

SIXTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

SESSION, 2008

H. L. I.

16-11

A HOUSE LEGISLATIVE INITIATIVE

To amend Article III, Section 9(a), of the Constitution of the Northern Mariana Islands to prohibit the withdrawal of any funds from the General Fund except by appropriations made by law.

BE IT ENACTED BY THE SIXTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

1 Section 1. Findings. The Legislature finds that in the past decade that the
2 legislature and the governor failed to pass the budget for fiscal year's 2000, 2001, 2002,
3 2004, 2005, and 2006, by the September 1 deadline. The legislature also finds that the
4 submission of the governor's proposed budget to the legislature is on or before April 1
5 allowing sufficient time for members to reach an agreement by September 1, which
6 provides the legislature with five months to consider the budget. The failure to enact a
7 budget has contributed to the Commonwealth Government's cumulative deficit of
8 approximately \$170 million dollars which is in violation of Article X, Section 6, of the
9 Consitution of the Commonwealth of the Northern Mariana Islands which requires that if
10 an operating deficit is incurred in future fiscal years, that the government shall retire the
11 deficit during the second consecutive fiscal year following the year.

12 The legislature also finds that 23 U.S. states contain provisions to effectuate the
13 shutdown of government services until a budget is enacted further empahazizing the fiscal
14 importance of enacting a budget. Thirty-seven states have provisions against carrying
15 deficits into the next fiscal year which further enforces the principle of a balanced budget.
16 The legislature additionally finds that in order to protect the health, safety, and welfare of
17 the people of the Commonwealth that it is necessary that the government continue to
18 provide essential services without interruption and effectuate the cessation of services
19 that are not essential in a safe, effective, and orderly manner.

1 There are many costs associated with the failure to enact a budget including
2 increased operational costs, the inability to deal with contractual obligations, and
3 increased deficit spending resulting from working at the previous year's spending levels.
4 Other incalculable costs include the decline in public confidence in elected officials,
5 damage to the the image of the Commonwealth Government, and a poor credit rating.

6 Section 2. Legislative Initiative. The Sixteenth Northern Marianas
7 Commonwealth Legislature, by the affirmative vote of three-fourths of the members of
8 each house present and voting, hereby proposes the following amendment to Article III,
9 Section 9(a), of the Constitution of the Northern Mariana Islands to be placed before the
10 people for ratification at the next general election:

11 **“A PROPOSED CONSTITUTIONAL AMENDMENT**

12 Section 9: Executive Functions.


13 a) The governor shall submit to the legislature a proposed annual balanced
14 budget for the following fiscal year. The proposed balanced budget shall describe
15 anticipated revenues of the Commonwealth and recommend expenditures of
16 Commonwealth funds. The anticipated revenues may not be increased by the
17 legislature without the consent of the governor. In preparing the proposed
18 balanced budget, the governor shall consider submissions made by the mayors of
19 Rota, Saipan, Tinian and Aguiguan, and the islands north of Saipan as to the
20 budgetary needs of those islands and by the executive assistant appointed under
21 N.M.I. Const. art. III, § 18. The governor's submission to the legislature with
22 respect to the budget shall state the governor's disposition of the budgetary
23 requests contained in these submissions and may include recommended
24 legislation with respect to taxation. If a balanced budget is approved by the
25 legislature, the governor may not reallocate appropriated funds except as provided
26 by law. If a balanced budget is not approved before the first day of the fiscal year,
27 ~~appropriations for government operations and obligations shall be at the level for~~
28 ~~the previous fiscal year~~ no money shall be drawn from the General Fund, provided
29 that certain government services and employees shall remain available, as

1 provided by law, in order to deliver services essential to the health, safety, and
2 welfare of the people of the Commonwealth and to protect against damage to and
3 destruction of property.

4 Section 3. Adoption and Transmittal. The Speaker of the House and the
5 President of the Senate shall certify, and the Clerks of the House and Senate shall attest to
6 the passage of this Legislative Initiative. The House Clerk shall then cause the Initiative
7 to be transmitted to the Governor and the Board of Elections. Pursuant to Article XVIII,
8 Section 5 of the Commonwealth Constitution, the Board shall place this Legislative
9 Initiative, with the Findings and Purpose section herein, before the people of the
10 Commonwealth for ratification vote in the next regular general election.

Prefiled:

Date: 2/29/08

Introduced By: 
Rep. Diego T. Benavente

Reviewed for Legal Sufficiency by:

House Legal Counsel

