

TITLE 1: GOVERNMENT
DIVISION 8: PUBLIC EMPLOYMENT

§ 8484. Termination of Membership and Withdrawal of Contributions.

(a) Those qualified to separate by 1 CMC § 8483 who elect to terminate membership in the defined benefit program, and if married, their spouse, must sign a form to be promulgated by the Retirement Fund Administrator or its successor relinquishing all rights and benefits in the Commonwealth Defined Benefit system.

(b) Within 30 days of submission to the NMIRF of the members request to terminate membership in the Defined Benefit Plan, the NMIRF Administrator or its successor shall disburse 50% of the total employee Defined Benefit Plan contributions with interest calculated based on applicable statutory provisions for Class I or Class II members to the members electing to terminate membership in the Defined Benefit Plan. The effective date of this act shall be considered the first day for those who have already submitted their applications. The balance shall be disbursed within 90 days. In effect those members who have already received 25% of their contributions shall receive an additional 25% within 30 days, while those who have applied but not received any contributions as of the effective date of this act shall receive 50% within 30 days. Provided that if the records in the NMIRF are such that immediate disbursement of employee contributions are difficult because of deficient employee contributions or inability to immediately calculate accrued interest, the NMIRF shall disburse withdrawals based on amounts actually contributed as per NMIRF records and defer any remaining balance including interest accrued until such future date after the NMIRF has reconciled and resolved the correct employee contribution amounts including interest calculations.

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

(c) An employee who elects to withdraw his/her Defined Benefit Plan contribution may rollover all or a portion of his/her contribution to the Defined Contribution Plan.

Source: PL 17-82 § 3(202) (September 11, 2012), modified; subsection (b) amended by PL 18-2 § 2 (March 11, 2013).

Commission Comment: The Commission changed a reference in this section to agree with renumbered provisions of this chapter and changed “members request” to “member’s request” in subsection (b) pursuant to 1 CMC 3806(c) and (g).