



COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

Eloy S. Inos
Governor

Jude U. Hofschneider
Lieutenant Governor

16 JUL 2014

Honorable Ralph DLG. Torres
Senate President, The Senate
Eighteenth Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

Honorable Joseph P. Deleon Guerrero
Speaker, House of Representatives
Eighteenth Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

Dear Mr. President and Mr. Speaker:

This is to inform you that I have signed into law Senate Bill No. 18-53, SD1, HD1, entitled, "To provide a legal structure that would provide relief in situations where there is Earned Compensation owed to Former Employees and subsistence allowance pursuant to an appropriation legislation; and for other purposes," which was passed by the Senate and the House of Representatives of the Eighteenth Northern Marianas Commonwealth Legislature.

This bill becomes **Public Law No. 18-57**. Copies bearing my signature are forwarded for your reference.

Sincerely,

A handwritten signature in black ink, appearing to read "Eloy S. Inos", with a vertical line extending upwards from the end of the signature.

ELOY S. INOS

cc: Lt. Governor; Lt. Governor's Legal Counsel; Attorney General's Office; Northern Mariana Islands Retirement Fund; Public Auditor; Special Assistant for Administration; Special Assistant for Programs and Legislative Review



THE SENATE
Eighteenth Northern Marianas Commonwealth Legislature
P. O. Box 500129
Saipan, MP 96950

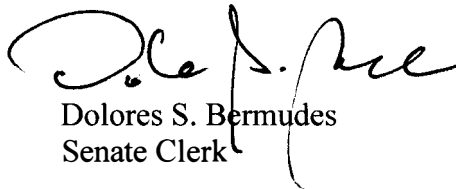
July 01, 2014

The Honorable Eloy S. Inos
Governor
Commonwealth of the Northern
Mariana Islands
Saipan, MP 96950

Dear Governor Inos:

I have the honor of transmitting herewith Senate Bill No. 18-53, SD1, HD1, entitled, "To provide a legal structure that would provide relief in situations where there is Earned Compensation owed to Former Employees and subsistence allowance pursuant to an appropriation legislation; and for other purposes," which was passed by the Senate and the House of Representatives of the Eighteenth Northern Marianas Commonwealth Legislature.

Sincerely,



Dolores S. Bermudes
Senate Clerk

Attachment



THE SENATE
EIGHTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

SENATE BILL NO. 18-53, SD1, HD1

AN ACT

To provide a legal structure that would provide relief in situations where there is Earned Compensation owed to Former Employees and subsistence allowance pursuant to an appropriation legislation; and for other purposes.

SENATE ACTION

Offered by Senator(s): Victor B. Hocog

Date: April 30, 2014

Referred to: None

Standing Committee Report No.: None


Final Reading: June 26, 2014

HOUSE ACTION

Referred to: None

Standing Committee Report No.: None

First and Final Reading: June 18, 2014


DOLORES S. BERMUDES
SENATE CLERK

EIGHTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

1ST DAY, FIRST SPECIAL SESSION, 2014

S. B. NO. 18-53, SD1, HD1

AN ACT

To provide a legal structure that would provide relief in situations where there is Earned Compensation owed to Former Employees and subsistence allowance pursuant to an appropriation legislation; and for other purposes.

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

1 **Section 1. Findings and Purpose.** The Commonwealth as the largest employer in
2 the Northern Mariana Islands has had repeated experiences where a current or former
3 employee has died (collectively "Former Employees") that was still owed payment from the
4 government for wages associated with prior services ("Earned Compensation"). In these
5 instances, payment of the Earned Compensation cannot be made without either use of
6 probate proceedings or valid assignment by the Former Employee completed prior to death.
7 These limitations have resulted in numerous situations in which Earned Compensation owed
8 to Former Employees remains undistributed at times when families often require these funds
9 to meet funeral expenses or to settle claims. This is a common problem faced by many
10 private and government employers in the United States who have addressed this problem
11 through the sponsorship and adoption of state legislation that would provide a limited
12 exemption from requirements of probate proceedings by providing authority to the
13 government employer to distribute Earned Compensation according to patterns based on
14 intestacy.

15 The Legislature finds that this Act is necessary to provide an exemption from probate
16 proceedings of the Earned Compensation pursuant to Public Law 7-31.

SENATE BILL NO. 18-53, SD1, HD1

1 The purpose of this Bill is to provide a legal structure similar to that of other states
2 that would provide relief in situations where there is Earned Compensation owed to Former
3 Employees and subsistence allowances owed pursuant to a legislative appropriation.

4 **Section 2. Earned Compensation and Earned Subsistence Allowance.**

5 (a) If, at the time of the death of any person, an employer is indebted to the person
6 for work, labor, or services performed, and no personal representative of the person's estate
7 has been appointed, such employer shall, upon the request of the surviving spouse, forthwith
8 pay this indebtedness, in such an amount as may be due to the surviving spouse. In the
9 absence of a surviving spouse, the employer shall pay this indebtedness jointly to the
10 surviving children of the decedent. The employer shall require proof of claimant's
11 relationship to decedent by affidavit, and require claimant to acknowledge receipt of such
12 payment in writing. Any payments made by the employer pursuant to the provisions of this
13 section shall operate as a full and complete discharge of the employer's indebtedness to the
14 extent of the payment, and no employer shall thereafter be liable therefor to the decedent's
15 estate or the decedent's personal representative thereafter appointed.

16 For the purposes of this subsection the word "employer" includes every person, firm,
17 partnership, corporation, the government, all political subdivisions, autonomous agencies,
18 and all municipal government.

19 (b) If, at the time of the death of any person who is entitled to receive subsistence
20 allowance pursuant to a legislative appropriation Act, and no personal representative of the
21 person's estate has been appointed, the expenditure authority of the appropriation shall, upon
22 the request of the surviving spouse, pay the owed subsistence allowance, in such an amount
23 provided in the appropriation to the surviving spouse. In the absence of a surviving spouse,
24 the expenditure authority shall pay the subsistence allowance jointly to the decedent's
25 surviving children.

26 The expenditure authority shall require proof of claimant's relationship to decedent
27 by affidavit, and require claimant to acknowledge receipt of such payment in writing. Any
28 payments made by the expenditure authority in conformance with the appropriation Act
29 shall operate as a full and complete discharge of the payment of the subsistence allowance,

SENATE BILL NO. 18-53, SD1, HD1


1 and no one shall thereafter be liable therefor to the decedent's estate or the decedent's
2 personal representative thereafter appointed.

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

7 **Section 4. Savings Clause.** This Act and any repealer contained herein shall not be
8 construed as affecting any existing right acquired under contract or acquired under statutes
9 repealed or under any rule, regulation, or order adopted under the statutes. Repealers
10 contained in this Act shall not affect any proceeding instituted under or pursuant to prior
11 law. The enactment of the Act shall not have the effect of terminating, or in any way
12 modifying, any liability, civil or criminal, which shall already be in existence on the date
13 this Act becomes effective.

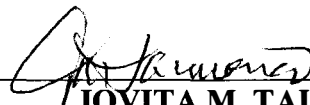
14 **Section 5. Effective Date.** This Act shall take effect upon its approval by the
15 Governor or becoming law without such approval.

CERTIFIED BY:



**RALPH D.G. TORRES
PRESIDENT OF THE SENATE**

ATTESTED BY:



**JOVITA M. TAIMANAO
SENATE LEGISLATIVE SECRETARY**

APPROVED this 16th day of July, 2014



**ELOY S. INOS
Governor**

Commonwealth of the Northern Mariana Islands