

TITLE 1: GOVERNMENT
DIVISION 8: PUBLIC EMPLOYMENT

§ 8358. Annual Cost of Living Increase.

(a) Eligible class I and class II members in a receipt of a service retirement or disability annuity and eligible surviving spouses may be provided an annual cost of living increase. The annuity amount will automatically increase on the first day of the quarter following approval by the board.

(b) The cost of living increase will be set by the board each year, using as a guideline, the rate used by the United States of America Social Security System for its beneficiaries. The cost of living increase percentage will be applied to the first thirty-thousand dollars of the previous year's annuity amount paid in equal semimonthly increments. This figure shall not be adjusted.

(c) Notwithstanding any law to the contrary, the Board of Trustees of the NMI Retirement Fund are hereby authorized to vote by 2/3 of its membership, each year, to grant an annual retirement bonus ("ARB") in lieu of a cost of allowance ("COLA"). Should the board vote to provide an ARB in lieu of a COLA, the ARB shall not compound or be treated as increasing the annuity amount of retiree, disability annuitant or survivor spouse from year to year, but shall otherwise be applied to those individuals eligible for a COLA under other provisions of this division.

(d) The board shall pay as a COLA or ARB only such amount as the Legislature appropriates for this purpose each year.

Source: PL 8-31, § 1 (repealing PL 7-39, § 1); amended PL 13-60, § 6(f); last sentence repealed and reenacted by PL 15-70, § 4(b), modified; (a) and (b) amended and (c) and (d) added by PL 17-32 § 2 (February 16, 2011).

Commission Comment: PL 8-31 took effect October 1, 1993.

PL 13-60 was enacted on December 5, 2003 and contained, in addition to other enactments, a short title, findings and purpose, severability, and savings clause provisions. See the comment to 1 CMC § 8253 regarding PL 13-60.

The Commission deleted figures that were a mere repetition of words in the last sentence of the section above pursuant to its authority by 1 CMC § 3806. Public Law 15-70, which was entitled "The Defined Benefit Plan Reform Act [DBPRA] of 2007," was enacted on June 14, 2007, and contained, in addition to other enactments, findings and purpose, transition, severability, and savings provisions. See the comment to 1 CMC § 8357 for details of PL 15-70.