



COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

Eloy S. Inos
Governor

Jude U. Hofschneider
Lieutenant Governor

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

The Honorable Ralph DLG. Torres
Senate President
Eighteenth 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 18-12, SD1, entitled, "To amend Public Law 17-82 to clarify those provisions necessary to expedite the refunds and prevent any further frustration of the process," which was passed by the Eighteenth Northern Marianas Commonwealth Legislature.

I would like to thank the Legislature for expeditiously passing this measure to allow members of the Defined Benefit Plan to withdraw their contributions. Members have waited patiently and with this amendment, we hope the NMIRF will work cooperatively with members in timely processing their returns.

This bill becomes **Public Law No. 18-2**. Copies bearing my signature are forwarded for your reference.

Sincerely,

A handwritten signature in black ink, appearing to read "E. Inos", written over a dotted line.

ELOY S. INOS

CC: Lt. Governor
Attorney General's Office

Caller Box 10007 Saipan, MP 96950 Telephone: (670) 664-2200 /2300 Facsimile: (670) 664-2211/2311

NMIRF
Press Secretary, Office of the Governor
Special Assistant for Programs & Legislative Review
All Departments and Agencies



House of Representatives
NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
P.O. BOX 500586
SAIPAN, MP 96950

February 7, 2013

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

Dear Governor Inos:

I have the honor of transmitting herewith for your action **H. B. 18-12, SD1**, entitled: "To amend Public Law 17-82 to clarify those provisions necessary to expedite the refunds and prevent any further frustration of the process.", which was passed by the House of Representatives and the Senate of the Eighteenth Northern Marianas Commonwealth Legislature.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Linda B. Muña".

Linda B. Muña

House Clerk

Attachment



*Eighteenth Legislature
of the
Commonwealth of the Northern Mariana Islands*
IN THE HOUSE OF REPRESENTATIVES

First Regular Session

February 11, 2013

Representative Francisco S. Dela Cruz, of Saipan, Precinct 3 (*for himself*, Representative Antonio P. Sablan) in an open and public meeting with an opportunity for the public to comment, introduced the following Bill:

H.B. 18-12

AN ACT

TO AMEND PUBLIC LAW 17-82 TO CLARIFY THOSE PROVISIONS NECESSARY TO EXPEDITE THE REFUNDS AND PREVENT ANY FURTHER FRUSTRATION OF THE PROCESS

The Bill was referred to the House Special Committee on NMI Retirement, which submitted Special Committee Report 18-2, adopted by the House on February 26, 2013.

THE BILL WAS PASSED BY THE HOUSE OF REPRESENTATIVES ON FIRST AND FINAL READING, FEBRUARY 26, 2013;
without amendments and transmitted to the
THE SENATE.

The Bill was not referred to a Senate Committee.

THE BILL WAS PASSED BY THE SENATE ON FIRST AND FINAL READING, FEBRUARY 28, 2013;
with amendments in the form of H. B. 18-12, SD1.

H. B. 18-12, SD1 WAS RETURNED TO THE HOUSE OF REPRESENTATIVES ON MARCH 6, 2013.

THE HOUSE OF REPRESENTATIVES ACCEPTED THE SENATE AMENDMENTS AND PASSED H. B. 18-12, SD1, DURING ITS 5TH DAY, FIRST REGULAR SESSION ON MARCH 8, 2013.

Linda B. Muña, House Clerk



*Eighteenth Legislature
of the
Commonwealth of the Northern Mariana Islands*
IN THE HOUSE OF REPRESENTATIVES

Fifth Day, First Regular Session

March 8, 2013

H. B. 18-12, SD1

AN ACT

**TO AMEND PUBLIC LAW 17-82 TO CLARIFY THOSE PROVISIONS
NECESSARY TO EXPEDITE THE REFUNDS AND PREVENT ANY
FURTHER FRUSTRATION OF THE PROCESS.**

**Be it enacted by the Eighteenth Northern Marianas Commonwealth
Legislature:**

1 **Section 1. Findings and Purpose.** The Legislature finds that Public Law 17-82 was
2 enacted as part of many steps to begin reforming and saving the Defined Benefit Retirement
3 Plan for existing members. There are provisions in that law that are being interpreted
4 incorrectly by the Northern Mariana Islands Retirement Fund ("NMIRF"). This is creating
5 an undue burden on employees due to increased deductions and delaying the refunds that are
6 rightfully the property of those active and inactive members. The purpose of this measure is
7 to clarify those provisions so as to expedite the refunds and prevent any further frustration of
8 the process.

9 **Section 2. Amendments.**

10 (a) Section 201 of Title 1, Division 8, Part 3 is amended as follows:

1 “Defined Benefit Plan. Right to Terminate Membership.

2 Notwithstanding any other provision of law, Class I or Class II members of
3 the Defined Benefit Plan, active or inactive and not retired from government service,
4 may elect to voluntarily terminate membership in the fund and shall enter the federal
5 insurance system commonly known as the “Social Security” upon its extension to
6 officers and employees of the Commonwealth government. Any member who elects
7 to terminate membership in the fund shall receive his/her employee contribution with
8 regular interest without penalty and without separating from government service.”

9 (b) Section 202(b) of Title 1, Division 8, Part 3 is amended as follows:

10 “Termination of Membership and Withdrawal of Contributions.

11 Within 30 days of submission to the NMIRF of the members request to
12 terminate membership in the Defined Benefit Plan, the NMIRF Administrator or its
13 successor shall disburse 50% of the total employee Defined Benefit Plan
14 contributions with interest calculated based on applicable statutory provisions for
15 Class I or Class II members to the members electing to terminate membership in the
16 Defined Benefit Plan. The effective date of this act shall be considered the first day
17 for those who have already submitted their applications. The balance shall be
18 disbursed within 90 days. In effect, those members who have already received 25%
19 of their contributions shall receive an additional 25% within 30 days, while those who
20 have applied but not received any contributions as of the effective date of this act
21 shall receive 50% within 30 days. Provided that if the records in the NMIRF are such
22 that immediate disbursement of employee contributions are difficult because of

1 deficient employee contributions or inability to immediately calculate accrued
2 interest, the NMIRF shall disburse withdrawals based on amounts actually
3 contributed as per NMIRF records and defer any remaining balance including interest
4 accrued until such future date after the NMIRF has reconciled and resolved the
5 correct employee contribution amounts including interest calculations.

6 Members eligible to terminate their membership must submit their application
7 within 30 days of the effective date of this act or maintain their membership with the
8 Defined Benefit Plan. Provided that those members who have pending retirement
9 applications, but have not begun receiving benefits, may rescind their applications
10 and choose to withdraw employee contributions. In the alternative, the NMIRF may
11 enter into an agreement with such member, to begin receiving their annuities based on
12 actual employee and employer contributions received by the NMIRF. Any benefit
13 deferred shall be recalculated and paid upon payment of deficient contributions.”

14 (c) Section 203(a) of Title 1, Division 8, Part 3 is amended as follows:

15 “Contributions to the Defined Benefit Plan.


16 The obligation of the CNMI agencies and instrumentalities to withhold and
17 remit the employee’s portion to the employee’s defined benefit account shall cease
18 upon the Class I or Class II member’s submission to the Retirement Fund
19 Administrator or its successor of the form required by section 202(a). The
20 government obligation to withhold and remit the employee’s portion to the
21 employee’s defined benefit account shall continue with respect to employees who do
22 not terminate membership in the Defined Benefit Plan.”

1 **Section 3. Severability.** If any provisions 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.

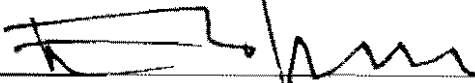
5 **Section 4. Savings Clause.** This Act and any repealer contained herein shall not be
6 construed as affecting any existing right acquired under contract or acquired under statutes
7 repealed or under any rule, regulation, or order adopted under the statutes. Repealers
8 contained in this Act shall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

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

Attested to by: 
Linda B. Muña, House Clerk

Certified by: 
SPEAKER JOSEPH P. DELEON GUERRERO
House of Representatives
18th Northern Marianas Commonwealth Legislature

~~Approved~~ this 11TH day of MARCH, 2013


ELOY SINOS
Governor
Commonwealth of the Northern Mariana Islands