

SECOND NORTHERN MARIANAS CONSTITUTIONAL CONVENTION

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REPORT TO THE CONVENTION BY THE
COMMITTEE ON FINANCE AND OTHER MATTERS

Subject: Committee Recommendation No. 33

The Committee on Finance and Other Matters recommends that the Convention meeting in Committee of the Whole adopt the attached constitutional provision relative to the definition of public purpose.

The proposed constitutional amendment would permit the legislature to determine what may and what may not be considered public purpose for which tax revenues may be allocated. In delimiting the various causes to which tax revenues may be allocated, the Legislature shall be guided in its choice of recipients of public funds by the following restatement of the analysis in the Constitution.

"A public purpose is one that directly and substantially benefits the public welfare. The direct and substantial benefits to the welfare necessary for a finding of public purpose must be reasonably foreseeable and reasonably likely to occur. This section does not prohibit government participation with private investors in enterprises that will benefit the public welfare. A public purpose does not include an objective that brings benefits only to few persons or corporations, that results in profits most of which are exported from the Commonwealth to the benefit of persons in other countries, that redresses private wrongs, or that improves private property."


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Your Committee on Finance and Other Matters is in accord with the intent and purpose of the proposed constitutional amendment and recommends its passage on final reading in the form hereto attached.

Respectfully submitted,



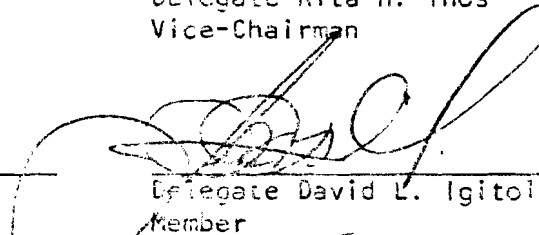
Delegate Lorenzo I. Guerrero
Chairman



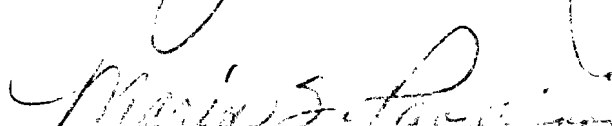
Delegate Rita H. Inos
Vice-Chairman



Delegate James M. Mendiola
Member



Delegate David L. Igitol
Member



Delegate Maria T. Pangellinan
Member



Delegate Ignacio Villanueva
Member

A PROPOSED CONSTITUTIONAL AMENDMENT

To amend Section 1 of Article X of the Northern Marianas Constitution.

BE IT ADOPTED BY THE SECOND CONSTITUTIONAL CONVENTION:

Upon ratification pursuant to Section 5 of Article XVIII of the Commonwealth of the Northern Mariana Islands Constitution and Public Law No. 4-30, the Constitution of the Commonwealth of the Northern Mariana Islands is amended to read as follows:

1 Section 1. Section 1 of Article X of the Northern Marianas
2 Constitution is hereby amended to read as follows:

3 "Section 1: Public Purpose.

4 (a) A tax may not be levied and an appropriation of
5 public money may not be made, directly or indirectly, except
6 for a public purpose. ~~The definition of public purpose shall be provided by law.~~

7 ~~which may not be considered public purpose.~~

8 The legislature shall provide the definition
9 of public purpose."
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12 Committee on Finance and Other Matters
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*adopted by
COW m 7/12/85*