



Third Northern Mariana Islands Constitutional Convention

-474-

DELEGATE PROPOSAL NO. 375

DATE: June 9, 1995

It is proposed that a constitutional amendment be prepared that does the following:

. Provides a constitutional basis for limiting government expenditures to that which can be supported by the islands' economy without increasing the income or private property tax burden.

1. Establishes the concept of Gross Commonwealth Product, to include the value of all goods and services produced by businesses on the island, which can be taxed to support government services.

2. Provides for an independent commission of experts to estimate the gross island product for the coming fiscal year.

3. Requires that the budget recommended by the governor and passed by the legislature not exceed a specified percentage of the gross Commonwealth product, for example 10%. This is the principal tax base.

4. Any budget that exceeded the constitutionally mandated percentage would be void ab initio, and the constitutionally mandated procedures would come into effect that operate when no budget has been passed by the legislature.

[Note: the purpose of this amendment is to limit the government to a size that can be supported by the businesses in the Commonwealth, so that the people are not taxed in ever increasing amounts with respect to their personal incomes and private property. In years when business is good, the budget could increase. In years when business is bad, the government would have to shrink.]

Submitted by:


Delegate VICENTE S. ALDAN

CONSTITUTIONAL ARTICLE THAT WOULD BE AMENDED: Art. X, new sec.

CONSTITUTIONAL ARTICLES AFFECTED: Art. II; Art. III