



**The Senate**  
NORTHERN MARIANAS COMMONWEALTH LEGISLATURE  
P.O. BOX 500129  
SAIPAN, MP 96950

**STANDING COMMITTEE REPORT NO. 21- 82**  
**Date: March 2, 2020**  
**RE: Senate Legislative Initiative No. 21-06**

Honorable Victor B. Hocog  
President of the Senate  
Twenty-First Northern Marianas  
Commonwealth Legislature  
Saipan, MP 96950

Dear Mr. President:

Your Committee on Fiscal Affairs, to which was referred Senate Legislative Initiative No. 21-06, entitled:

“To allow government retirees to be reemployed without losing their retirement benefits for an unrestricted period of time, provided that qualified local non-retiree applicants be given first priority on any vacancies by amending Article III, section 20(b) of the Constitution of the Northern Mariana Islands.”

begs leave to report as follows:

**I. RECOMMENDATION:**

After considerable discussion and deliberation, your Committee recommends the passage of Senate Legislative Initiative No. 21-06, in its current form.

**II. ANALYSIS:**

A. Purpose:

The purpose of Senate Legislative Initiative No. 21-06 is to amend Article III, section 20(b) to allow the reemployment of government retirees into the public sector without losing their retirement pension.

B. Committee Findings:

Your Committee finds that since the federal takeover of the CNMI immigration as mandated under U.S. Public Law 110-229, the CNMI labor workforce has gone through turbulent adjustments and changes. The CNMI government and private sector have collaborated their efforts to maintain, train and recruit new workers to meet the demands of the labor workforce of the public and private sectors.

Your Committee finds that Article III, Section 20(b) of the CNMI Constitution mandates employees of the government with twenty or more years of public service are eligible for retirement with the understanding that they may not be reemployed by the CNMI Government after retirement. It is important to note that at the time when the CNMI Constitution was established and ratified, the newly formed CNMI government had complete control over their immigration and workforce needs, there was a surplus of people in the community able to fulfill the workforce needs, and that the indigenous people of the CNMI made a proactive effort to remain in the workforce to build up the economy of our young Commonwealth.

More than four decades later, the immigration and labor workforce needs of the CNMI are under the control of federal immigration which has resulted in a continuous struggle to find specialized workers to fulfill vacancies in both the public and private sector. While the CNMI continues to struggle with the shortage of skilled workers, it is necessary to reconsider the provisions of Article III, Section 20(b) to tap into the reemployment of government retirees to fill critical positions that remain vacant.

Your Committee finds that the intent of Senate Legislative Initiative No. 21-06 is not to favor the reemployment of government retirees over qualified local non-retired applicants. The proposed initiative provides that qualified local non-retiree applicants be given first priority on government job vacancies. It is essential that at a time when the Commonwealth experiences a shortage of workers, alternative considerations should be given to individuals who have a desire to return to the government system and continue their contribution to public service. Therefore, your Committee is in accord with the intent of this legislation and recommends its passage in its current form as Senate Legislative Initiative No. 21-06.

C. Legislative History:

Senate Legislative Initiative No. 21-06 was formally introduced by Senator Victor B. Hocog on June 13, 2019 and was subsequently referred to the Senate Standing Committee on Fiscal Affairs for disposition.



Furthermore, a similar initiative was previously introduced during the Nineteenth Northern Marianas Commonwealth Legislature as Senate Legislative Initiative No. 19-01 by Senator Justo S. Quitugua. The Senate passed the proposed legislation on October 29, 2015 with no further action by the House of Representatives.

D. Public Hearing and Comment:

No public hearing was scheduled for Senate Legislative Initiative No. 21-06 and no written comments were submitted to your Committee for review.

However, a Committee Meeting was held on March 2, 2019 to deliberate on the provisions stated in the proposed legislation. During deliberations, your Committee agreed to the intent of the proposed legislation and recommended its passage in its current form.

E. Estimated Fiscal Cost:

The enactment of Senate Legislative Initiative No. 21-06, will result in additional costs to the CNMI Government for the purpose of providing salary benefits in the event that a government retiree is reemployed to fill vacant positions in the government without losing their retirement pension benefits.

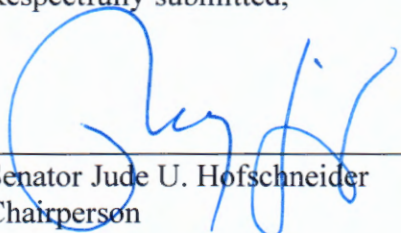
F. Summary of Committee Amendments:

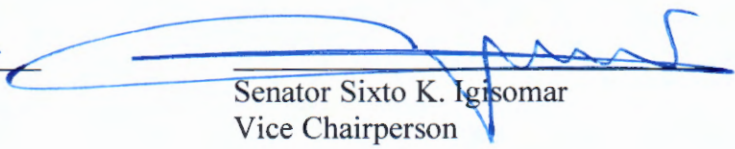
Your Committee met to discuss Senate Legislative Initiative No. 21-06 and made no further amendments to the proposed legislation.

**III. CONCLUSION:**

Your Committee finds that the provisions of Senate Legislative Initiative No. 21-06 will fulfill the workforce needs of the government and recommends its passage in its current form.

Respectfully submitted,

  
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Senator Jude U. Hofschneider  
Chairperson

  
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Senator Sixto K. Igisomar  
Vice Chairperson



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Senator Francisco Q. Cruz  
Member



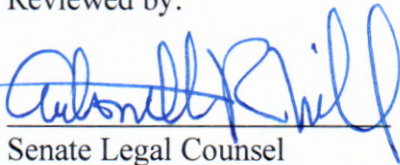
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Senator Vinnie F. Sablan  
Member

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Senator Francisco M. Borja  
Member

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Senator Justo S. Quitugua  
Member

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Senator Teresita A. Santos  
Member

Reviewed by:



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Senate Legal Counsel

TWENTY-FIRST NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

*Fifth Special*

SESSION, 2019

S. L. I. NO. 21-06

A SENATE LEGISLATIVE INITIATIVE

To allow government retirees to be reemployed without losing their retirement benefits for an unrestricted period of time, provided that qualified local non-retiree applicants be given first priority on any vacancies by amending Article III, section 20(b) of the Constitution of the Northern Mariana Islands.

BE IT ENACTED BY THE TWENTY-FIRST NORTHERN MARIANAS  
COMMONWEALTH LEGISLATURE:

1           Section 1. Legislative Finding. The Legislature finds that it is in the public  
2   interest to allow government retirees to be reemployed without losing their retirement  
3   benefits, provided that qualified local non-retiree applicants be given first priority on any  
4   government job vacancies.

5           Section 2. Legislative Initiative. The Twenty-First Northern Marianas  
6   Commonwealth Legislature, by the affirmative vote of three-fourths of the members of  
7   each house present and voting, hereby proposes the following amendment to Article III,  
8   section 20(b) of the Constitution of the Northern Mariana Islands to be placed before the  
9   people for ratification at the next general election:

10                   **"A PROPOSED CONSTITUTIONAL AMENDMENT**

11           To permit the reemployment of government retirees without losing retirement  
12   benefits for an unrestricted period of time, provided that qualified local non-retiree  
13   applicants be given first priority on government job vacancies by amending Article III,  
14   section 20(b) of the Constitution of the Northern Mariana Islands, as follows:

15           'Section 20 (b) An employee who has acquired not less than twenty years  
16   of creditable service under the Commonwealth retirement system shall be  
17   credited an additional five years and shall be eligible to retire. An  
18   employee who elects to retire under this provision may not be reemployed  
19   by the Commonwealth Government or any of its instrumentalities or

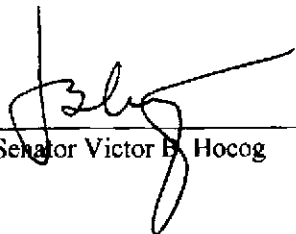
1 agencies, for more than 60 days in any fiscal year without losing his or her  
2 retirement benefits for the remainder of that fiscal year, except that the  
3 legislature may by law exempt reemployment of retirees as classroom  
4 teachers, doctors, nurses, and other medical professionals from this  
5 limitation, for reemployment not exceeding two (2) years provided that  
6 qualified local non-retiree applicants be given first priority on government  
7 job vacancies. No retiree may have their retirement benefits recomputed  
8 based on any reemployment during which retirement benefits are drawn,  
9 but every such reemployed retiree shall nevertheless be required to  
10 contribute to the retirement fund during the period of reemployment, at the  
11 same rate as other government employees. ~~The legislature may prohibit~~  
12 ~~recomputation of retirement benefits based on reemployment after~~  
13 ~~retirement in any event or under any circumstances."~~

14 Section 3. Adoption and Transmittal. The President of the Senate and the  
15 Speaker of the House shall certify, and the Senate Legislative Secretary and the House  
16 Clerk shall attest to the adoption of this Legislative Initiative. The Senate Clerk shall  
17 then transmit a certified copy of the Initiative to the Governor and the Board of Elections.  
18 Pursuant to Article XVIII, Section 5 of the Commonwealth Constitution, the Board shall  
19 place this Legislative Initiative, with the Findings and Purpose section herein, before the  
20 people of the Commonwealth for ratification vote at the earlier of the next regular general  
21 election or the next special election established by law.

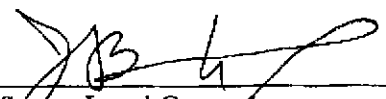
Prefiled:

Date: 6/13/19

Introduced By:

  
Senator Victor B. Hocog

Reviewed for legal sufficiency:

  
Senate Legal Counsel