

TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH

LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

Regular Session, 2025

H. B. 24-67

A BILL FOR AN ACT

To promote government transparency, accountability, and digital accessibility by requiring standardized reporting of financial and grant information by all CNMI government entities, instrumentalities, and nonprofit recipients of public funds, in compliance with the Constitution, the Covenant, and applicable laws of the Commonwealth; and for other purposes.

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

1 **Section 1. Short Title:** This Act shall be known and may be cited as the
2 “CNMI Digital Accountability and Transparency Act of 2025 (CNMI-DATA
3 Act).”.

4 **Section 2. Finding and Purpose:** The Legislature finds that transparency
5 is a cornerstone of good governance and a fundamental constitutional principle in
6 the Commonwealth of the Northern Mariana Islands (CNMI). Article II of the
7 CNMI Constitution guarantees the people the right to access public information,
8 ensuring that government operations remain open and accountable. This

1 commitment is reinforced by the Covenant between the CNMI and the United
2 States, which calls for sound governance and rigorous financial accountability.

3 Furthermore, the Legislature finds that to uphold this standard, public funds
4 must be consistently tracked and reported in a manner that is accurate,
5 comprehensive, and accessible. Drawing on the U.S. DATA Act as a model, the
6 CNMI recognizes the importance of standardized financial reporting and seeks to
7 implement similar measures to provide clear and reliable information to the public.
8 These requirements apply broadly across government and related entities. All
9 executive departments, offices, commissions, instrumentalities, and public
10 corporations-along with nonprofit organizations receiving CMI or federal funds-
11 are expected to comply with these standards. Leadership and oversight are critical:
12 the Office of Management and Budget (OMB), the Department of Finance (DOF),
13 and the Office of the Public Auditor (OPA) are responsible for establishing,
14 enforcing, and auditing digital financial reporting practices. Ultimately, public trust
15 depends on accessibility. Residents of the CNMI should be able to review
16 government spending, procurement, and grant activity through clear, timely, and
17 searchable online reports, ensuring transparency and accountability at every level
18 of government. Therefore, the purpose of the Act is to ensure uniform digital
19 reporting of financial data, increase accountability, and expand public access.

20 **Section 3. Enactment.** Subject to codification by the CNMI Law Revision
21 Commission, the following is hereby enacted into law:

1 “Section 101. CNMI-DATA Act.

2 Section 102. Definitions. For the purpose of this Act, the following terms
3 shall have the meanings ascribed to them in this section:

4 (a) "Covered Entity" means any CNMI executive department, office,
5 bureau, agency, commission, instrumentality, public corporation, or nonprofit
6 recipient of CNMI public funds.

7 (b) "Digital Report Standards" means uniform data elements, codes, and
8 formats established by OMB and DOF in consultation with OPA.

9 (c) "Public Funds" includes appropriations from the General Fund, Special
10 Funds, Federal grants administered by the CNMI, and any other funds subject to
11 legislative appropriation or oversight.

12 Section 103. Applicability.

13 This ACT shall apply to the following:

14 (1) All government secretaries and department heads appointed with the
15 advice and consent of the CNMI Senate.

16 (2) All CNMI agencies, offices, commissions, instrumentalities, and public
17 corporations.

18 (3) All nonprofit organizations receiving CNMI or federal funds
19 administered by the CNMI government.

1 Section 104. Digital Reporting Requirements.

2 (a) Quarterly Reporting. Each covered entity shall submit a digital financial
3 report to OMB and DOF within thirty (30) days following the close of
4 each fiscal quarter.

5 (b) Standardized Data Elements. Reports shall include:

6 (1) Entity Identifier: Agency/Instrumentality/Nonprofit name and
7 CNMI Tax ID.

8 (2) Funding Source: General Fund, Special Fund, Federal Grant, or
9 other.

10 (3) Appropriation Data: Public Law number, budget activity, and
11 amount authorized.

12 (4) Obligations: Funds legally committed but not yet expended.

13 (5) Expenditures: Amount disbursed, broken down by object class.

14 (6) Vendors/Recipients: Name, address, and type.

15 (7) Procurement Method: Competitive bid, sole-source, emergency, or
16 exempt.

17 (8) Performance Measures: Outcome indicators tied to program
18 objectives.

19 (c) Data Format. All submissions must be in machine-readable, non-
20 proprietary formats (CSV, XML, JSON, or other approved formats) and
21 compatible with the Department of Finance's centralized portal.

1 (d) Timeliness: Nonprofits must submit an annual financial report within
2 one hundred twenty (120) days of fiscal year close.

3 (e) Certification. Reports must be certified under penalty of perjury by the
4 responsible Secretary, Director, or Chief Executive Officer.

5 Section 105. Oversight and Enforcement.

6 (a) The Office of Management and Budget shall issue uniform reporting
7 standards under 1 CMC §§ 9101 et seq. and ensure cross-agency
8 consistency.

9 (b) The Department of Finance shall:

10 (1) Maintain the centralized online transparency portal;

11 (2) Publish quarterly and annual summary reports;

12 (3) Enforce withholding of allotments or penalties only after ten (10)
13 calendar day grace period approved by OMB following the
14 reporting deadline.

15 (c) The Office of the Public Auditor shall audit reports, publish findings,
16 and refer misreporting to the Attorney General.

17 (d) Civil Liability. Officers or directors knowingly filing false reports are
18 liable under 7 CMC §§ 3401-3405.

19 (e) Withholding and Recoupment. Penalties or fund suspension apply after
20 the grace period has elapsed.

1 Section 106. Rulemaking Authority. The Office of Management and
2 Budget, the Department of Finance, and the Office of the Public Auditor shall
3 jointly promulgate regulations establishing:

- 4 (1) Uniform data dictionaries;
- 5 (2) Electronic submission protocols;
- 6 (3) Validation/error-checking procedures;
- 7 (4) Corrective measures for inaccurate reports;
- 8 (5) Penalties for late or false submissions;
- 9 (6) Cross-references to Procurement, Budgeting and Accounting, and
10 Nonprofit Reporting statutes.

11 Section 107. Harmonization with Existing Laws. This Act shall read in
12 harmony with:

- 13 (1) The CNMI Constitution;
- 14 (2) The Covenant with the United States;
- 15 (3) The Budgeting and Accounting Act (1 CMC §§ 7201 et seq.);
- 16 (4) Procurement Regulations (1 CMC §§ 7801 et seq.);
- 17 (5) The Public Auditor Act (1 CMC §§ 2301-2319);
- 18 (6) The Administrative Procedure Act (1 CMC §§ 9101 et seq.);
- 19 (7) The Open Government Act (1 CMC §§ 9901 et seq.);
- 20 (8) The Nonprofit Reporting Act (1 CMC §§ 7701-7706).

21 Section 108. Appropriations.

1 (a) Department of Finance

2 (1) Two hundred fifty thousand dollars (\$250,000.00) from the General
3 Fund is hereby appropriated for Fiscal Year 2026 for the
4 establishment, operation, and maintenance of the centralized CNMI
5 Transparency and Accountability Portal, including software,
6 hardware, staffing, and training.

7 (2) The Department of Finance shall first use external funds awarded or
8 appropriated by the federal government or other governmental
9 sources for the purposes of supporting and enhancing the
10 Transparency Portal, provided that such funds are reported in
11 compliance with this Act and application CNMI financial laws.

12 (b) Office of the Public Auditor (OPA).

13 (1) One hundred thousand dollars (\$100,000.00) from the General Fund
14 is hereby appropriated for oversight, compliance auditing, and
15 enforcement of this Act.

16 (2) Extraordinary costs will be covered by OPA's one percent (1%)
17 constitutional appropriation under Article III § 12, subject to
18 legislative appropriation.

19 (c) Expenditure Authority. Vested in the Secretary of Finance for
20 subsection (a) and in the Public Auditor for subsection (b).

1 (d) Non-Lapse. Funds remain available until fully expended for the
2 purposes of this Act.

3 Section 109. Appeals Procedure.

4 (a) Right to Appeal. Covered entities may appeal enforcement actions
5 within thirty (30) calendar days.

6 (b) Filing. Appeals must be in writing, specifying the action, grounds, and
7 supporting evidence.

8 (c) Reviewed by OMB. OMB shall review in consultation with DOF and
9 OPA, issuing a written decision within twenty (20) calendar days.

10 (d) Grace Period During Appeal. The ten (10) day grace period remains in
11 effect while the appeal is pending; no funds withheld or penalties
12 applied.

13 (e) Judicial Review. Aggrieved parties may seek review in Commonwealth
14 Superior Court.

15 (f) No waiver of Compliance. Appeals do not exempt timely reporting or
16 correction of deficiencies.”

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

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
3 acquired under statutes repealed or under any rule, regulation, or order adopted
4 under the statutes. Repealers contained in this Act shall not affect any proceeding
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.

8 **Section 6. Effective Date.** This Act shall take effect 90 days after its
9 approval by the Governor, or it becoming law without such approval.

Prefiled: 10/6/2025

Date: _____

Introduced by:  _____

Rep. Marissa R. Flores

Reviewed for Legal Sufficiency by:


House Legal Counsel

Date: 10/6/25

