

21st Northern Marianas Commonwealth Legislature

IN THE HOUSE OF REPRESENTATIVES

Regular Session, 2019

H. L. B. 21- 2

**A LOCAL APPROPRIATION BILL FOR AN ACT
FOR THE THIRD SENATORIAL DISTRICT**

To appropriate the amount of not more than Six Million dollars (\$6,000,000.00) from the Exclusive Gaming Annual License Fees allotted to the Third Senatorial District under 4 CMC §2307(c)(2) to pay the Government employees of the Third Senatorial District who did not receive salary increases due to Governor's 2001 freeze of within-grade annual increase and the NMIAC §10-20.2-1101, Financial Austerity Measures.

BE IT ENACTED BY THE THIRD SENATORIAL DISTRICT DELEGATION

PURSUANT TO CHAPTER 4, DIVISION 1, TITLE 1 OF THE

COMMONWEALTH CODE:

1 **Section 1. Findings.** On April 19, 1999, the Civil Service Commission
2 adopted a new Part to the Personnel Service System Rules and Regulations
3 (PSSRR), codified as §10-20.2-1101 Financial Austerity Measure in the Northern
4 Mariana Islands Administrative Code. The Financial Austerity Measure
5 suspended, or temporarily repealed, the provisions of the PSSRR that required
6 increases in employees' salaries due to permanent or temporary promotions, acting
7 or detail assignments, reallocation or reclassification of positions, and step
8 increases based on attendance at workshops or other training programs.

1 The Financial Austerity Measures specifically provided “The suspension
2 shall expire upon subsequent notice in the Commonwealth Register. Upon
3 expiration of the suspension of the pay increases employees who qualified for the
4 increases during the time of suspension shall receive the pay increases effective the
5 date the suspension expired. *“The increases shall not be made retroactive to any
6 date that occurred during the time of suspension.”*

7 Additionally, in 2001 the Secretary of Finance announced that the
8 government lacked sufficient funding to continue issuing annual Within-Grade
9 salary increases and Public Law 11-59 bonuses. Subsequently, Governor Tenorio
10 suspended the issuance of such increases. This suspension continued, endorsed by
11 succeeding Administrations, until its lifting by Governor’s Directive No. 002,
12 effective May 1, 2016. During this period of suspension conflicting legal opinions
13 were issued by various Attorney Generals as to whether or not the government had
14 a liability to retroactively pay the missed increases and bonuses. Public Law 19-75,
15 signed into law on December 19, 2016, and Public Law 20-16, signed into law on
16 September 29, 2017, authorized payment of the outstanding retroactive lump-sum
17 payment due to active and inactive employees whose wages were frozen in Step
18 12, pursuant to Public Law No. 10-76 and as amended by Public Law No. 11-59.
19 However, no action has been taken with regard to the repayment of the outstanding
20 retroactive within-grade increase payment due to active and inactive employees
21 who missed their salary increases due to the 2001 suspension.

1 It is the intent of this bill to make both the within-grade and the salary
2 increases retroactive to the time that the employee of the Third Senatorial District
3 would have been entitled to the salary increase in the absence of the Government's
4 freezing of within-grade increases and the Financial Austerity Measures.

5 **Section 2. Appropriation.** "Notwithstanding any provisions, statutes,
6 laws or regulations to the contrary, the Saipan and Northern Islands Legislative
7 Delegation hereby appropriates the amount of not more than Six Millions dollars
8 (\$6,000,000.00) from the Exclusive Gaming Annual License Fees allotted to the
9 Third Senatorial District under 4 CMC §2307(c)(2) to pay the Government
10 employees of the Third Senatorial District who did not receive salary increases due
11 to Governor's 2001 freeze of within-grade annual increase and the NMIAC §10-
12 20.2-1101, Financial Austerity Measures, provided further that said employees are
13 entitled to earned salary increases retroactive to the time that the employees would
14 have been entitled to the salary increases in the absence of the Government's
15 freezing of within-grade annual increases and NMIAC §10-20.2-1101, Financial
16 Austerity Measures.

17 The Office of Personnel Management shall determine the amount of the
18 suspended salary increase each employee is entitled to. The Secretary of Finance
19 shall be the expenditure authority."

20 **Section 3. Severability.** If any provisions of this Act or the application of
21 any such provision to any person or circumstance should be held invalid by a court

1 of competent jurisdiction, the remainder of this Act or the application of its
2 provisions to persons or circumstances other than those to which it is held invalid
3 shall not be affected thereby.

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

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

Prefiled: 1/17/19

Date: 1/17/19

Introduced By: Janet U. Maratita
Rep. Janet U. Maratita



Reviewed for Legal Sufficiency by:

Joseph A. Jay
House Legal Counsel