

**SIXTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE**

**FIRST REGULAR SESSION, 2008**

**Public Law No. 16-15  
SENATE BILL NO. 16-13, SD3, HS1, HD1**

**AN ACT**

TO FORBEAR, IN CERTAIN INSTANCES, THE COLLECTION OF THE EDUCATIONAL FINANCIAL ASSISTANCE LIABILITY OF RETURNING COLLEGE STUDENTS THAT CANNOT FIND EMPLOYMENT WITHIN THE PRIVATE OR PUBLIC SECTOR OF THE COMMONWEALTH DUE TO BUDGETARY LIMITATIONS, REDUCTION IN FORCE OR BECAUSE A POSITION IS FILLED BY A FOREIGN NATIONAL WORKER; AND FOR OTHER PURPOSES.

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

1           **Section 1. Findings and Purpose.** The Legislature finds that many students who are  
2 recipients of financial assistance from the Commonwealth in the form of loans and scholarships  
3 are required under the terms of such assistance to return to the Commonwealth to work in the  
4 private or public sector for a set period of time in order to be absolved of financial liability for  
5 the amount of the total assistance. However, the Legislature is cognizant that in times of fiscal  
6 austerity, reduction in force or because of the government reliance on foreign national workers,  
7 employment in the private or public sector may be unattainable or unavailable to returning  
8 students.

9           Therefore, it is the purpose of this Act to authorize for forbearance of the collection of the  
10 debt of financial assistance recipients in specific cases where a recipient returns to the  
11 Commonwealth, presents appropriate credentials necessary for private or public service but is

1 not employed due to fiscal restraints on hiring or because a position is filled by a foreign national  
2 worker. Additionally, this Act provides that employment in the United States Armed Forces in  
3 lieu of employment in the Commonwealth private or public sector satisfies the educational  
4 financial assistance requirement that a recipient return to and work in the Commonwealth for a  
5 period equal to the period for which the recipient received financial assistance from the  
6 Commonwealth. This Act is necessary and a proper use of the legislative power granted by  
7 Section 1 of Article II of the Commonwealth Constitution.

8 **Section 2. Amendment.** Article 5, Division 1, Title 3 of the Commonwealth Code is  
9 hereby amended by adding new sections 1343 and 1344 to read as follows:

10 " §1343. **Financial Assistance Forbearance.**

11 (a) Notwithstanding any other provision of law, a recipient of post-second\*  
12 education financial assistance from the Commonwealth who returns to the  
13 Commonwealth, presents necessary credentials for private or public service but is not  
14 hired by a private or public employer in the Commonwealth due to unavailability of  
15 government FTEs, hiring freeze, budget constraints, reduction in force or because a  
16 position is filled by a foreign national worker, shall be granted a forbearance on the  
17 collection of the recipient's financial assistance debt so long as the recipient is  
18 unemployed, actively seeking employment, and unable to repay the debt; provided that  
19 such forbearance shall also be granted to an off-island recipient during the first two year§  
20 after graduation if such recipient is employed off-island in a position germane to the  
21 recipient's field of study. During the period of the forbearance, interest, if any, shall not  
22 accrue during the period of forbearance.

1 (b) The CNMI Scholarship Office shall coordinate with the Office of Personnel  
2 Management, the Department of Labor, government agencies authorized to hire foreign  
3 national workers and private agencies to assist returning students in finding employment  
4 within the Commonwealth government or the private sector. The Scholarship Office shall  
5 report annually in writing to the presiding officers of each house on the employment  
6 status of the returning students.

7 **§ 1344. Employment in the United States Armed Forces.**

8 (a) A recipient of post-secondary education financial assistance from the  
9 Commonwealth who is employed in the United States Armed Services after the  
10 completion of the recipient's educational program shall be deemed to have satisfied the  
11 requirement that such recipient return to and provide service to the Commonwealth by  
12 working for an employer in the public or private sector; provided that the recipient be  
13 employed in the Armed Forces for a period equal to the period for which the recipient  
14 received education financial assistance from the Commonwealth.

15 (b) The CNMI Scholarship Office is authorized to give military employment  
16 service credit to post-secondary education financial assistance recipients who joined the  
17 United States Armed Forces prior to the enactment of this section."

18 **Section 3. Regulations.** The CNMI Scholarship Office shall promulgate rules and  
19 regulations necessary to implement the provisions of this Act.

20 **Section 4. Severability.** If any provisions of this Act or the application of any such  
21 provision to any person or circumstance should be held invalid by a court of competent


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

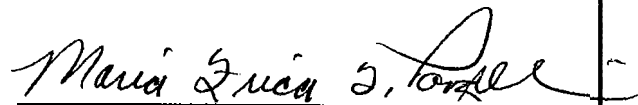
4       **Section 5. Savings Clause.** This Act and any amendment or repealer contained herein  
5 shall not be construed as affecting any existing right acquired under contract or acquired under  
6 statutes repealed or under any rule, regulation or order adopted under the statutes. Repealers or  
7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

11       **Section 6. Effective Date.** This Act shall take effect upon its approval by the Governor  
12 or upon its becoming law without such approval.

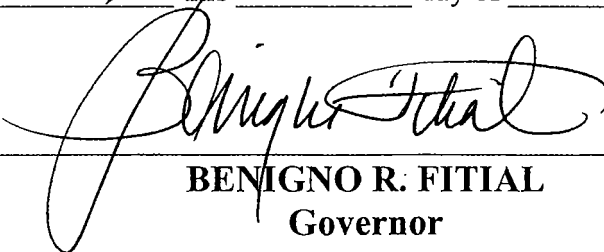
**CERTIFIED BY:**

**ATTESTED BY:**

  
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**PETE P. REYES**  
**PRESIDENT OF THE SENATE**

  
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**MARIA FRISCA T. PANGELINAN**  
**SENATE LEGISLATIVE SECRETARY**

**APPROVED** this 5<sup>th</sup> day of SEPTEMBER, 2008

  
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**BENIGNO R. FITIAL**  
**Governor**  
**Commonwealth of the Northern Mariana Islands**