GOV: COMA (HOUSE)

RALPH DLG. TORRES Governor



ARNOLD I. PALACIOS Lieutenant Governor

COMMONWEALTH of the NORTHERN MARIANA ISLANDS OFFICE OF THE GOVERNOR

2 4 SEP 2019

The Honorable Jude U. Hofschneider Chairman, Tinian Legislative Delegation Twenty-First Northern Marianas Commonwealth Legislature Saipan, MP 96950

The Honorable John Paul P. Sablan Acting Speaker House of Representatives Twenty-First Northern Marianas Commonwealth Legislature Capitol Hill Saipan, MP 96950 Rep. JP Saylan **PECEIVED** R1912519 APOD D8:02am

Dear Mr. Chairman and Mr. Acting Speaker:

This is to inform you that I have signed into law with disapproved items, **House Local Bill 21-26**, **D1** entitled, "To appropriate \$92,000 from the local license fees collected for pachinko slot machines and poker machines in the Second Senatorial District; and for other purposes." which was passed by the Tinian Legislative Delegation of the Twenty-First Northern Marianas Commonwealth Legislature.

Taking into consideration the legal concerns I have regarding Section 4 of this bill, I have disapproved the following part of the enactment for the foregoing reasons:

VETOED PART OF THE ENACTMENT

SECTION 4. MANAGEMENT OF FUNDS.

This provision sought to allow the Secretary of the Department of Finance to transfer the funds appropriated under Section 2 of this Act, notwithstanding any law to the contrary, an account set up by the Tinian Municipal Treasurer within ten calendar days of the effective date of this Act. Additionally, Section 4 required that the Tinian Municipal Treasurer regulate and control the funds appropriated under this Act so that no activity may spend contrary to this Act or fiscal management policies of the Municipality or Commonwealth of the Northern Mariana Islands.

Citing the Attorney General's comments on **H.L.B. 21-26**, **D1**, Section 4 presents a constitutional issue. The notwithstanding clause is preempted by and unenforceable against the Constitution and any applicable Commonwealth law. Article X, Section 8 confers on the Secretary of Finance, as the principal executive of the Department of Finance, authority over the regulation of public funds. 1 CMC Section 1408, a Commonwealth statute, directs that the local funds be

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HOUSE

deposited into three segregated accounts for each senatorial district. Those laws override Section 4 of this local bill. The Secretary of Finance retains the authority to manage and control the local funds being appropriated notwithstanding Section 4, because he has the authority to do so under the Constitution and Commonwealth law. Because this section attempts to impermissibly divert control and management over the local funds from the Secretary of Finance and into the hands of the Tinian Municipal Treasurer, I must respectfully exercise my constitutional right to veto this provision.

Further, it is imperative to note that prior to the passage of **H.L.B. 21-26**, **D1**, I have vetoed an identical section of a previous local appropriation bill passed by the Tinian Legislative Delegation of the Twenty-First Legislature in H.L.B. 21-9, D1 for the same aforementioned reasons. Accordingly, I urge the delegation to address this reoccurring legal concern in its drafting of future legislation.

With the exception of the vetoed portions, this bill becomes **Tinian Local Law No. 21-6**. Copies bearing my signature are forwarded for your reference.

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TINIAN & AGUIGUAN LEGISLATIVE DELEGATION SECOND SENATORIAL DISTRICT TWENTY-FIRST NORTHERN MARIANAS COMMONWEALTH LEGISLATURE SECOND REGULAR SESSION, 2019

HOUSE LOCAL BILL NO. 21-26, D1

A LOCAL APPROPRIATION BILL FOR AN ACT FOR THE SECOND SENATORIAL DISTRICT

To appropriate \$92,000 from the local license fees collected for pachinko slot machines and poker machines in the Second Senatorial District; and for other purposes.

Offered by

Representative Antonio SN. Borja

on August 2, 2019

HOUSE ACTION

Transmitted to Tinian & Aguiguan Legislative Delegation for action on

August 5, 2019

DELEGATION ACTION

| Referred to | : | None |
|------------------------------|---|---|
| Comments Solicited | : | 8/7/19 – Mayor of Tinian & Aguiguan; Tinian & Aguiguan Municipal Council [Ref. Delegation Matter 21-26 & 21-27] |
| Comments Received | : | 8/7/19 – Mayor of Tinian & Aguiguan [Ref. Mayor's Comm. 21-34] 8/15/19 – Tinian & Aguiguan Municipal Council [Ref. TAMC Comm. 21-11] |
| Standing Committee Report | • | None |
| Passed First & Final Reading | : | September 4, 2019 [as D1] |

Changia Change Delegation Clar

Chanele C. Borja, Acting Delegation Clerk

Tinian Local Law No. 21-6



TINIAN & AGUIGUAN LEGISLATIVE DELEGATION TWENTY-FIRST NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

SECOND REGULAR SESSION, 2019

House Local Bill No. 21-26, D1

A LOCAL APPROPRIATION BILL FOR AN ACT FOR THE SECOND SENATORIAL DISTRICT

To appropriate \$92,000 from the local license fees collected for pachinko slot machines and poker machines in the Second Senatorial District; and for other purposes.

BE IT ENACTED BY THE SECOND SENATORIAL DISTRICT DELEGATION PURSUANT

TO CHAPTER 4, DIVISION 1, TITLE 1 OF THE COMMONWEALTH CODE:

1 **SECTION 1. PURPOSE.**

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The purpose of this Act is to appropriate Ninety-Two Thousand dollars (\$92,000.00 USD) collected from the local license fees for pachinko slot machines and poker machines for personnel, operations, and public programs of the Office of the Mayor of the Municipality of Tinian and Aguiguan and the 17th Tinian Municipal Council.

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SECTION 2. APPROPRIATIONS.

7 There is hereby appropriated Ninety-Two Thousand dollars (\$92,000.00 USD) from
8 the local license fees for pachinko slot machines and poker machines, pursuant to 10 CMC §
9 2471, to be expended as follows:

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(a) \$77,000.00 for the Office of the Mayor of Tinian and Aguiguan; and

(b) \$15,000.00 for the 17th Tinian Municipal Council.

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Tinian Local Law No. 21-6

HOUSE LOCAL BILL NO. 21-26, D1

SECTION 3. EXPENDITURE AUTHORITY. 1

The expenditure authority for all funds appropriated under Section 2(a) of this Act shall 2 be the Mayor of Tinian and Aguiguan. The expenditure authority for all funds appropriated 3 under Section 2(b) of this Act shall be the Chairperson of the 17th Tinian Municipal Council. 4 5

SECTION 4. MANAGEMENT OF FUNDS.

6 Notwithstanding any law to the contrary, the Secretary of the Department of Finance 7 shall transfer the funds appropriated under Section 2 of this Act to an account set up 8 Tinian Municipal Treasurer within ten calendar days of the effective date of this Act. 9 Tinian Municipal Treasurer shall regulate and control the funds appropriated under this Act so 10 that no activity may spend contrary to this Act or fiscal management policies 11 Municipality or Commonwealth of Northern Mariana Islands.

12 **SECTION 5. FISCAL YEAR.**

13 The funds appropriated under this Act shall be appropriated without fiscal year 14 limitation(s).

15 **SECTION 6. SEVERABILITY.**

16 If any provision of this Act or the application of any such provision to any person or 17 circumstance should be held invalid by a court of competent jurisdiction, the remainder of this 18 Act or the application of its provisions to persons or circumstances other than those to which it 19 is held invalid shall not be affected thereby.

20 **SECTION 7. SAVINGS CLAUSE.**

21 This Act and any repealer contained herein shall not be construed as affecting any 22 existing right acquired under contract or acquired under statutes repealed or under any rule,

HOUSE LOCAL BILL NO. 21-26, D1

regulation or order adopted under the statutes. Repealers contained in this Act shall not affect
 any proceeding instituted under or pursuant to prior law. The enactment of the Act shall not
 have the effect of terminating, or in any way modifying, any liability, civil or criminal, which
 shall already be in existence on the date this Act becomes effective.

5 SECTION 8. EFFECTIVE DATE.

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This Act shall take effect upon its approval by the Governor or upon its becoming law without such approval.

CERTIFIED BY:

Jude U. H ofschneider man Cha Tinian & Aguiguan Legislative Delegation

Blas Jonathan "BJ" T. Attao Speaker House of Representatives

2019. this day of alph D G. Torres rnor Gos **Commonwealth of the Northern Mariana Islands**