



TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

HOUSE OF REPRESENTATIVES

COMMITTEE ON WAYS AND MEANS

P.O. BOX 500586 SAIPAN, MP 96950

RALPH N. YUMUL
CHAIRMAN

Adopted - 10/12/2023 ✓
STANDING COMMITTEE REPORT NO. 23-43
DATE: September 6, 2023
RE: HOUSE BILL No. 23-49

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

Dear Mr. Speaker:

Your Committee on Ways and Means to which was referred:

House Bill No. 23-49: "To provide the Legislature with access to executive branch financial information for budgeting, appropriation and expenditure oversight."

begs leave to report as follows:

I. RECOMMENDATION:

After considerable discussion, your Committee recommends that H. B. NO. 23-49 be passed by the House in its current form.

HOUSE CLERK'S OFC
RECEIVED BY *[Signature]*
DATE *10/27/2023* TIME *2:32P*

II. ANALYSIS:

A. Purpose:

The purpose of this Act is to provide the Legislature with access to executive branch financial information for budgeting, appropriation and expenditure oversight.

B. Committee Findings:

Your Committee finds that Article II, Section 5(a) of the CNMI Constitution states, "Appropriation and revenue bills may be introduced only in the house of representatives...". Moreover, the governor shall submit to the legislature a proposed annual balanced budget for the following fiscal year. The proposed balanced budget shall describe anticipated revenues of the Commonwealth and recommend expenditures of Commonwealth funds. If a balanced budget is not approved before the first day of the fiscal year, no money shall be drawn from the General Fund, provided that certain government services and employees shall remain available as provided by law in order to deliver services essential to the health, safety, and welfare of the people of the Commonwealth and to protect against damage to and destruction of property. In order for the Members of the legislature to make informed financial decisions, they must have access to accurate and current data or reports related to budgeting, appropriations and expenditures to evaluate different alternatives. In addition, it will improve the effectiveness and efficiency of the annual budget process which will ultimately lead to enhanced transparency and accountability.

Your Committee further finds that this Act will amend the Title 1 § 7209 of the Commonwealth Code and that the Governor shall provide to the Speaker of the House and the Senate President of the Legislature, for use by Legislative Bureau Fiscal Analysts and any other designees, access to the official electronic financial and accounting application (whether referred to as Munis or any subsequent application). Such access may be limited to those functions used for viewing or generating (and not altering or entering) data or reports related to budgeting, appropriations and expenditures. In addition, the members and employees of the Legislature shall participate in training in the use of the application for oversight of the budget, appropriations and expenditures.

Your Committee agrees with the intent and purpose of House Bill No. 23-49 and recommends that the House pass the legislation in its current form.

C. Public Comments/Public Hearing:

The Committee did not solicit comments or conduct a public hearing for House Bill 23-49.

D. Legislative History:

House Bill No. 23-49 was introduced by Representative Marissa R. Flores on May 10, 2023 and was subsequently referred to the House Standing Committee on Ways and Means and the House Special Committee on Federal Assistance and Disaster-Related Funding for disposition.


E. Cost-Benefit Analysis:

The enactment of House Bill 23-49 will result in additional costs to the CNMI Government in the form of administrative costs and other resources needed to effectively carry out the intent of the proposed legislation. With this legislation in place, it will ensure accountability, increase financial transparency, and help Members of the legislature evaluate different alternatives when making informed financial decisions.


III. CONCLUSION:

The Committee is in accord with the intent and purpose of H. B. NO. 23-49 and recommends its passage in its current form.


Respectfully submitted,



Rep. Ralph N. Yumul, Chairman




Rep. Roman C. Benavente, Member




Rep. Joel C. Camacho, Member



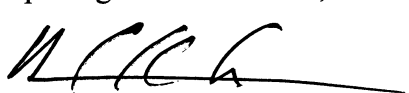
Rep. Manny Gregory T. Castro, Member



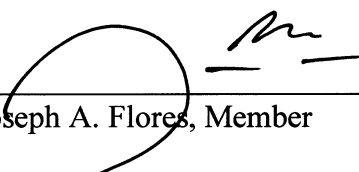
Rep. Blas Jonathan "BJ" T. Attao, Vice Chair



Rep. Angelo A. Camacho, Member



Rep. Vicente C. Camacho, Member

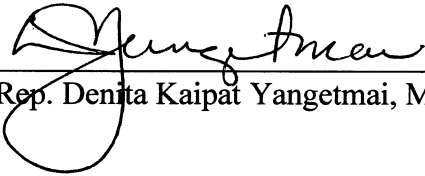


Rep. Joseph A. Flores, Member

Rep. Thomas John DLC. Manglona, Member

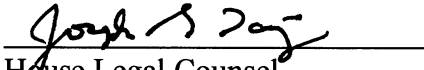


Rep. John Paul P. Sablan, Member



Rep. Denita Kaipat Yangetmai, Member

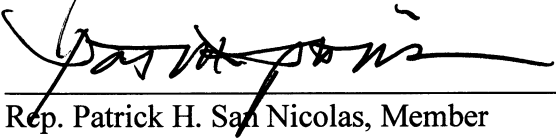
Reviewed by:



House Legal Counsel



Rep. Julie Marie A. Ogo, Member



Rep. Patrick H. San Nicolas, Member

TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH

LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

MAY 10, 2023

Second Special Session, 2023

H. B. 23-49

A BILL FOR AN ACT

To provide the Legislature with access to executive branch financial information for budgeting, appropriation and expenditure oversight.

**BE IT ENACTED BY THE 23RD NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE:**

1 **Section 1. Findings and Purpose.** The Legislature finds that collection of
2 accurate information regarding the budget, appropriations and expenditures of the
3 Commonwealth is a significant priority. In the past, the Legislature has depended
4 upon the timely and accurate presentation of data and reports from the executive
5 branch to make predictions on revenues and spending. As the Legislature has
6 recently discovered, such information may be unreliable.

7 The executive branch now uses a modern financial and accounting software
8 application (Munis, see attached brochure) through a contract with
9 Tyler Technologies to maintain current data and reports on revenue and spending.

1 That same application provides instant data and reports for all types of financial
2 and accounting needs.

3 According to Tyler Technologies, Munis is a “fully integrated solution” that
4 “offers fast access to information, simplified reporting, and time-saving work flow
5 to help local governments and school districts ensure accountability, make
6 informed business decisions, and increase financial transparency.” This bill extends
7 that transparency by providing guaranteed access to Munis, without any middleman
8 limiting or changing the data or reports, for the Legislature in order to make
9 accurate and timely decisions related to budgeting, appropriations and
10 expenditures.

11 **Section 2. Amendment.** In Title 1, Div. 7, Pt. 1, Ch. 2, § 7209 of the
12 Commonwealth Code is amended as follows:

13 “§ 7209. Review of Expenditures.

14 (a) No later than three months after the end of a fiscal year, the
15 Governor shall submit to the legislature an itemized comparison of amounts
16 appropriated and amounts obligated and expended during the previous
17 fiscal year, and revenues identified and revenues collected during the
18 previous fiscal year.

19 (b) The Governor shall provide to the Speaker of the House and the
20 Senate President of the Legislature, for use by Legislative Bureau Fiscal
21 Analysts and any other designees, access to the official electronic financial

1 and accounting application (whether referred to as Munis or any subsequent
2 application). Such access may be limited to those functions used for viewing
3 or generating (and not altering or entering) data or reports related to
4 budgeting, appropriations and expenditures. In addition, the members and
5 employees of the Legislature shall participate in training in the use of the
6 application for oversight of the budget, appropriations and expenditures.”

7 **Section 4. Severability.** If any provisions of this Act or the application of
8 any such provision to any person or circumstance should be held invalid by a court
9 of competent jurisdiction, the remainder of this Act or the application of its
10 provisions to persons or circumstances other than those to which it is held invalid
11 shall not be affected thereby.

12 **Section 5. Savings Clause.** This Act and any repealer contained herein
13 shall not be construed as affecting any existing right acquired under contract or
14 acquired under statutes repealed or under any rule, regulation, or order adopted
15 under the statutes. Repealers contained in this Act shall not affect any proceeding
16 instituted under or pursuant to prior law. The enactment of the Act shall not have
17 the effect of terminating, or in any way modifying, any liability, civil or criminal,
18 which shall already be in existence on the date this Act becomes effective.

1 **Section 6. Effective Date.** This Act shall take effect upon its approval by
2 the Governor, or it becoming law without such approval.

Prefiled: 5/5/2023

Date: 5/5/2023

Introduced by: /s/ Rep. Marissa R. Flores

Reviewed for Legal Sufficiency by:

/s/ John M. Bradley

House Legal Counsel