

**A BILL FOR AN ACT**

To define “reasonable allowances” for members of the Legislature pursuant to Article II, Section 10 of the NMI Constitution.

**BE IT ENACTED BY THE TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:**

1           **Section 1. Short Title.** This Act may be cited as the “Legislative Reasonable  
2 Allowance Act of 2025.”

3           **Section 2. Findings and Purpose.** The Constitution of the Commonwealth of the  
4 Northern Mariana Islands, Article II, Section 10, provides that:

5           *“The members of the legislature shall receive an annual salary of eight thousand  
6 dollars and reasonable allowances for expenses provided by law.”*

7           The Legislature finds that while the Constitution authorizes both a fixed salary and  
8 “reasonable allowances,” it does not define the scope, nature, or monetary limit of such  
9 allowances. In the absence of statutory clarification, the interpretation of “reasonable” has  
10 varied, creating uncertainty, inconsistent practices, and concerns regarding fiscal  
11 responsibility and public trust.

12           The Legislature further finds that when the Constitution was drafted and ratified in  
13 1977–1978, the framers deliberately set the annual legislative salary at \$8,000. The intent  
14 was to ensure that serving in the Legislature would be regarded as public service, not a  
15 lifelong career or a means to personal enrichment. Allowances were included in the  
16 Constitution strictly as a mechanism to cover necessary costs associated with the  
17 performance of legislative duties — such as office expenses, constituent services, and  
18 travel within the islands — not as a form of supplemental income.

19           Over time, however, the absence of statutory limits has led to the risk that  
20 allowances could expand well beyond necessity, undermining the spirit of the

1 constitutional language and eroding public confidence in the Legislature’s stewardship of  
2 public funds.

3 Therefore, the purpose of this Act is to:

- 4 1. Define “reasonable allowances” in law to ensure they are limited to legitimate  
5 expenses incurred in the execution of legislative duties;
- 6 2. Establish a clear statutory monthly cap on allowances to prevent excessive or  
7 arbitrary disbursements;
- 8 3. Prohibit the stacking or retroactive application of allowances to ensure they  
9 remain tied to real and timely expenses;
- 10 4. Strengthen reporting and repayment requirements to ensure accountability and  
11 transparency; and
- 12 5. Reaffirm the original constitutional intent that allowances are solely for  
13 necessary expenses and not a substitute for salary.

14 **Section 3. Amendment.** Title 1, Division 1, Chapter 2, Article 1 of the  
15 Commonwealth Code is hereby amended to read as follows:

16 **“Article 1. Legislative Reasonable Allowances.**

17 **§ 101. Reasonable Allowances; Definition.** Notwithstanding any law, rule,  
18 regulation, or legislative practice to the contrary, and for purposes of Article II, Section 10  
19 of the NMI Constitution, “reasonable allowances” shall mean reimbursements or fixed  
20 stipends provided to legislators to cover necessary expenses directly related to the  
21 execution of official legislative duties, including but not limited to:

- 22 (a) Office supplies and equipment;
- 23 (b) Communication and correspondence;
- 24 (c) Official travel within the Commonwealth of the Northern Mariana Islands;
- 25 (d) District office expenses;
- 26 (e) Constituent services and outreach.
- 27 (f) Sponsorships or support for community-based activities such as sports, cultural  
28 events, or educational programs; provided that:

1 (1) The activity is conducted by a bona fide nonprofit or community-based  
2 organization with recognized tax-exempt status under Commonwealth or federal  
3 law;

4 (2) The appropriation serves a public purpose as defined in Article X,  
5 Section 10 of the NMI Constitution and 1 CMC §121, meaning the benefit is  
6 equally available to the community at large and not limited to private gain;

7 (3) No funds may be used for general operations, salaries, administrative  
8 overhead, or capital improvements of a nonprofit organization, unless such  
9 expenditures are expressly tied to a program that provides a public benefit available  
10 to the community;

11 (4) No legislator, or any member of their immediate family, may have any  
12 role as an officer, board member, employee, contractor, or financial supporter of  
13 the recipient organization;

14 (5) Recipient nonprofits shall not make political contributions,  
15 endorsements, or provide financial support to any legislator;

16 (6) The nonprofit shall submit to the Department of Finance, within thirty  
17 (30) days of receiving funds, receipts and a report documenting that the funds were  
18 expended for the approved public purpose; and

19 (7) Funds not used in accordance with this subsection shall be recovered by  
20 the Commonwealth Treasury.

21 “Reasonable allowances” shall not include personal expenses, campaign-related  
22 expenses, or expenses unrelated to official legislative duties. Sponsorships or community  
23 support authorized under subsection (f) must be directed to bona fide nonprofit  
24 organizations or community groups and may not be provided to any for-profit entity or  
25 used for personal benefit.

26 **§ 102. Reasonable Allowances; Cap.**

27 (a) Notwithstanding any other law, rule, regulation, or appropriation authority, the  
28 maximum allowance that may be provided to any member of the Legislature shall not  
29 exceed Two Thousand Dollars (\$2,000.00) per month.

1 (b) This allowance may be provided as a reimbursement for actual documented  
2 expenses or as a fixed monthly stipend, subject to the rules established by the presiding  
3 officers of each house.

4 (c) Allowances shall not be stacked, accumulated, or retroactively applied. Any  
5 unused portion of a monthly allowance shall lapse at the end of each month and shall not  
6 be carried forward.

7 **§ 103. Reasonable Allowances; Reporting and Transparency.**

8 (a) Each house of the Legislature shall adopt rules requiring members to submit  
9 itemized reports of allowances received and expenses incurred, which shall be made  
10 available to the public upon request.

11 (b) Members of the legislature may draw their monthly allowance at any time of  
12 each month in accordance with §102 of this Act.

13 (c) Within 30 calendar days of receiving an allowance, the member shall submit to  
14 the Department of Finance documentation substantiating the use of the allowance, which  
15 may include invoices, receipts, or letters of request from nonprofit or community  
16 organizations for sponsorship purposes.

17 (d) Failure of any member of the Legislature to provide documented expenses  
18 within 30 calendar days of disbursement substantiating the use of allowances shall prohibit  
19 further disbursement of allowances to that member until the deficiency is cured.

20 (e) If documentation is not submitted within thirty (30) days from the date the  
21 allowance was disbursed, the undocumented allowance shall be deemed disallowed and  
22 subject to repayment in full to the Commonwealth Treasury.”

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

27 **Section 5. Savings Clause.** This Act and any repealer contained herein shall not  
28 be construed as affecting any existing right acquired under contract or acquired under  
29 statutes repealed or under any rule, regulation, or order adopted under the statutes.

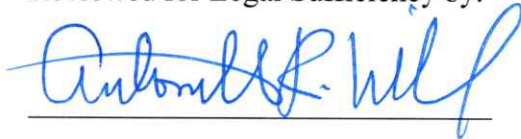
1 Repealers contained in this Act shall not affect any proceeding instituted under or pursuant  
2 to prior law. The enactment of the Act shall not have the effect of terminating, or in any  
3 way modifying, any liability, civil or criminal, which shall already be in existence on the  
4 date this Act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

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

Date: 10/03/25

Introduced By:   
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Senator Celina R. Babauta

Reviewed for Legal Sufficiency by:

  
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Senate Legal Counsel