TWENTY SECOND NORTHERN MARIANAS COMMONWEALTH

LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

Session, 2022

Н. В. 22./07

A BILL FOR AN ACT

To amend 1 CMC § 7831 to provide for direct legislative appropriation to the Office of the Public Auditor, and for other purposes.

BE IT ENACTED BY THE 22ND NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

Section 1. <u>Short Title.</u> This Act shall be cited as the Direct Legislative
 Appropriation for The Office of the Public Auditor Act of 2022.

3 Section 2. <u>Findings</u>. The Legislature finds that the Office of the Public 4 Auditor is not currently directly funded through the legislative annual budget 5 process. The Legislature also finds that the Office of the Public Auditor does not 6 receive its annual budget at the beginning of the fiscal year, unlike other entities 7 of the government. It is therefore the purpose of this Act to provide for direct 8 legislative appropriation to the Office of the Public Auditor.

9 Section 3. <u>Amendment.</u> 1 CMC § 7831 is hereby amended to read as
10 follows:

11 "§ 7831. <u>Appropriation to the Office of the Public Auditor.</u>
12 <u>Authorization for Funding By Commonwealth Agencies.</u>

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1	(a) The Director of Finance shall withhold one percent of all
2	locally generated funds appropriated by Commonwealth law for all
3	Commonwealth government agencies' operations and activities as well as
4	for all capital improvement projects and, in no event, no less than
5	\$1,000,000 for the office of the Public Auditor. The Legislature shall
6	appropriate by law no less than one million dollars (\$1,000,000.00) for the
7	Office of the Public Auditor. The term "appropriated by law" includes
8	appropriations pursuant to the continuing spending authority provided for
9	in N-M-I- Const. art. III, § 9(a). The withheld appropriated amounts shall
10	be deposited in a special account established by the Secretary Director of
11	Finance, separate from the General Fund, to be administered in accordance
12	with 1 CMC § 7206 and, therefore, may be expended without further
13	appropriation at the start of the fiscal year. The oOffice of the Public
14	Auditor shall report in writing no later than three (3) months after the
15	closing of each fiscal year to the Governor and the 4Legislature in detail on
16	the use expenditure of the funds."
17	(b) The executive directors of all public corporations or other
18	autonomous agencies of the Commonwealth which are not funded
19	primarily by legislative appropriations shall pay to the Public Auditor an
20	amount not less than the greater of one percent of its total operations
21	budget from sources other than legislative appropriations or pursuant to
22	any other formula upon which the Public Auditor and the agency may

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1	agree. The funds shall be administered pursuant to subsection (a) of this
2	section.
3	(c) (b) No funds paid into the account of the office of the Public
4	Auditor shall be reprogrammed for any other purpose to any other agency.
5	(d) The legislature shall be exempt from the requirement of one
6	percent contribution of legislative funds to the office of the Public
7	Auditor.
8	(e) The Public School System (PSS) shall be exempt from the
9	withholding and payment requirements of subsections (a) and (b) of this
10	section; provided that one percent of the budget appropriated to PSS shall
11	be used exclusively for the purchase of textbooks and shall not be
12	reprogrammed for any other purpose. The Commissioner of Education
13	shall establish a Textbook Account into which funds realized by operation
14	of this subsection shall be deposited. These funds shall not be commingled
15	with other PSS accounts and shall be used solely for the purposes of this
16	subsection. The Commissioner of Education shall be the expenditure
17	authority for funds deposited into the Textbook Account."
18	Section 4. Severability. If any provision of this Act or the application of
19	any such provision to any person or circumstance should be held invalid by a
20	court of competent jurisdiction, the remainder of this Act or the application of its
21	provisions to persons or circumstances other than those to which it is held invalid
22	shall not be affected thereby.

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1 Section 5. Savings Clause. This Act and any repealer contained herein 2 shall not be construed as affecting any existing right acquired under contract or acquired under statutes repealed or under any rule, regulation or order adopted 3 under the statutes. Repealers contained in this Act shall not affect any proceeding 4 5 instituted under or pursuant to prior law. The enactment of the Act shall not have 6 the effect of terminating, or in any way modifying, any liability, civil or criminal, 7 which shall already be in existence on the date this Act becomes effective.

Section 6. Effective Date. This Act shall take effect upon its approval by 8 9 the Governor or becoming law without such approval.

Prefiled: 7/13/2022Date: 7/12/2022 Introduced By:

Rep. Vicente C. Camacho

Reviewed for Legal Sufficiency by: House Legal Counsel