



HOUSE OF REPRESENTATIVES  
SIXTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE  
SECOND REGULAR SESSION, 2008

H. B. No. 16-145, HD2

AN ACT

To mandate the Commonwealth Government to prioritize and pay the retirement employer contributions of government employees who are eligible to retire; and for other purposes.

BE IT ENACTED BY THE SIXTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

1           Section 1. Findings and Purpose. The Legislature finds that the Northern Mariana  
2 Islands (NMI) Retirement Fund, through Board Resolution No. 08-001, adopted a policy to  
3 suspend all applications for retirement benefits due to the Commonwealth government's  
4 inability to pay its employer contributions to the NMI Retirement Fund for more than two  
5 years. However, unlike the Commonwealth government, employees continue to pay their  
6 employee contributions to the Fund.

7           The Legislature further finds that many government employees are eligible to retire  
8 but cannot do so because of the NMI Retirement Fund's policy to suspend all retirement  
9 applications at this time. The Legislature finds that Article III, Section 20(a) of the NMI  
10 Constitution provides that "[a]ccrued benefits of [the retirement] system shall be neither  
11 diminished nor impaired." The NMI Retirement Fund's policy to suspend all retirement  
12 applications and the Commonwealth government's inability to pay its employer contributions  
13 are impairing the accrued benefits of the members of the NMI Retirement Fund.

14           The Legislature finds that the Commonwealth government could realize savings on  
15 personnel costs by allowing eligible government employees to retire at this time. Moreover,  
16 eligible government employees have a right to retire from government service at the time of  
17 their choosing not at the time the government decides to pay its employer contributions to the  
18 NMI Retirement Fund. Accordingly, the purpose of this legislation is to require the  
19 Commonwealth government to prioritize and pay its retirement employer contributions for

1 government employees who are eligible to retire from government service.

2 Section 2. Employer Retirement Contribution Mandate. Notwithstanding any law  
3 or regulation to the contrary, the Commonwealth government, its departments, divisions,  
4 municipalities, public corporations, autonomous agencies, and offices shall prioritize and pay  
5 the full retirement employer contributions of government employees who are eligible to retire  
6 from government service.

7 Section 3. NMI Retirement Fund. Notwithstanding any law or regulation to the  
8 contrary, the NMI Retirement Fund Board and Administrator shall, upon receipt of the CNMI  
9 government employer contribution as stated under Section 2 of this Act, accept and provide  
10 full pension to all government employees described under Section 2 above.

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

15 Section 5. Savings Clause. This Act and any repealer contained herein shall not be  
16 construed as affecting any existing right acquired under contract or acquired under statutes  
17 repealed or under any rule, regulation, or order adopted under the statutes. Repealers  
18 contained in this Act shall not affect any proceeding instituted under or pursuant to prior law.  
19 The enactment of the Act shall not have the effect of terminating, or in any way modifying,  
20 any liability, civil or criminal, which shall already be in existence on the date this Act  
21 becomes effective.

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

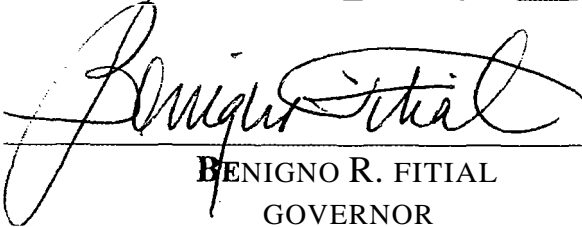
CERTIFIED BY:



ATTESTED TO BY:

  
EVELYN C. FLEMING  
HOUSE CLERK

APPROVED on this 15<sup>th</sup> day of APRIL, 2009

  
BENIGNO R. FITIAL  
GOVERNOR

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS