

TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH

LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

_____ Session, 2025

H. B. 24-61

A BILL FOR AN ACT

To enact a new Chapter 5 to Title 1, Division 8, Part 1 of the Commonwealth Code to establish dedicated funding and a special account for the Civil Service Commission; to provide a pro rata collection, certification, and transfer mechanism of funds; to authorize a continuing appropriation and expenditure authority; and to require reporting and legislative oversight.

BE IT ENACTED BY THE 24TH NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE:

1 **Section 1. Findings and Purpose.** The Legislature finds that recurring
2 funding instability has prevented the Civil Service Commission (“Commission”)
3 from timely adjudicating appeals and grievances, obtaining needed legal guidance,
4 and delivering mandatory trainings across Saipan, Tinian, and Rota—causing
5 delays, halted services, and diminished public confidence. The Legislature further
6 finds that predictable funding is necessary to preserve the Commission’s
7 independence, avoid post-enactment reprogramming disputes, and ensure equitable
8 access to training, with particular attention to addressing disparities affecting
9 personnel on Tinian and Rota.

10 It is therefore the purpose of this Act to establish a funding mechanism that
11 provides the Commission a stable minimum amount of funding, collects funds by

1 operation of law, and subjects all spending to ordinary fiscal controls, audit, and
2 oversight.

3 To that end, this Act creates a dedicated annual appropriation to the
4 Commission equal to the greater of 0.5 percent of the Defined Base or \$450,000,
5 capped at 1.0 percent of the Defined Base, with the Defined Base consisting only
6 of General Fund Operations appropriations for the Executive, Legislative, and
7 Judicial Branches—i.e., non-personnel, non-utilities operating lines as shown in the
8 annual appropriations act's Operations schedules or any functionally equivalent
9 schedule—and expressly excluding federal or grant monies; special, revolving,
10 dedicated, trust, or custodial funds; capital improvement projects; debt service and
11 settlement/judgment obligations; any General Fund transfers, pass-throughs,
12 subsidies, or subventions to autonomous agencies or public corporations; and prior-
13 year reappropriations and any non-lapsing funds. The dedicated annual
14 appropriation to the Commission is collected pro rata by operation of law on the
15 first day of the fiscal year from all Covered Lines in proportion to each line's share
16 of the Defined Base. Within 15 business days after the annual appropriations act
17 becomes law, the Secretary of Finance must calculate and publish a ministerial
18 proration table identifying the Defined Base, each Covered Line's enacted amount,
19 percentage share, reduction, and net amount, without altering coverage,
20 percentages, timing, or sources. Within 15 business days of publication, each
21 branch certifies its net Covered Line amounts; if a branch does not certify, the

1 published table governs its internal distribution by operation of law. Transfers to
2 the Commission's special account occur on October 15, January 15, April 15, and
3 July 15, with the Secretary of Finance transferring the Executive Branch share and
4 the presiding officers or authorized fiscal officers directing the Legislative and
5 Judicial shares strictly in accordance with the published pro rata amounts.

6 This Act further establishes a special, non-lapsing Commission account in the
7 Commonwealth Treasury with a continuing appropriation, designates the
8 Commission Chair as expenditure authority, and subjects all expenditures to Article
9 X, Section 8 of the Commonwealth Constitution and to all applicable fiscal,
10 procurement, and audit laws and regulations. No diversion of funds for non-
11 Commission purposes is authorized. Permitted uses include contracting an
12 independent administrative hearing officer; retaining independent legal counsel for
13 particular matters when the Office of the Attorney General identifies a conflict of
14 interest or lacks available resources, or when independent tribunal counsel is
15 required in a pending adjudication, subject to the limitation that in any matter in
16 which the Office of the Attorney General represents an employing agency before
17 the Commission, neither that attorney nor any attorney under that attorney's
18 supervision may advise the Commission or the hearing officer on the merits of that
19 matter; funding mandatory and continual training for government employees on
20 Saipan, Tinian, and Rota, including necessary inter-island travel and venue costs;
21 paying Commission utilities, including electricity, water, wastewater, solid waste,

1 telecommunications, and internet; and other personnel and operational needs
2 necessary for the Commission's full and effective function, including necessary
3 inter-island travel and venue costs.

4 To ensure transparency and accountability, the Commission must submit an
5 annual financial and performance report within 90 days after each fiscal year and
6 is subject to audit by the Office of the Public Auditor and the Department of
7 Finance. Additionally, the Legislature shall conduct a triennial review to assess the
8 effectiveness of this Act and to consider modifications. Nondiscretionary duties
9 established by this Act, including publication of the proration table, branch
10 certification, and scheduled transfers, may be enforced by mandamus or declaratory
11 relief to compel compliance.

12 Thus, this Act establishes a stable, nonpartisan funding stream for the Civil
13 Service Commission. Funding is set by law through a pro rata reduction limited to
14 the General Fund and implemented by ministerial calculation, branch certification,
15 and quarterly transfers. Restricted and other non-General Fund monies are
16 excluded. All expenditures remain subject to ordinary fiscal, procurement, and
17 audit controls, with transparent reporting and periodic legislative review. Together,
18 these measures provide stable, transparent support so the Commission can execute
19 its statutory mandate and sustain public confidence in a merit-based civil service.

20 **Section 2. Enactment.** To enact a new Chapter 5 to Title 1, Division 8, Part

1 of the Commonwealth Code to read as follows:

2 **“Chapter 5. Dedicated Funding and Special Account for the Civil**
3 **Service Commission.**

4 **§ 101. Dedicated Funding; Pro Rata Collection, Certification, and**
5 **Transfer.**

6 (a) As used in this Section:

7 (1) “Business day” means a day other than Saturday, Sunday, or a legal
8 public holiday in the Commonwealth.

9 (2) “Commission” means the Civil Service Commission.

10 (3) “Covered Lines” means General Fund Operations appropriations
11 enacted in the annual appropriations act for the Executive Branch, the
12 Legislative Branch, and the Judicial Branch, as shown in the act’s
13 Operations schedules or any other functionally equivalent schedule,
14 however captioned, that itemizes non-personnel, non-utilities
15 operating appropriations, and expressly excluding:

16 (i) federal or grant funds and any special, revolving, dedicated, trust,
17 or custodial funds;

18 (ii) capital improvement projects;

19 (iii) debt service and settlement/judgment obligations;

- 1 (iv) any General Fund appropriation whose stated purpose is a
2 transfer, pass-through, subsidy, or other general support payment
3 to an autonomous agency or public corporation; and
4 (v) prior-year reappropriations and any non-lapsing funds.
- 5 (4) "Defined Base" means the sum of all Covered Lines for the fiscal year
6 as enacted.
- 7 (5) "General Fund" means the Commonwealth General Fund.
- 8 (b) For each fiscal year there is appropriated to the Commission, without
9 further appropriation, the greater of 0.5% of the Defined Base or \$450,000
10 ("CSC Amount"), but in no event shall the CSC Amount exceed 1.0% of
11 the Defined Base.
- 12 (c) On the first day of each fiscal year, every Covered Line is automatically
13 reduced by its proportionate share of the CSC Amount. A line's
14 proportionate share is the same fraction that its enacted amount bears to
15 the Defined Base, and the total of all such reductions must equal the CSC
16 Amount. After this reduction, only the net amounts may be allotted,
17 encumbered, or expended. If the floor in subsection (b) exceeds 0.5% of
18 the Defined Base, the effective reduction rate shall equal the CSC Amount
19 divided by the Defined Base, and the proration table shall display that rate.
20 In no event shall the effective reduction rate exceed 1.0%.

1 (d) Within 15 business days after the annual appropriations act becomes law,
2 the Secretary of Finance shall compute and publish a proration table
3 listing: the Defined Base; each Covered Line and branch; the enacted
4 amount of each line; its percentage share; the dollar amount of its
5 reduction; and its net amount after reduction. This duty is purely
6 ministerial; the Secretary shall not change which lines are covered, the
7 percentages, the timing, or the sources established under subsection (c).
8 The Defined Base is fixed as of the effective date of the annual
9 appropriations act and does not adjust for any supplemental or deficiency
10 appropriation enacted thereafter; provided, however, that if a later
11 supplemental or deficiency appropriation changes the total of Covered
12 Lines by five percent (5%) or more, the Secretary shall publish a one-time
13 amended proration table that applies only to the remaining unpaid
14 quarterly transfers. No recalculation shall occur after publication of the
15 initial proration table except to correct a manifest clerical error or to issue
16 the one-time amended table described in the preceding sentence; any such
17 correction or amendment must be published and applied prospectively.
18 Publication shall be made by posting on the Department of Finance
19 website and by transmitting the proration table to the Commission, the
20 Governor, the Speaker of the House of Representatives, the President of
21 the Senate, and the Chief Justice.

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- 1 (e) Within 15 business days after publication under subsection (d), each
2 branch shall certify to the Secretary of Finance its net Covered Line
3 amounts after applying the published reductions.
- 4 (1) The Governor (or designee) shall certify the Executive Branch's net
5 Covered Line amounts.
- 6 (2) The Speaker of the House and President of the Senate, or their
7 authorized fiscal officer, shall certify the Legislative Branch's net
8 Covered Line amounts.
- 9 (3) The Chief Justice, or the Judiciary's authorized fiscal officer, shall
10 certify the Judiciary's net Covered Line amounts.
- 11 (4) If a branch does not timely certify, the published proration table
12 governs the branch's internal distribution by operation of law.
- 13 (f) The CSC Amount shall be transferred to the Commission Special Account
14 on the following dates: October 15, January 15, April 15, and July 15.
15 Any adjustments under subsections (j) and (k) herein shall apply
16 prospectively to the remaining scheduled transfers. Transfers shall occur
17 as follows:
- 18 (1) The Secretary of Finance shall transfer the Executive Branch's
19 aggregate pro rata share according to the published table.

- 1 (2) The Speaker and President, or their authorized fiscal officer, shall
2 direct the transfer of the Legislative Branch's aggregate pro rata share
3 from Legislative accounts to the Commission Special Account.
- 4 (3) The Chief Justice, or the Judiciary's authorized fiscal officer, shall
5 direct the transfer of the Judicial Branch's aggregate pro rata share
6 from Judicial accounts to the Commission Special Account.
- 7 (4) Neither the Secretary of Finance nor any branch fiscal officer may
8 deviate from the published pro rata amounts, except to correct a
9 manifest clerical error.
- 10 (g) This Section applies each fiscal year and prevails over any conflicting
11 provision of an annual appropriations act unless that act expressly cites
12 this Section by number and states that it is superseded for that fiscal year
13 only.
- 14 (h) Nothing in this Section authorizes diversion of funds outside the Defined
15 Base or of any federal, restricted, special, revolving, dedicated, trust,
16 custodial, CIP, debt service, settlement funds, or judgment funds. Funds
17 allocated under this Act shall not be reallocated for non-Commission
18 purposes or diverted to other government operations.
- 19 (i) The Commission may bring an action in the Commonwealth Superior
20 Court for mandamus or declaratory relief to compel performance of the
21 nondiscretionary duties in subsections (d), (e), and (f). For this limited

1 purpose, the Commonwealth waives sovereign immunity only for
2 prospective, non-monetary relief. No monetary damages are authorized.
3 However, if the court finds a willful failure to perform a nondiscretionary
4 duty, it may award the Commission reasonable attorney's fees and costs
5 limited to that proceeding. The Court shall expedite such actions to the
6 extent practicable.

7 (j) If, pursuant to 1 CMC § 7204(e), General Fund allotments are reduced
8 across the board due to a revenue shortfall, the remaining unpaid portion
9 of the CSC Amount for that fiscal year shall be reduced by the same
10 percentage and the scheduled quarterly transfers shall be adjusted
11 proportionally. The Secretary of Finance shall publish the adjusted
12 transfer schedule within 15 business days of any such allotment reduction.
13 Publication shall be made by posting on the Department of Finance
14 website and transmitting the proration table to the Commission, the
15 Governor, the Speaker of the House of Representatives, the President of
16 the Senate, and the Chief Justice.

17 (k) If a fiscal year begins without an enacted annual appropriations act, the
18 Defined Base shall temporarily equal the prior fiscal year's Covered
19 Lines, the CSC Amount shall be prorated by quarter, and transfers shall
20 occur on the schedule in subsection (f). Upon enactment of the annual
21 appropriations act, the Secretary shall publish the proration table under

1 subsection (d) and reconcile remaining quarterly transfers accordingly.

2 No retroactive recalculation shall be made for quarters already elapsed.

3 (l) The reductions and transfers required by this Section occur within each
4 branch's own Operations appropriations by operation of law. The
5 certifications and transfer directions required of branch officers under
6 subsections (e) and (f) are ministerial and administrative and do not confer
7 discretion to alter the coverage, percentages, timing, or sources set by this
8 Section.

9 **§ 102. Commission Special Account; Continuing Appropriation,**
10 **Expenditure Authority, Reporting, and Oversight.**

11 (a) There is established in the Commonwealth Treasury the Commission
12 Special Account (the "Account"), a special, non-lapsing account for the
13 Commission. Amounts deposited are continuously appropriated for the
14 Commission's lawful purposes. Monies in the Account shall retain all
15 interest earned and balances may carry forward without limit to meet
16 multi-year needs. Notwithstanding any other law, interest earned shall be
17 credited to and remain in the Account.

18 (b) The Commission Chair (or designee) is the expenditure authority.

19 (c) Permitted uses include:

20 (1) appointment or contracting of an independent administrative hearing
21 officer;

- 1 (2) appointment or contracting of independent legal counsel for particular
2 matters when:
- 3 (i) the Attorney General identifies a conflict or lack of available
4 resources, or
- 5 (ii) the Commission requires advice to the tribunal in pending
6 adjudications; provided that, in any case in which the Office of the
7 Attorney General represents an employing agency before the
8 Commission, neither that attorney nor any attorney under that
9 attorney's supervision may advise the Commission or the hearing
10 officer on the merits of that matter;
- 11 (3) mandatory and continual training for government employees in
12 Saipan, Tinian, and Rota, including necessary inter-island travel and
13 venue costs; and
- 14 (4) utilities for Commission facilities and operations, including electricity,
15 water/wastewater, solid waste, telecommunications, and internet;
- 16 (5) operations of the Commission, including rent and facilities, supplies,
17 equipment, information systems and case-management software,
18 records/transcription services, publication, and outreach;
- 19 (6) personnel costs of the Commission, including salaries and wages,
20 overtime, and employer-paid benefits (retirement, health insurance,
21 Social Security, and Medicare), and travel for Commission members

1 and staff, consistent with positions authorized by law and applicable
2 personnel statutes and regulations; and

3 (7) any other expenditures reasonably necessary for the Commission's full
4 and effective function, limited to Commission purposes.

5 (d) All expenditures are subject to Article X, Section 8 of the Commonwealth
6 Constitution and all applicable fiscal, procurement, and audit laws and
7 regulations.

8 (e) Within 90 days after each fiscal year, the Commission shall submit to the
9 Governor and the Legislature an annual financial and performance report
10 detailing receipts, transfers, and expenditures under this section; hearing
11 outcomes; legal advisories; and training activities. The account is subject
12 to audit by the Office of the Public Auditor and the Department of
13 Finance.

14 (f) Every three (3) fiscal years, the Legislature shall conduct an oversight
15 review of this Act and the Commission's use of funds, considering the
16 reports submitted under subsection (e), and may enact modifications if
17 necessary."

18 **Section 3. Severability.** If any provisions of this Act or the application of
19 any such provision to any person or circumstance should be held invalid by a court
20 of competent jurisdiction, the remainder of this Act or the application of its

1 provisions to persons or circumstances other than those to which it is held invalid
2 shall not be affected thereby.

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

10 **Section 5. Effective Date; First Applicability.** This Act takes effect upon
11 becoming law and first applies to the first fiscal year that begins after the effective
12 date. No proration, collection, certification, or transfer shall occur for any fiscal
13 year that began before the effective date. For the first applicable fiscal year, the
14 time periods in § 101(d)-(f) are measured from the later of (i) the date the annual
15 appropriations act for that fiscal year becomes law or (ii) the effective date of this
16 Act.

Prefiled: 9/17/2025


Date:

Introduced by:



Rep. Roy C. A. Ada

Reviewed for legal sufficiency by:


House Legal Counsel

Date: 9/12/25