

SECOND NORTHERN MARIANAS CONSTITUTIONAL CONVENTION

SAIPAN, CM 96950

Telephone

6517/6572

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July 7, 1985

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The Honorable Pedro A. Tenorio
Lieutenant Governor
Commonwealth of the Northern
Mariana Islands
Saipan, CM 96950

Dear Lt. Governor Tenorio:

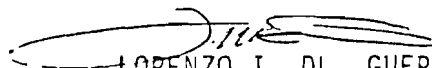
Based upon your experience with the U.S. Congress and executive branch with the Commonwealth's annual budget submission, please advise what the United States interpretation, as you see it, is of Covenant Sections 701, 702, and 704(a) and the annual appropriations process, as they relate to Delegate Proposal No. 186.

The question has been raised that current practice of appropriation by the local legislature may be in violation of, or at least inconsistent with the above cited Covenant sections and the annual appropriations act of the U.S. Congress. It has been noted that Covenant Section 704(a) states "(a) Funds appropriated under Section 702 not obligated or expended by the Government of the Northern Mariana Islands during any fiscal year will remain available for obligation or expenditure in subsequent fiscal years for the purposes for which the funds were appropriated." (Emphasis added)

This gave rise to the question of whether local appropriation of Covenant Section 702 monies is appropriation or improper reappropriation of funds already appropriated by a higher authority, the U.S. Federal Government. It was noted that the CNMI is required to make a detailed budget submission to the U.S. Congress each year. This could be seen as implying that the U.S. Congress expects the funds they appropriate to be expended in exactly the manner indicated in the budget submission.

We appreciate your providing this Committee with your views on the subject no later than Tuesday, as time is very short for the Committee to finalize action on the subject proposal.

Sincerely,


LORENZO I. DL. GUERRERO
Chairman, Committee on
Finance & Other Matters

Enclosure