce
18 composite price index during the two preceding fiscal years using
19 the beginning of fiscal year 1996 as the base. [The beginning of
20 fiscal year 1996 would be Oct. 1, 1995]

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1 The appropriation ceilings have automatically increased every two years,
2 beginning January 1998. Using the price composite indexes developed by the
3 Department of Commerce, Bureau of Economic Analysis for State and Local
4 Government Consumption Expenditures and Gross Investment, the appropriation
5 ceilings for the Legislature for fiscal years 2022 and 2023 is as follows:

6 Price Index for All Government Consumption Expenditures and Gross Investment

7 Legislative Branch	8 Base Ceiling Oct. 1, 1995	Change in Price Index Jan 1, 2020	Ceiling Jan. 1, 2020 Based on Change
9 Members Allocation	\$155,000	60.335%	\$248,519.25
10 Presiding Officers Allocation	\$400,000	60.335%	\$641,340.00
11 Legislative Bureau	\$2,000,000	60.335%	\$3,206,700.00

12 (c) Funds appropriated for FY 2022 to the Legislative Branch shall be
13 allotted quarterly pursuant to Title 1 section 7204 (e) of the Commonwealth Code.

14 (d) Salaries of Legislative Members.

15 (1) The amount appropriated under this section to the House of
16 Representatives under “personnel” shall be used to fund the salaries and benefits
17 of the members of the House of Representatives. The expenditure authority for
18 the amounts appropriated shall be the Speaker of the House.

19 (A) Out of the funds appropriated under BU 1722, the Secretary of
20 Finance shall reserve \$39,052 for the double-dipping period liability that
21 may be owed to Mr. William S. Torres, when he served as a member of
22 the House of Representatives during the 12th and 13th Northern Marianas
23 Commonwealth Legislature.

1 (2) The amount appropriated under this section to the Senate under
2 “personnel” shall be used to fund the salaries and benefits of the members of the
3 Senate. The expenditure authority for the amounts appropriated shall be the
4 President of the Senate.

5 (e) Members’ Office Accounts and Employees.

6 (1) Notwithstanding Title 1 section 7401(c) of the Commonwealth Code to
7 the contrary, each member shall be the expenditure authority of the funds
8 allocated to their individual sub-account;

9 (2) Funds allocated for the operation of the member’s office, including,
10 but not limited to, the personnel costs of the member’s employees and
11 expenditures as authorized by the adopted rules of the Senate in the case of the
12 Senate member, or the adopted rules of the House of Representatives in the case
13 of a House member, or the Legislative Bureau, may be expended to defray travel
14 and incidental expenses for the purpose of attending to legislative business;
15 provided that a member may receive a one month advancement of funds allocated
16 to his or her office for expenditures;

17 (3) Allocation of the maximum number of positions among House
18 members shall be governed by the rules of the House; and

19 (4) Allocation of the maximum number of positions among Senate
20 members shall be governed by the rules of the Senate.

1 (f) Senate and House Leadership Accounts. The leadership account of
2 each house shall be \$200,000. The presiding officer of each respective house, or
3 his lawfully authorized designee, shall be the expenditure authority and shall use
4 such funds to support the operations and activities of the House of
5 Representatives and Senate in accordance with its rules, provided that the
6 presiding officer distributes a portion of the total appropriation in equal amounts
7 to all the standing committees for their operations and activities.

8 (g) Legislative Bureau, BU 1770. The Number of Personnel and
9 appropriations for personnel, operations, and utilities for the Legislative Bureau
10 shall be as shown in Schedule A.

11 (1) The expenditure authority of the funds appropriated for the Legislative
12 Bureau shall be the Director of the Legislative Bureau or his or her lawfully
13 authorized designee.

14 (2) Of the funds appropriated to the Legislative Bureau Operations,
15 BU#1770, \$100,000 shall be used transferred by the Secretary of Finance to the
16 Office of the Public Auditor to fund a Forensic Audit of all funds appropriated
17 and/or received by the CNMI from September 2018 to the end of Fiscal Year
18 2022. ~~The forensic audit shall be conducted by a forensic accountant or other~~
19 ~~qualified certified public accountant and its findings shall be made public and~~
20 ~~presented to the Legislature no later than 180 days after it is awarded the contract~~
21 ~~by the Legislative Bureau.~~ All audited entities are hereby required to fully

1 cooperate with said audit. The auditor shall report to the presiding officers if any
2 entities fail to cooperate with the audit.

3 (h) Northern Marianas Youth Congress, BU#1593. The Number of
4 Personnel and appropriations for personnel and operations for Youth Congress
5 shall be as shown in Schedule A.

6 (1) The expenditure authority is vested in the Director of the Legislative
7 Bureau with the consent of the Speaker of the Northern Mariana Islands Youth
8 Congress.

9 **Section 704. Executive Branch.**

10 The appropriation for the Executive Branch shall be as shown in
11 Schedule A.

12 (a) Except as provided in this section, the Governor shall have authority to
13 expend, obligate, encumber, otherwise commit, all the funds appropriated to the
14 Office of the Governor and all Other Offices of the Governor.

15 (b) The Lt. Governor shall be the expenditure authority of the funds
16 appropriated to the Office of the Lt. Governor.

17 (c) Of the funds appropriated to the Office of Planning and Development
18 Operations, BU#1022, \$50,000 shall be used to fund a market feasibility study on
19 the casino gaming industry in the Commonwealth. Not later than 180 days after
20 the enactment of this Act, the Executive Director of the Office of Planning and
21 Development shall make public and submit to the Legislature a report on the

1 market potential and appropriate legal and regulatory structure necessary for a
2 well-managed casino gaming industry that is suitable for the Commonwealth's
3 long-term development goals. No fewer than three market scenarios shall be
4 presented in the final report. The Executive Director shall contract with a
5 qualified, professional firm to conduct the study, which shall include but not be
6 limited to an assessment of the current and potential size of the gaming market; a
7 review of the current legal and regulatory framework, including taxes and fees,
8 license structure, and recommendations for reform; and community engagement
9 and stakeholder consultations to assess public sentiment toward the industry,
10 evaluate social and economic impacts, and propose mitigation options that may be
11 considered to address negative impacts.

12 (d) Out of the \$347,893 appropriated to the Veteran's Affairs Office,
13 \$48,466 shall be used to fund the Veteran's Affairs Coordinator on Tinian.

14 **Section 705. First Senatorial District – Rota.**

15 The Number of Personnel and appropriations for personnel, operations,
16 and utilities for the First Senatorial District shall be as shown in Schedule A.

17 (a) Except as provided in this section, the Mayor of Rota shall have
18 authority to expend, obligate, encumber, and otherwise commit, all the funds
19 appropriated to the First Senatorial District. The Appropriations appropriations to
20 the Municipal Council shall be ~~divided and distributed equally to each member of~~
21 under the expenditure authority of the Municipal Council Chairperson. ~~in separate~~

1 ~~accounts. Each Municipal Council member shall be the expenditure authority of~~
2 ~~funds distributed to him/her.~~ Additionally, except as provided in this section, in
3 accord with the Superior Court's decision in the case of *Inos v. Tenorio*, the
4 Mayors shall also have expenditure authority over resident government
5 departments in the First and Second Senatorial districts respectively unless the
6 Governor revokes expenditure authority in a manner consistent with the Superior
7 Court's holding in *Inos v. Tenorio*, to wit: expenditure authority over resident
8 departments that are primarily concerned with the delivery of public services can
9 be revoked only on a prior showing of just cause, but the Governor has discretion
10 to revoke expenditure authority over those departments that are primarily
11 concerned with enforcing the law.

12 (b) Any shortfall in the funds from the funds appropriated as a result or
13 due to payment of overtime, retirement, or benefits shall be borne by the
14 municipality.

15 (c) Of the funds appropriated to BU#1412 under operations, \$285,000
16 shall be used to purchase a tractor and related tractor accessories. DLNR may use
17 any remaining funds for other necessary vehicles or equipment.

18 **Section 706. Second Senatorial District – Tinian & Aguiguan.**

19 The Number of Personnel and appropriations for personnel, operations, and
20 utilities for the Second Senatorial District shall be as shown in Schedule A.

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1 (a) Except as provided in this section, Mayor of Tinian and Aguiguan shall
2 have authority to expend, obligate, encumber, otherwise commit or reprogram, all
3 the funds appropriated to the Second Senatorial District. ~~The Appropriations~~
4 ~~appropriations~~ to the Municipal Council shall be ~~divided and distributed equally~~
5 ~~to each member of the~~ under the expenditure authority of the Municipal Council
6 Chairperson. ~~in separate accounts. Each Municipal Council member shall be the~~
7 ~~expenditure authority of funds distributed to him/her.~~ Additionally, in accord
8 with the Superior Court's decision in the case of *Inos v. Tenorio*, the Mayors shall
9 also have expenditure authority over resident government departments in the First
10 and Second senatorial districts respectively unless the Governor revokes
11 expenditure authority in a manner consistent with the Superior Court's holding in
12 *Inos v. Tenorio*, to wit: expenditure authority over resident departments that are
13 primarily concerned with the delivery of public services can be revoked only on a
14 prior showing of just cause, but the Governor has discretion to revoke expenditure
15 authority over those departments that are primarily concerned with enforcing the
16 law.

17 (b) Any shortfall in the funds from the funds appropriated as a result or
18 due to payment of overtime, retirement, or benefits shall be borne by the
19 municipality.

20 (c) Of the funds appropriated to BU#1481 under operations, \$170,000
21 shall be used to purchase (1) tractor mower. DPW may use any remaining funds

1 for tractor mower accessories, fuel, lubricant and other necessary vehicles or
2 equipment.

3 (d) The Tobacco Settlement Agreement funds allocated to the Second
4 Senatorial District shall fund the two new ABTC Law Enforcement NOPs for the
5 Department of Commerce- Tinian.

6 **Section 707. Third Senatorial District – Mayor of Saipan; Mayor of**
7 **the Northern Islands; and Saipan and Northern Islands Municipal Council.**

8 The Number of Personnel and appropriations for personnel, operations,
9 and utilities for the Office of the Mayor of Saipan, Office of the Mayor of the
10 Northern Islands, and the Saipan and Northern Islands Municipal Council shall be
11 as shown in Schedule A.

12 The Mayor of Saipan, the Mayor of the Northern Islands, and the
13 Chairperson of the Municipal Council for Saipan and the Northern Islands or each
14 of their respective designees shall be the expenditure authority for appropriations
15 for their respective offices.

16 (a) Under Mayor of Saipan Personnel, BU# 1061, (1) new position is
17 hereby authorized: (1) Veterinarian to provide professional services for the Dog
18 Control Program and the Saipan Mayor's Office Animal Shelter.

19 **Section 708. Boards and Commissions.**

20 The FY 2022 appropriation for the programs under this section shall be as
21 shown in Schedule A.

1 (a) Of the funds appropriated to the Office of Personnel Management
2 Saipan - Operations, BU#1026, \$50,000 shall be used to fund the following desk
3 audits:

4 (1) \$25,000 for a desk audit for the Department of Public Safety;

5 and

6 (2) \$25,000 for a desk audit for the Department of Corrections.

7 The desk audit shall be completed and its findings made public and
8 presented to the Legislature no later than 180 days from when it is
9 awarded to the contractor by the Office of Personnel Management Saipan.

10 (b) The Board of Election Commission shall hire not more than 20 NOPs
11 or temporary employees for the general or special elections. Said personnel shall
12 be from lists provided by all duly registered political parties. Provided further
13 that an equal number of temporary workers shall be hired from respective party
14 lists.

15 **Section 709. Other Programs.**

16 The FY 2022 appropriation for the programs under this section shall be as
17 shown in Schedule A.

18 (a) Northern Marianas College. The President of the Northern Marianas
19 College or his/her designee shall be the expenditure authority of the appropriated
20 funds under business unit 1605.

1 (b) NMC Board of Regents. The Chairperson of the Board of Regents of
2 the Northern Marianas College or his/her designee shall be the expenditure
3 authority of the appropriated funds under business unit 1627.

4 (c) Public School System. The Commissioner of Education or his/her
5 designee shall be the expenditure authority of the appropriated funds under
6 business unit 1607. Funds allocated to PSS shall not be used for personnel and
7 operations of the Board of Education.

8 (1) Of the funds appropriated to the Public School System, \$50,000
9 shall be used to fund a feasibility study in order to determine whether
10 Hopwood Middle School should remain in its current location or move to
11 As Perdido. This study shall take into account at a minimum the
12 infrastructure available at both locations, building costs, permitting,
13 population, traffic flow, duration of construction, and the long-term needs
14 of PSS. The feasibility study shall include engagement with stakeholders
15 affected by the location of Hopwood Middle School. This includes but is
16 not limited to, students, parents, teachers, and Hopwood staff and
17 administrators. The feasibility study shall be completed and its findings
18 made public and presented to the Legislature no later than 180 days from
19 when it is awarded to the contractor by PSS.

1 (2) Of the funds appropriated and NOP's allotted to the Public
2 School System, two additional funded NOP's shall be allocated to the
3 Chamorro Carolinian Language Heritage Studies Program.

4 ~~(3) All funds appropriated to schools within the CNMI for~~
5 ~~operations shall take the consumer price index of each municipality into~~
6 ~~consideration when calculating the cost per student allocation.~~

7 (3) In addition to 1 CMC § 7831(e) funds, \$378,444 appropriated
8 to the Public School System shall be used exclusively for the purchase of
9 instructional materials and shall not be reprogrammed for any other
10 purpose.

11 (d) Board of Education. The Chairperson of the Board of Education or
12 his/her designee shall be the expenditure authority of the appropriated funds under
13 business unit 1624. The funds appropriated to the Board of Education shall
14 include the cost and expenses of the student and teacher representatives to the
15 Board of Education.

16 (e) CNMI Medical Referral Program. The Commonwealth Healthcare
17 Corporation shall administer the CNMI Medical Referral Program or its successor,
18 including both inter-island and off-island referrals, consistent with its duties and
19 responsibilities under Title 3 sections 2821 *et seq.* of the Commonwealth Code.
20 The expenditure authority for all funds appropriated or allocated to inter-island
21 and off-island medical referral services and administration (inclusive of BU 1979,

1 1979A and any new business units established for CHCC Medical Referral) shall
2 be the CEO of the Commonwealth Healthcare Corporation or his or her designee.

3 (f) Northern Marianas Technical Institute. The Chairperson of the Board
4 of Trustees or his/her designee in consultation with the Chief Executive Officer
5 shall be the expenditure authority of the appropriated funds for the Northern
6 Marianas Technical Institute.

7 **Section 710. Independent Programs.**

8 The FY 2022 budget appropriation for the agencies under this section shall
9 be as shown in Schedule A.

10 (a) Joeten-Kiyu Public Library. The Chairperson of the Commonwealth
11 Library Council or his/her designee shall be the expenditure authority of the
12 appropriated funds.

13 (b) NMI Museum of History and Culture. The Chairperson of the Board of
14 Governors of the NMI Museum of History and Culture or his/her designee shall
15 be the expenditure authority of the appropriated funds.

16 (c) Elected Attorney General. The Attorney General or his/her designee
17 shall be the expenditure authority of the appropriated funds. Notwithstanding any
18 law to the contrary, the Office of the Attorney General may charge fees for legal
19 services provided to CNMI public corporations and autonomous agencies;
20 provided that the Office of the Attorney General shall not charge fees for legal
21 services provided to divisions, offices, and line agencies within the executive

1 branch with the exception of the Department of Public Lands, the Division of
2 Revenue and Taxation, the Bureau of Environmental and Coastal Quality, and the
3 Office of Management and Budget.

4 (d) Group Health and Life Insurance. The funds appropriated to the Group
5 Health Insurance under BU 1533 and GHLI Retirees under BU 1528 shall not be
6 reprogrammed for any other purpose. Any lapsed funds shall be deposited into a
7 non-lapsing account to be used to reduce the premium of the government group
8 health insurance for active employees and retirees. Provided that 25 percent past
9 and current obligations of the central government for the death benefit of retirees
10 shall first be satisfied.

11 (e) The expenditure authority of the funds appropriated for the Public
12 Assistance Program shall be the Governor's Authorized Representative.

13 (f) Medicaid Program.

14 (1) The funds appropriated in this Act for the Medicaid Program,
15 including Medicaid Reimbursement, business unit - 1951, Medicaid
16 Agency, business unit - 1980, and Medicaid Enterprise Systems (MES),
17 business unit - 1981 shall be deemed a single budget reserved for the
18 purposes of Medicaid Agency, Medicaid Reimbursement, and Medicaid
19 Enterprise Systems. The Director of the Commonwealth Medicaid Agency
20 may reallocate the funds appropriated in this Act to any of the expenditure

1 categories, including, but not limited to, Agency, Reimbursement, and
2 Medicaid Enterprise Systems.

3 (2) Notwithstanding any other provision in Commonwealth law,
4 the Director of the Office of Personnel Management (OPM) will establish
5 personnel positions required by the Commonwealth Medicaid Agency for
6 Medicaid Enterprise Systems approved by the Centers for Medicare and
7 Medicaid Services. The MES positions shall be based on comparable
8 classification and compensation rates of the Commonwealth Healthcare
9 Corporation to ensure recruitment and retention of a qualified MES
10 personnel and shall be exempt from Government Salary Ceiling in Title 1
11 Section 8248 of the Commonwealth Code. Notwithstanding any Executive
12 Orders, Commonwealth laws, or other provisions to the contrary,
13 personnel of the Commonwealth Medicaid Agency shall work and remain
14 at the Commonwealth Medicaid Agency and shall not be transferred or
15 assigned to any other agencies, entities or departments.

16 (3) Notwithstanding any other provision in Commonwealth law,
17 the Office of Personnel Management shall undertake a classification and
18 compensation review for classes of personnel required by the Medicaid
19 program, including eligibility and enrollment, medical claims examiners,
20 health information technology, health data analytics, and compliance and
21 program management personnel positions required by the Commonwealth

1 Medicaid Agency and for Medicaid Enterprise System positions approved
2 by the Centers for Medicare and Medicaid Services. The classification and
3 compensation for Medicaid positions shall be based on comparable
4 classification and compensation rates of the Commonwealth Healthcare
5 Corporation and private insurers and providers such as federally qualified
6 and funded community health centers.

7 (4) Notwithstanding any other provision in Commonwealth law, in
8 determining the qualifications of applicants and personnel, the OPM will
9 recruit applicants that have demonstrable and specific knowledge, skills,
10 experience, training and abilities, as applicable, in the classification
11 classes and areas of Medicaid, Medicare or Children's Health Insurance
12 Program administration, health care systems financial operations, health
13 information systems and technologies, and health care data analytics and
14 program management. The OPM will develop and apply related work
15 equivalencies and training with undergraduate academic credit and use
16 structured and graded interviews by qualified individuals to assess
17 applicant substantive knowledge, skills, experience, training, and abilities
18 for positions of Medicaid, Medicare and health insurance.

19 (5) Notwithstanding any other provision in Commonwealth law,
20 the Commonwealth Medicaid Agency and its employees shall be covered
21 by the Civil Service Act, except that employees under Medicaid Enterprise

1 System shall be covered under Excepted Service Employment Contracts.
2 MES employees may elect to convert to civil service when a classification
3 and a compensation study is completed by the Office of Personnel
4 Management and approved or modified by the Medicaid Director.

5 (g) For programs and activities not specifically mentioned, the expenditure
6 authority shall be the Secretary of Finance.

7 **Section 711. Department of Public Lands.**

8 Pursuant to Title 1 section 2803 of the Commonwealth Code, \$4,487,022
9 is appropriated to the Department of Public Lands.

10 **Section 712. Reporting Requirements.**

11 (a) The expenditure authorities of the foregoing activities listed in
12 Chapter VII shall submit to the presiding officers of the legislature, within 30
13 days after the end of each quarter, a fund status report on the expenditures for
14 personnel and operations of each government entity, and the payments of the
15 public auditor's fee, for the quarter ended and, if applicable, year-to-date totals as
16 of the close of the reporting period. Failure to report on the expenditures of such
17 funds by each respective government entity shall result in a suspension of their
18 future allocations until the delayed quarterly report has been submitted to the
19 presiding officers of the legislature.

20 (b) Access provided to Legislative Analysts.

1 (1) Provided further, notwithstanding any provision of law to the contrary,
2 training and access to:

3 (A) the JD Edwards system or other financial and accounting system to
4 obtain the following: monthly collections and expenditures, including but not
5 limited to funds status, and detailed expenditure reports in a format that is
6 exportable or convertible to Excel files; and

7 (B) the following reports in a format that is exportable or convertible to
8 Excel files shall be provided to the CNMI Legislature Fiscal Analysts 30 days
9 after the effective date of this Act:

10 (i) All revolving accounts;

11 (ii) All business activities listed in Schedule A;

12 (iii) All accounts listed as earmarks in the Budget Authority Act;

13 (iv) All debt service payments, including payments to the Settlement
14 Fund, and Series A and Series B Funds;

15 (v) All revenue accounts in the First, Second, and Third Senatorial
16 Districts that are identified as budgetary resources in the Budget Authority Act;

17 (C) Any other financial information, not legally privileged or protected,
18 relating to the CNMI Government's expenditure of public funds, as needed and
19 requested, in writing, within 10 days of said request.

20 **Section 713. Violations of Spending Limits.**

1 (a) The expenditure of funds in excess of appropriations and
2 reprogramming established by this Act is a violation of the Planning and Budget
3 Act, Title 1 sections 7101 *et seq.* of the Commonwealth Code. Any government
4 employee violating The Planning and Budget Act shall not be entitled to
5 indemnification, defense or reimbursement under the Government Liability Act or
6 any other Commonwealth Law. Provided further that should a violation occur,
7 any over expenditure shall be deducted from the respective Department, Agency
8 and/or Branch in the next fiscal year Appropriations Act and reflected in its total
9 annual appropriations.

10 **CHAPTER VIII. OUTSIDE SOURCES**

11 **Section 801. Administrative Provisions.**

12 (a) The following amounts from sources outside the General Fund are
13 available for appropriation.

14 (b) Notwithstanding Title 1 section 7204 of the Commonwealth Code, the
15 outside source funds appropriated for FY 2022 shall be allotted monthly; except
16 programs that require one-time payments may receive advance allotments.

17 (c) Notwithstanding any law to the contrary, the Secretary of Finance shall
18 submit to the presiding officers of the Legislature, at the end of each quarter, a
19 fund status report on the outside-sourced funds that are transferred in and out of
20 government business units and their respective accounts, pursuant to Section 802
21 of this Act.

1 (d) All salaries of elected officials that are waived under 1 CMC § 8442
2 shall be transferred by the Secretary of Finance to the Scholarship Trust Account
3 and the funds from the account shall be spent for scholarship purposes only,
4 without further appropriation, and without fiscal year limitation. The
5 Administrator of the CNMI Scholarship Office shall provide a report to the
6 presiding officers of the legislature within 30 days after the end of each quarter.

7 **Section 802. Outside Sources.**

8 **(a) Tobacco Settlement Funds.** Pursuant to Title 3 section 2173 of the
9 Commonwealth Code, and provided that the funds allocated in this section
10 pursuant to the submittal of program and expenditure plan to the Secretary of
11 Finance, the Tobacco Settlement funds in the amount of \$540,000, not subject to
12 reprogramming or fiscal year limitation, shall be allocated as follows:

13	(1) Division of Public Health 40%:	\$216,000
14	(2) Public School System 20%:	\$108,000
15	(3) Youth Affairs Office 12.5%:	\$67,500
16	(4) Coalition of Private Schools 7.5%:	\$40,500
17	(5) Rota Mayor 10%:	\$54,000
18	(6) Tinian and Aguiguan Mayor 10%:	\$54,000

19 The expenditure authorities of the funds allocated pursuant to this
20 Section 802 (a) shall be the persons authorized by law for each respective office
21 or agency. The expenditure authorities shall provide accountability and

1 transparency by providing within 30 days after the end of each quarter an
2 expenditure report of the funds to the governor and the presiding officers of the
3 Legislature.

4 (b) **Compact Impact.** The Compact Impact fund in the amount of
5 \$1,873,263 is allocated as follows:

6	(1) CHCC - Hospital	\$0
7	(2) CHCC - CGC - Public Health	\$0
8	(3) Division of Youth Services	\$0
9	(4) CNMI Public School System	\$0
10	(5) Karidat	\$0
11	(6) Judiciary	\$0
12	(7) Dept. of Public Safety	\$250,000
13	(8) Dept. of Corrections	\$450,000
14	(9) Dept. of Fire & EMS	\$100,000
15	(10) Public Defender's Office	\$102,879
16	(11) Northern Marianas College	\$750,000
17	(12) Northern Marianas Technical Institute	\$220,384

18 The expenditure authorities of the funds allocated pursuant to
19 Section 802 (b) shall be the persons authorized by law for each respective office
20 or agency. The funds allocated under this subsection shall not be reprogrammed
21 for any other purpose and shall be used pursuant to the submitted original

1 expenditure plan. The funds allocated under this subsection are not subject to
2 fiscal year limitation.

3 In the event that additional Compact Impact funds become available for
4 the CNMI during the fiscal year, the funds shall be distributed to the agencies
5 listed above from (1) through (6).

6 (c) **Commonwealth Worker Fund** (Source: U.S.P.L. 115-218).

7 In accordance with U.S. Public Law 115-218, the sum of \$2,100,000 in
8 Commonwealth Worker Fee Funds shall be available for the sole and exclusive
9 purpose of funding vocational education, apprenticeships, or other training
10 programs for United States workers by Commonwealth educational entities for
11 FY 2022. Provided that out of the \$2,100,000, the following amounts shall be
12 allocated for the sole and exclusive purpose of funding vocational education,
13 apprenticeships, or other vocational training programs for United States workers
14 as follows:

15 (1) ~~\$500,000~~ \$900,000 shall be transferred to the Northern
16 Marianas Technical Institute (NMTI) for its vocational educational
17 curricula, apprenticeships, or other training programs including the First
18 and Second Senatorial Districts in consultation with the respective
19 mayors; provided that \$50,000 shall be reserved each for the First and
20 Second Senatorial District training programs. Notwithstanding any law to
21 the contrary, the Chairperson of the NMTI Board of Trustees in

1 consultation with the NMTI Chief Executive Officer, shall be the
2 expenditure authority of the funds herein; and

3 (2) \$1,200,000 shall be transferred to the Northern Marianas
4 College (NMC) to fund vocational education, or other training programs.
5 Notwithstanding any law to the contrary, the NMC President shall be the
6 expenditure authority of the funds herein. The recipients of the funds in
7 this subsection shall submit to the Governor and the Department of Labor
8 the required education plans consistent with and mandated by U.S. Public
9 Law 115-218. The funds allocated pursuant to this section shall not be
10 used or reprogrammed for any other purpose other than in accordance with
11 U.S. Public Law 115-218. The funds allocated under this subsection are
12 not subject to fiscal year limitation.

13 ~~(3) \$400,000 shall be transferred to the Latte Training Academy to~~
14 ~~fund vocational education or other training programs. Notwithstanding~~
15 ~~any law to the contrary, the Latte Training Academy President shall be the~~
16 ~~expenditure authority of the funds herein.~~

17 (3) The expenditure authorities of the NMC and NMTI shall submit
18 to the Presiding Officers of the Legislature, Chairperson of the Senate
19 Committee on Fiscal Affairs and the Chairperson of the House Committee
20 on Ways and Means, at the end of each quarter, a fund status report of the
21 funds allocated under this subsection.

1 The recipients of the funds in Section 802 (c) shall submit to the Governor
2 and the Department of Labor the required education plans consistent with and
3 mandated by U.S. Public Law 115-218. The funds allocated pursuant to this
4 subsection shall not be used or reprogrammed for any other purpose other than in
5 accordance with U.S. Public Law 115-218. The funds allocated under this
6 subsection are not subject to fiscal year limitation.

7 **(d) American Rescue Plan Act** (Source: U.S.P.L. 116-260).

8 Absent legislative consent in the form of a House Joint Resolution, the
9 (1) Governor shall make no changes to the allocations of outside sourced
10 funds in the American Rescue Plan Act (ARPA) spending plan as
11 reflected in Schedule B and as set forth in Volume 4 of the Governor's
12 annual budget submission of April 2021 and amended in July 2021,
13 that may directly or indirectly affect the appropriations made herein.
14 Provided however, the expenditure authorities of all branches,
15 municipalities, departments, agencies, instrumentalities, and offices, to
16 which ARPA funds are allocated, may reprogram ARPA funds
17 allocated for personnel expenses to non-personnel expenses in
18 accordance with the CNMI Planning and Budgeting Act as set forth in
19 Title 1 section 7402 of the Commonwealth Code. In the event of any
20 discrepancies or conflicts between Schedule A and Schedule B,

1 Schedule A shall govern with respect to general fund/non-federal
2 appropriations.

3 (2) The Legislature concurs with the Governor's use of ARPA funds, as
4 provided in Volume 4 of the Governor's annual budget submission of
5 April 2021 as amended in July 2021, and the American Rescue Plan
6 Act, Section 602(c)(1) and (2), to fund salary adjustments for
7 government employees for FY 2022.

8 (e) **Reporting Requirement.** The expenditure authorities of the funds
9 allocated pursuant to Section 802 shall provide accountability and transparency by
10 providing within 30 days after the end of each quarter an expenditure report of the
11 funds to the governor and the presiding officers of the Legislature.

12 **CHAPTER IX. GENERAL PROVISIONS**

13 **Section 901. Severability.** If any provision of this Act, or its application
14 to any person or circumstance, is held invalid, the invalidity does not affect other
15 provisions or applications of the Act which can be given effect without the invalid
16 provision or applications, and to this end the provisions of this Act are severable.

17 **Section 902. Savings Clause.** This Act and any repealer contained herein
18 shall not be construed as affecting any existing right acquired under contract or
19 acquired under statutes repealed or under any rule, regulation or order adopted
20 under the statutes. Repealers contained in this Act shall not affect any proceeding
21 instituted under or pursuant to prior law. The enactment of this Act shall not have

1 the effect of terminating, or in any way modifying, any liability civil or criminal,
2 which shall already be in existence at the date this Act becomes effective.

3 **Section 903. Effective Date.** This Act shall take effect upon its approval
4 by the Governor, or its becoming law without such approval.

Prefiled: 7/30/2021

Date: 7/30/2021

Introduced by: /s/ Rep. Donald M. Manglona

/s/ Rep. Celina R. Babauta

/s/ Rep. Sheila J. Babauta

/s/ Rep. Vicente C. Camacho

/s/ Rep. Richard T. Lizama

/s/ Rep. Christina M.E. Sablan

/s/ Rep. Patrick H. San Nicolas

/s/ Rep. Leila H.F.C. Staffler

/s/ Rep. Denita Kaipat Yangetmai

Reviewed for legal sufficiency by:

/s/ Joseph L.G. Taijeron, Jr.

House Legal Counsel