

July 17, 1995

MEMORANDUM FOR CONVENTION DELEGATES

SUBJECT: Consideration on First Reading of Report No. 2 of the Committee on Executive Branch and Local Government Relating to Article III (Executive Branch)

Enclosed for your review are revisions of Committee Report No. 2 and draft constitutional language for Article III (Executive Branch). A few changes have been made in the recommended language and the accompanying report to reflect the discussion in the Committee of the Whole on Saturday, July 15, 1995. For your convenience I will list the changes as follows:

1) With respect to Section 2, the residency requirement for the governor has been reduced from ten years to seven to reflect the views of the majority of the delegates during Saturday's consideration of the issue.

2) With respect to Section 9(a) relating to the annual processing of the budget, several delegates have expressed interest in imposing some timetable on the legislature and/or more substantial consequences in the event that a balanced budget is not approved at the start of the fiscal year. The Committee has added a sentence that imposes on the legislature the requirement that it send to the governor an approved budget no later than thirty days before the start of the fiscal year. At the very least, the Committee anticipates that this will get discussions between the two branches of government regarding their differences started at an earlier date. The Committee was unable to reach agreement on any additional sanctions or consequences in the event that a balanced budget is not in place at the start of the fiscal year. We recommend that the Committee of the Whole discuss and have an informal vote on the two approaches that seem to have the most support:

a) First, the Convention could conclude that if there is no balanced budget by the end of the first quarter of the new fiscal year, the modified continuing resolution approach contained in the proposed Section 9(a) should end. This would then stop government operations and, hopefully, the threat of this drastic sanction would promote agreement between the two branches. A variation of this, of course, would leave public safety and public health operations funded.

b) Second, the Convention could conclude that some budget should go into place if no approved budget is ready at the beginning of the fiscal year. Some have suggested that, failing agreement, the governor's recommended budget should go into effect. Others have suggested that representatives of the legislature and the executive branch be given thirty days in the new fiscal year to resolve their differences and that representatives of the private sector be asked to serve in a mediating capacity to help get a budget in place.

3) With respect to Article 11 relating to the Attorney General, the Committee has added the requirement that the Attorney General be a member of the CNMI bar.

4) The Committee has decided to recommend that the Secretary of Finance be removed only for cause. It has agreed that this limitation can be included in the appropriate section of Article 10 where this department is addressed.

5) Section 19 dealing with the retirement system has been revised to reflect Delegate Aldan's proposed language. It is shorter in length and does not constitutionalize the current retirement fund . The Committee agrees that this approach makes more sense in light of the unanticipated needs of the Commonwealth in the future and the evolving concepts about retirement plans in general.

The Committee requests your support in adopting the recommendations with respect to Article III.



Felix R. Nogis, Chair of the Committee
On Executive Branch and Local Government