

SEVENTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

S.B. NO. 17-27

THIRD SPECIAL SESSION, 2010

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**A BILL FOR AN ACT**

To temporarily suspend 1 CMC § 8342 (a); and for other purposes.

**BE IT ENACTED BY THE SEVENTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:**

1           **Section 1. Findings and Purpose.** The Legislature finds that the Northern  
2 Mariana Island Retirement Fund is significantly burdened with unfunded liability to its  
3 members. The Legislature further finds that the Commonwealth government is in need of  
4 reducing its current workforce. Therefore, it is the intent of this legislation to  
5 simultaneously reduce the burden of the Fund, and the Commonwealth government, by  
6 implementing a government-backed early retirement incentive plan for a limited period  
7 of time.

8           **Section 2. Suspension of Early Retirement Penalties for Class I Members**

9           1 CMC § 8342 (a) is hereby suspended until December 31, 2010. Any Class I  
10 member electing to take early retirement during this suspension shall not be subject to  
11 early retirement penalties. The employing government agency or department of the  
12 retiring Class I member shall remit to the Fund within five working days following the  
13 end of each payroll date an amount equal to the employee's pension benefits and the  
14 employer and employee retirement contributions equal to the amount the employer and  
15 employee would have remitted to the Fund had the Class I member not elected to retire.  
16 The remittance of the employee's pension benefits and the employer and employee  
17 contributions, by the employing government agency or department to the Fund, shall  
18 continue until the date on which the member attains 62 years of age or the death of the  
19 member. The employing government agency shall not fill the position vacated by the

1 member without joint legislative approval. The suspension of 1 CMC § 8342 (a) shall be  
2 lifted on January 1, 2011.

3 **Section 3. Sunset Provision** This Act shall expire on December 31, 2010, or  
4 earlier as provided by law, at which time the original provisions under 1 CMC § 8342 (a)  
5 shall be reinstated.

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

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

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

Prefiled

Date: 05/12/10

Introduced By: /s/ \_\_\_\_\_

Sen. Francisco Q. Cruz

/s/ Sen. Henry H. San Nicolas

/s/ Sen. Pete P. Reyes

/s/ Sen. Jude U. Hofschneider

/s/ Sen. Juan M. Ayuyu

/s/ Sen. Ralph Dlg. Torres

/s/ Sen. Jovita M. Taimanao

/s/ Sen. Luis P. Crisostimo

/s/ Sen. Paul A. Manglona