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NORTHERN MARIANA ISLANDS RETIREMENT FUND

P.O. BOX 1247
SAIPAN, CM 96950

PUBLIC NOTICE OF PROPOSED REGULATIONS

The Board of Trustees of the Northern Mariana Islands Retirement Fund wishes to serve notice to the public that it proposes to promulgate regulations pursuant to Section 3 of Public Law 5-48, 1 CMC 8314(f) and the Administrative Procedures Act, 1 CMC 9101, et seq.


The proposed regulations will amend the Administrative Rules and Regulations for the NMI Retirement Fund with respect to the applicability of Constitutional Amendment No. 19 and the implementation of Public Law 5-48.

Copies of the proposed regulations are available at the Fund's office on the ground floor of the Nauru Building, Susupe, Saipan, and its offices on Tinian and Rota.

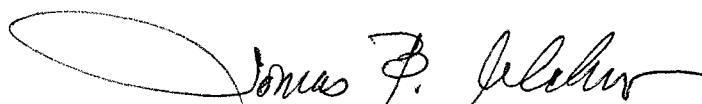
The Fund urges the public to submit written comments and recommendations regarding the proposed regulations within 30 days after the first publication in the Commonwealth Register to the following address:

NMI Retirement Fund
P. O. Box 1247
Saipan, MP 96950

Dated this 21st day of April 1988.



Michael A. White
Chairman
Board of Trustees, NMIRF



Tomas B. Aldan
Administrator
NMI Retirement Fund



NORTHERN MARIANA ISLANDS RETIREMENT FUND

P.O. BOX 1247
SAIPAN, CM 96950

NOTICIA PUBLIKO POT I MA PROPONE NA REGULASION YAN AREKLAMENTOS

I Board of Trustees i Northern Mariana Islands Retirement Fund mananae noticia para i publico na ha propone para u adopta areklamento para i administracion i programan retirement sigun i atoridat gi seksiona 3, Lai Publiko 5-48, 1 CMC 8314(f), yan i Administrative Procedures Act, 1 CMC 9101, et seq.

I ma propone na regulasion para u amenda i regulasion i Retirement Fund pot i taimano ma aplika i provision i Constitutional Amendment No. 19 yan lokue i para uma implimenta i lai publiko 5-48.

Copian esti na areklamento yan regulasion guaha gi ofisinan i Retirement gi Nauru Building, Susupe, Saipan, yan lokue gi ofisinan i Retirement Fund giya Tinian yan Luta.

I Fund ha sosojo todo i publiko para ufan submiti comentos yan rekomendasion pot esti i ma propopone na regulasion gi halom trenta (30) dias despues de premet na ma publika gi Commonwealth Register guato gi Retirement Fund gi sigente na adres:

NMI Retirement Fund
P. O. Box 1247
Saipan, MP 96950

Ma facha guine gi 2/88 na ha'ane, Abrit, 1988.

Michael A. White
Chairman
Board of Trustees, NMIRF

Tomas B. Aldan
Administrator
NMI Retirement Fund

ARONGORONGOL TOWLAP
Plóóno ye rekke memmengiiy rebwe féérú


Mmweyúúr schóókka relo 11ól mille Retirement Fund rekke ághiiy bwe rebwe isáliiwow arongorong yeel reer towlap bwe aa takk plóóno me aa ffatló mwóghútúghút ye ekke attabweey tálil 3 mellól laayil towlap ye 5-48, 1 CMC 8314 (f) me Administrative Procedures Act, 1 CMC 9101, et seq.

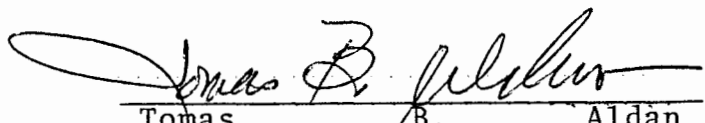
Plóónool mwóghútúghút yeel nge ebwe affataaló mille Administrative Rules me mwóghútúghútúl NMI Retirement Fund iye e fil mellól Constitutional Amendment No. 19 mebwal milikka aa takkló mellól Laayil Towlap 5-48.

Koopiyaal mwóghútúghútúl plóóno yeel nge eyoor mellól bwulasiyool Fund me Nauru Building, Susupe, Saipan, mebwal bwulasiyool Tchúlúyól me Luuta.

Fund yeel ekke amwuscheliir towlap bwe rebwe isiissilong ischiiyeer reel meta ye re mwuschel rebwe ghuleey me meta ye e ghatch ngáli plóóno yeel, 11ól eliigh rál (30 days) mwiril arongorong yeel mellól Commonwealth Register:

NMI RETIREMENT FUND
P.O. BOX 1247
SAIPAN, MP 96950


Michael A. White
Chairman
Board of Trustees, NMIRF


Tomas B. Aldan
Administrator
NMI Retirement Fund

PROPOSED AMENDMENT

"Amendment to Part 2 and Part 4, of its Administrative Rules and Regulations regarding definition of the term 'Retire", and reemployment after retirement and the additional 5 year credit pursuant to Constitutional Amendment No. 19."

The Board of Trustees of the Northern Mariana Islands Retirement Fund hereby adopts the following amendments to Part 2 and Part 4 of its Administrative Rules and Regulations pursuant to 1 CMC 8314(f), and the Administrative Procedures Act, 1 CMC 9101, et seq.

Part 2 Section 2.1(j), of the Administrative Rules and Regulations for the Northern Mariana Islands Retirement Fund is hereby amended to delete the period (.) after the word "optinal" and insert a comma (,) in lieu thereof, and insert the following phrase:

"and is eligible for benefits under 1 CMC 8331. For purpose of claiming additional prior service credit, membership or credits under Constitutional Amendment No. 19(b), an employee is eligible to retire only once at which time these credits may be claimed. A claim for prior service or membership service credits shall be made within ninety (90) days after issuance of the first benefit payment to the retired employee."


Part 4 of the Administrative Rules and Regulations for the NMI Retirement Fund is hereby amended by deleting Section 4.3 in its entirety and inserting the following, in lieu thereof:

4.3 Applicability of the 5-year Credit Pursuant to Constitutional Amendment No. 19

- (a) The Administrator of the Fund shall grant an additional five years service credit to any member who is on active service on or after January 7, 1986, and who has acquired not less than 20 years of actual creditable service under the NMI Retirement System and shall be eligible to retire.

- (b) An employee who has retired under age retirement or an employee who has retired upon acquiring 20 years or more of creditable service under the Commonwealth Retirement System shall not be credited an additional five years if the employee is thereafter employed again by the Commonwealth government or any of its instrumentalities or agencies on or after January 7, 1986.
- (c) The effective date for Part 2, Section 2.1(j) and Section 4.3 of these regulations shall be pursuant to 1 CMC 9105(b).

Dated this 21st day of April 1988.



Michael A. White
Chairman
Board of Trustees, NMIRF

PROPOSED REGULATIONS

Regulations to implement Public Law 5-48 with respect to granting service credit to employees of Headstart Program (HP), Micronesian Legal Services (MLSC), Community Action Agency (CAA), and Saipan Credit Union (SCU) and to amend the Administrative Rules and Regulations of the Northern Mariana Islands Retirement Fund to include these regulations as parts thereof.

The Board of Trustees of the NMI Retirement Fund hereby promulgates these regulations pursuant to the authority provided under Section 3 of Public Law 5-48, 1 CMC 8314(f), and 1 CMC 9101 et seq.

The Administrative Rules and Regulations is hereby amended to change Part 10 - "General" to Part 11 - "General" and accordingly change sections 10.1 to 11.1 and 10.2 to 11.2, and to insert a new Part 10 as follows:

Part 10 - Implementation of Public Law 5-48

10.1 Definitions. As used in these regulations:

- (a) Prior Service. Prior service means service rendered prior to October 1, 1980 to the Governments of the Trust Territory, Northern Mariana Islands, United States of America, provided that in the case of the United State Government, such service was rendered in the Northern Mariana Islands; Prior service also means service rendered to the Community Action Agency (CAA), Micronesian Legal Services Corporation (MLSC), Headstart Program (HP), and Saipan Credit Union (SCU) prior to October 1, 1980. Such service must also have been rendered in the Northern Mariana Islands.
- (b) Membership Service. Membership service means service rendered on or after October 1, 1980, except service rendered to SCU.
- (c) Member. Member means any of the following:
 - (1) Employees of the Commonwealth Government, its agencies and instrumentalities who have elected to join the Fund prior to the effective date of Public Law 5-48;
 - (2) Persons who are retired from government service on or after the effective date of Public Law 5-48;
 - (3) Persons who were employees of the government and have have not retired from government service and have been a contributing member of the Fund for at least three years and have not obtained a refund of such contributions.

- (4) Employees of CAA and HP who have elected to enroll in the Fund on or after December 22, 1987 (the effective date of Public Law 5-48).
- (5) Former employees of MLSC who are employed by the Commonwealth government, its agencies and instrumentalities and who have elected to enroll in the Fund on or after December 22, 1987 (the operative date of Public Law 5-48).

Section 10.2 Optional Membership for Certain Employees

- (a) Employees eligible to become members under Section 10.1 (c)(4) and (5) may elect membership in the Fund by filing with the Fund an appropriate membership application form within thirty (30) days after the effective date of these regulations.
- (b) The election of persons covered by this section to ignore, accept, or reject membership is irrevocable after the thirty day period as provided under Section 10.2(a). Such an election shall apply to a person's entire term of employment. If the Fund authorizes an open enrollment period, however, persons who initially rejected membership, may elect to join the Fund during such period.

Section 10.3 Prior Service Credit.

Services rendered in the Commonwealth of the Northern Mariana Islands by employees of CAA, MLSC, HP, and SCU prior to October 1, 1980, shall be creditable to the employee if the employee has been a contributing member of the Fund for at least three (3) years after October 1, 1980.

Section 10.4 Membership Service Credit.

The Membership service shall be creditable for current and former employees of CAA, MLSC and HP if;

- (a) The employee has elected to join the Fund, pursuant to Section 10.2(a);
- (b) The employee contribution for such membership services is paid to the Fund at a rate of 6.5% of gross pay for every year such services were rendered to the agencies described in this section beginning October 1, 1980 and thereafter, including regular interest. The Administrator of the Fund shall determine the manner in which payment will be made.

Section 10.5 Employer's Contribution.

The Government shall be liable for the employer's contributions from October 1, 1980 to membership date of each employee desiring credit for such period. The employer's rate of contribution shall be the rate applicable for the period as actuarially determined. No credit shall be granted under sections 10.3 and 10.4 until the Government has paid its share in full as certified to the Board of Trustees by the Administrator.

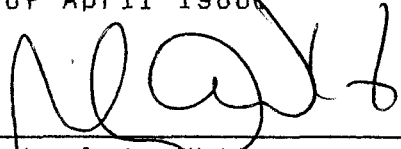
Section 10.6 Effective Date.

The effective date of these regulations and the amendment to the part numbers described herein shall be pursuant to 1 CMC 9105(b).

Section 10.7 Severability.

If any part or section of these regulations are found to be invalid by a court of competent jurisdiction, all valid portions are severable and shall remain in effect.

Dated this 21st day of April 1988



Michael A. White
Chairman
Board of Trustees, NMIRF

NOTICE OF EMERGENCY REGULATIONS
"SWEATER QUOTA REGULATIONS"
REALLOCATION OF PRO RATA SHARES AMONG CERTIFICATE HOLDERS ON
DETERMINATION OF NON-COMPLIANCE WITH LOCAL LABOR REQUIREMENTS

The Director of Finance finds pursuant to 1 CMC 9104(b) that the public interest requires the adoption upon less than 30 days' notice of regulations providing for the reallocation of pro rata shares among certificate holders following a determination of non-compliance with local labor requirements. The regulations, amending "Regulations Providing for Distribution of Headnote 3(a) Production Under the Limited Waiver Provided by Administrative Arrangement" (7 C.R. 3727 et seq.) (the "sweater regulations"), are effective immediately and are issued under the Director's rule-making authority conferred by 1 CMC 2557 and the customs authority conferred by 1 CMC 2553.

REASONS FOR FINDINGS:

Existing regulations, entitled "Regulations Providing for Distribution of Headnote 3(a) Production Under the Limited Waiver Provided by Administrative Arrangement" (the "sweater regulations") and effective July 22, 1985 (7 C.R. 3727 et seq.), were adopted by the Director of Finance to implement an administrative arrangement agreed to by the United States and the Commonwealth government on January 30, 1985 - and annually renewed - waiving certain federal regulations otherwise applicable to the importation into the customs territory of the United States of certain categories of sweaters assembled in the Commonwealth from panels manufactured in third countries.

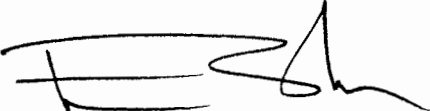
Existing sweater regulations provide for the suspension of waiver certificates (and the entire pro rata share distributed to a holder thereunder) in the event of the failure of a certificate holder to maintain required minimum percentages of local labor ("local labor requirements"), and for the equal reduction of pro rata shares on any decrease in the amount of the waiver by the United States. They do not, however, authorize the Chief of the Division of Customs Services to adopt the more equitable measure of reducing the pro rata share allocated to a certificate holder on a finding by the Chief that a certificate holder has failed to comply with local labor requirements.

In addition, the regulations make no provision for appropriate administrative proceedings by the Chief following notification that United States officials have determined that one or more but less than all of the certificate holders have failed to comply with the local labor requirement.

The sweater regulations are accordingly amended to permit the Chief to administer the waiver program fairly and equitably by reallocating, following a hearing, the pro rata shares distributed among certificate holders for the current quota year so that any reduction in the annual quota waiver by the United States made as a result of a determination of non-compliance with the local labor requirement is distributed equally only among


non-complying certificate holders; certificate holders not determined to be out of compliance with local labor requirements will thus not be unfairly penalized by a reduction in the gross annual quota waiver imposed by the United States as a result of a determination that other certificate holders are not in compliance.

Inspections by U.S. officials authorized under the provisions of the current administrative arrangement were conducted in January, 1988; based on subsequent correspondence and discussions between Commonwealth government and federal officials, an adverse determination and a consequent reduction in the annual sweater quota waiver are anticipated imminently. As noted, in that event, current sweater regulations do not provide for administrative measures by the Chief designed to determine non-compliance with local labor requirements and fairly apportion the quota reduction among such non-complying certificate holders. The attached amendments to the sweater regulations are intended to cure the existing regulatory lacuna and thus provide for the fair administration of the quota waiver program.



Director of Finance


Dated: 7 APR. 88

Concur: 

Governor

Dated: 4/7/88

Date of Filing: 4/8/88



Registrar of Corporations

EMERGENCY REGULATIONS AMENDING THE "REGULATIONS PROVIDING FOR DISTRIBUTION OF HEADNOTE 3(A) PRODUCTION UNDER THE LIMITED WAIVER PROVIDED BY ADMINISTRATIVE ARRANGEMENT"
TO PROVIDE FOR THE REALLOCATION OF PRO RATA SHARES AMONG CERTIFICATE HOLDERS FOLLOWING A DETERMINATION OF NON-COMPLI- WITH LOCAL LABOR REQUIREMENTS.

Section 1. Authority. These amended regulations are issued under the customs and rule-making authority of the Director of Finance conferred by 1 CMC 2553 and 2557.

Section 2. Purpose. Existing sweater regulations (7 C.R. 3727 et seq.), as amended, do not authorize the Chief of the Division of Customs Services to adopt equitable administrative measures reducing the pro rata share distributed to a certificate holder following an administrative determination that a holder has failed to comply with applicable local labor requirements agreed to by the United States and the Commonwealth Government under an administrative arrangement currently in force waiving certain federal regulations otherwise applicable to the importation into the customs territory of the United States of certain categories of sweaters assembled in the Commonwealth from panels manufactured in third countries. The regulations are accordingly amended to permit the Chief to administer the waiver program fairly and equitably by reallocating, following a hearing, the pro rata shares distributed among certificate holders for the current quota year so that any reduction in the annual quota waiver by the United States made as a result of a determination of non-compliance with local labor requirements is distributed equally only among non-complying certificate holders.

Section 3. Amendments.

(a) Subsection 205(a) of the "Regulations Providing for Distribution of Headnote 3(a) Production Under the Limited Waiver Provided by Administrative Arrangement" (7 C.R. 3727 et seq.), as amended (8 C.R. 4397), ("the regulations") is amended to read as follows:

"Except as provided in subsections (d) through (g) of this section, upon any decrease in the amount of the waiver by the United States, the effect of the decrease shall be shared equally among each of the holders of waiver certificates to the maximum extent possible."

(b) Section 205 of the regulations is amended to add new subsections (d) through (g) as follows:

"(d) On notification to the Chief of the Division of Customs Services that:

"(1) United States authorities have determined that the import limit for the Northern Mariana Islands will be reduced because of the failure of certificate holders in the Northern Mariana Islands to meet applicable local labor requirements; and that

"(2) United States authorities have determined that one or more but less than all certificate holders have not met applicable local labor requirements,

the Chief shall serve upon those certificate holders determined by U. S. authorities to be not in compliance with local labor requirements ("non-complying certificate holders") a notice to show cause, returnable within the time set therein, why the Chief should not reallocate the shares distributed among certificate holders in the waiver for the Northern Mariana Islands so that the reduction in the import limit is shared equally among such non-complying certificate holders. The notice shall be accompanied by copies of any documents in the possession of the Chief on the basis of which United States authorities reached the determination defined in subsection (d)(2) of this section. On receipt of the return or returns, the Chief shall set the matter for hearing.

"(e) Following a hearing, or if no return to the notice is made by a non-complying certificate holder then on expiration of the time fixed for a return, if the Chief finds on the basis of substantial evidence in the administrative record taken as a whole, including any documentary evidence relied on by the Chief in issuing the notice to show cause, that a certificate holder has failed to meet applicable local labor requirements, he shall by order reallocate the shares distributed among certificate holders in the waiver for the Northern Mariana Islands so that the reduction in the import limit is shared equally among those certificate holders determined on the basis of the administrative record not to have met local labor requirements. A copy of any determination and order made by the Chief pursuant to this subsection shall be served on all certificate holders. Proceedings under this subsection and subsection (d) of this section shall be conducted in accordance with the provisions of the Administrative Procedure Act (1 CMC 9101 et seq.).

"(f) If in subsequent years the Chief finds that:

"(1) United States authorities have determined that the import limit for the Northern Mariana Islands will be increased because the failure of certificate holders in the Northern Mariana Islands to meet local labor requirements has been cured; and that

"(2) United States authorities have determined that certificate holders previously not in compliance with applicable local labor requirements are now in compliance with those requirements,

the Chief shall by order allocate the pro rata shares distributed among certificate holders for that year as provided in sections 202 and 207 of these regulations.

"(g) As used in this section, "local labor requirement" means any requirement, agreed to by the United States and the Government of the Northern Mariana Islands in connection with an import visa waiver for the Northern Mariana Islands, that a certain percentage of workers involved in the assembly of sweaters be:

"(i) citizens, nationals or permanent residents of the United States;

"(ii) persons domiciled in the Northern Mariana Islands and entitled to establish residence as a nonimmigrant in the United States and its territories and possessions under section 141 of the Compact of Free Association with the Federated States of Micronesia, the Republic of the Marshall Islands, or the Republic of Palau, or who will be so entitled when such compact has entered into force; and

"(iii) persons granted permanent residency status in the Commonwealth of the Northern Mariana Islands pursuant to Public Law 5-11."

Section 4. Effective Date. These amendments shall take effect on filing with the Registrar of Corporations.

Section 5. Duration. These amendments shall remain in effect for 120 days unless superseded or amended at an earlier date.

Dated: 7 APR '88



Director of Finance

Date of Filing: 4-8-88



Registrar of Corporations