

TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH

LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

Regular Session, 2023

H. B. 23-12

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 23RD NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE:**

1 **Section 1. Short Title.** This Act shall be cited as the Direct Legislative
2 Appropriation for The Office of the Public Auditor Act of 2023.

3 **Section 2. Findings.** 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 of
7 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. Amendment.** 1 CMC § 7831 in Division 7, Part 3, Auditing Act,
10 Chapter 3, Budgeting and Funding for the Public Auditor, is hereby amended to
11 read as follows:

1 “§ 7831. ~~Authorization for Funding By Commonwealth Agencies.~~
2 Appropriation to the Office of the Public Auditor.

3 (a) ~~The Director of Finance shall withhold one percent of all locally~~
4 ~~generated funds appropriated by Commonwealth law for all~~
5 ~~Commonwealth government agencies’ operations and activities as well as~~
6 ~~for all capital improvement projects and, in no event, no less than~~
7 ~~\$1,000,000 for the office of the Public Auditor. Aside from such additional~~
8 ~~sums as may be appropriated annually by the legislature for its financial~~
9 ~~support, the Office of Public Auditor shall be guaranteed an annual budget~~
10 ~~of not less than \$1,000,000 or one percent of the general revenues of the~~
11 ~~Commonwealth, whichever is greater. This annual financial support shall~~
12 ~~be used for the operations and service delivery of the Office of the Public~~
13 ~~Auditor. The budgetary appropriation may not be reprogrammed for other~~
14 ~~purposes, and any unencumbered fund balance at the end of a fiscal year~~
15 ~~shall be available for reappropriation. The term “appropriated by law”~~
16 ~~includes appropriations pursuant to the continuing spending authority~~
17 ~~provided for in N.M.I. Const. art. III, § 9(a). The ~~withheld~~ appropriated~~
18 ~~amounts shall be deposited in a special account established by the Secretary~~
19 ~~Director of Finance, separate from the General Fund, to be administered in~~
20 ~~accordance with 1 CMC § 7206 and, therefore, may be expended without~~
21 ~~further appropriation at the start of the fiscal year. The ~~o~~Office of the Public~~

1 Auditor shall report in writing no later than three months after the closing
2 of each fiscal year to the Governor and the Legislature in detail on the use
3 expenditure of the funds.”

4 ~~(b) The executive directors of all public corporations or other~~
5 ~~autonomous agencies of the Commonwealth which are not funded primarily~~
6 ~~by legislative appropriations shall pay to the Public Auditor an amount not~~
7 ~~less than the greater of one percent of its total operations budget from~~
8 ~~sources other than legislative appropriations or pursuant to any other~~
9 ~~formula upon which the Public Auditor and the agency may agree. The~~
10 ~~funds shall be administered pursuant to subsection (a) of this section.~~

11 ~~(e) (b)~~ No funds paid into the account of the office of the Public
12 Auditor shall be reprogrammed for any other purpose to any other agency.

13 ~~(d) The legislature shall be exempt from the requirement of one~~
14 ~~percent contribution of legislative funds to the office of the Public Auditor.~~

15 ~~(e) The Public School System (PSS) shall be exempt from the~~
16 ~~withholding and payment requirements of subsections (a) and (b) of this~~
17 ~~section; provided that one percent of the budget appropriated to PSS shall~~
18 ~~be used exclusively for the purchase of textbooks and shall not be~~
19 ~~reprogrammed for any other purpose. The Commissioner of Education shall~~
20 ~~establish a Textbook Account into which funds realized by operation of this~~
21 ~~subsection shall be deposited. These funds shall not be commingled with~~

1 ~~other PSS accounts and shall be used solely for the purposes of this~~
2 ~~subsection. The Commissioner of Education shall be the expenditure~~
3 ~~authority for funds deposited into the Textbook Account.”~~

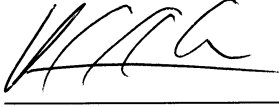
4 **Section 4. Severability.** If any provisions of this Act or the application of
5 any such provision to any person or circumstance should be held invalid by a court
6 of competent jurisdiction, the remainder of this Act or the application of its
7 provisions to persons or circumstances other than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

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

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

Prefiled: 11/31/2023

Date: 11/31/2023

Introduced by: 

Rep. Vicente C. Camacho

Reviewed for Legal Sufficiency by:


House Legal Counsel