

- PL 11-114 House Clerk -



GOV. COMM.
(HOUSE)

12-14

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

Pedro P. Tenorio
Governor

Jesus R. Sablan
Lt. Governor

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The Honorable Benigno R. Fitial
Speaker, House of Representatives
Twelfth Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

18 JAN 2000

The Honorable Paul A. Manglona
President of the Senate
Twelfth Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

Dear Mr. Speaker and Mr. President:

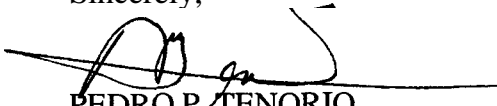
This is to inform you that I have signed into law House Bill No. 11-359, entitled, "To amend 1 CMC §8404, to provide for the automatic expiration and repeal of P.L. 8-30; and for other purposes," which was passed by the Eleventh Northern Marianas Commonwealth Legislature.

This bill which is intended to repeal of P.L. 8-30, known as the "Commonwealth Early Retirement Bonus Act" is necessary to eventually end the financial burden to the Retirement Fund and the Government. As written the bill will not provide an immediate resolution to the program's financial situation sought by the Administration. However, it does end the costly program commencing with those individual hired for government employment after December 15, 1999.

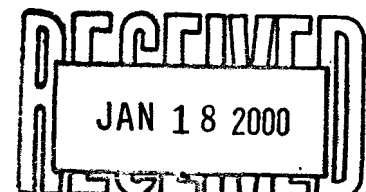
The Retirement Fund Administrator and the Legislature have publicly made clear their position and intent that all current and contributing government employees, who may be eligible to retire after having met all the requirements, will still receive their retirement bonus. I have relied on this statement in approving this bill. However, because there have been several varying interpretations to Section 3 of the bill, perhaps subsequent legislation should be enacted to clarify this situation in order to avoid any confusion that may arise in the future.

This bill becomes **Public Law No. 11-114**. Copies bearing my signature are forwarded for your reference.

Sincerely,


PEDRO P. TENORIO

CC: Retirement Fund Administrator
Secretary of Finance
Special Assistant for Management & Budget
Special Assistant for Programs & Legislative Review



HOUSE OF REPRESENTATIVES
ELEVENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

PUBLIC LAW NO. 11-114
HOUSE BILL NO. 11-359

AN ACT

To amend 1 CMC § 8404, to provide for the automatic expiration and repeal of PL 8-30;
and for other purposes.

Offered by **Representative(s):** Heinz S. Hofschneider,
Oscar M. Babauta, and Jesus T. Attao

Date: January 15, 1999

HOUSE ACTION

Standing Committee Report: None

First and Final Reading: January 15, 1999

SENATE ACTION

Referred to: Committee on Judiciary, Government, and Law

Standing Committee Report: None

Second and Final Reading: December 7, 1999


Evelyn C. Fleming
House Clerk

Rec 12/15/99

ELEVENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

THIRD REGULAR SESSION, 1999

PUBLIC LAW NO. 11-114
H. B. NO. 11-359

AN ACT

To amend 1 CMC § 8404, to provide for the automatic expiration and repeal of PL 8-30; and for other purposes.

BE IT ENACTED BY THE ELEVENTH NORTHERN MARIANAS COMMONWEALTH
LEGISLATURE :

1 Section 1. Purpose. The purpose of this Act is to provide for retirees to receive their
2 30% bonus subsequent to retiring, and upon receipt of their bonus, to have their retirement
3 pension adjusted retroactive to the date of retirement, with the bonus being factored in.

4 Section 2. Amendment. Title 1, Section 8404 of the Commonwealth Code is hereby
5 amended to read as follows:

6 "§ 8404. Funding. The cost of the bonus specified in 1 CMC § 8401 shall be
7 borne by the employee's hiring authority and may be allotted from available funds in
8 the employer's personnel account. If no such funds are available, then the legislature
9 shall appropriate the funds necessary to pay the bonus as soon as government revenues
10 are available. Upon such appropriation and the availability of funds, the bonus that is
11 due to the retired employee shall be paid. Upon the payment of such bonus, the annual
12 retirement pension for the retiree shall be re-computed and adjusted to reflect the 30%
13 bonus. The adjustment shall take effect retroactive to the date of retirement. The
14 retiree shall be paid the adjusted annual pension amount retroactive to the date of
15 retirement."


16 Section 3. Expiration and Repealer. The Commonwealth Early Retirement Bonus Act
17 (PL 8-30) which took effect on October 1, 1993, shall expire and become automatically
18 repealed by this Act on December 15, 1999. The expiration of such law shall not have any
19 effect on the entitlement acquired, pursuant to such law, by any employee or retiree prior to
20 such expiration.

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

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

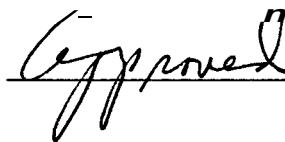
12 Section 6. Effective Date. This Act shall take effect upon its approval by the Governor
13 or upon its becoming law without such approval.

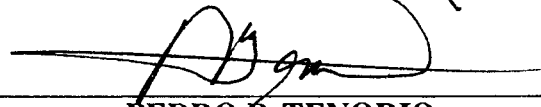
CERTIFIED BY:


DIEGO T. BENAVENTE
Speaker
House of Representatives

ATTESTED BY:


EVELYN C. FLEMING
House Clerk

 this 18th day of January, 2000
1999


PEDRO P. TENORIO
Governor
Commonwealth of the Northern Mariana Islands