# David M. Apatang Governor



# Dennis James C. Mendiola Lieutenant Governor

# COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS OFFICE OF THE GOVERNOR

# **DIRECTIVE 2025-008A**

Date:

October 30, 2025

To:

All Executive Branch Department, Office, and Activity Heads

From:

Governor David M. Apatang

Subject:

Revised Austerity Measures for Executive Branch Departments and Agencies for

Fiscal Year 2026

In light of the recommendations provided to my office from the Attorney General and the recent submission of the FY 2026 Revised Budget to amend Public Law 24-14, the Appropriations and Budget Act of 2026, I am directing all departments, offices, and activities of the Executive Branch to implement revised austerity measures.

This directive applies to non-autonomous executive branch agencies and to mayors' office employees. I encourage autonomous agencies, the Judiciary, and the Legislature to impose similar austerity measures.

Therefore, by the authority vested in me as Governor by the Constitution and the laws of the Commonwealth of the Northern Mariana Islands, it is hereby ordered as follows:

#### Section 1. Reduction in Hours

- a) All executive branch departments and agencies of the CNMI Government, including federal programs, shall observe a non-standard work week based on the following schedule:
  - Monday Friday: 8:30am 4:30pm
  - The government must remain open for business during regular working hours as provided in this Section, including during the lunch hour.
  - The implementation of a non-standard work week with reduction in work hours is effective <u>Tuesday</u>, <u>November 18</u>, <u>2025</u> (<u>pay period 25</u>) for civil service employees and <u>November 30</u>, <u>2025</u> (<u>pay period 26</u>) for excepted service employees, unless a lesser notice period is <u>established by statute</u>, and will continue through the end of Fiscal Year 2026 or until further notice.
- b) Effective immediately, regular working hours, Monday–Friday, 7:30am to 4:30pm will be reinstated until such time that the reduction in hours schedule is effective as stated above.

Regular hours will be maintained at 80 hours per pay period during this time. Employees of the Department of Fire & Emergency Medical Services will be reinstated at 106 hours until the effective date of the reduction in hours. Employees of the Department of Public Safety and Department of Corrections will be reinstated at 86 hours until the effective date of the reduction in hours.

- c) For excepted service employees who are "exempt" from "Reduced Work Hours," appointing authorities must execute contract amendments to make the employees subject to reduced hours. The deadline for affected employees to sign and execute a contract amendment is November 7, 2025. Otherwise, Notice of Termination must be served on November 10, 2025, which will effectuate 60 days' notice. Contract renewal is at the appointing authority's discretion.
- d) For employees who are hourly/overtime-eligible, an hourly rate will be paid for all hours worked in the non-standard work week and will be paid the overtime rate for hours worked beyond 40 hours in a work week. Refer to *Section 8. Overtime Restrictions* for further guidance.
- e) For employees who are salaried/overtime-exempt and for whom the reduced pay will exceed \$455 per week, employees will be paid a fixed reduced salary proportionate to the reduced workweek (i.e., a 10% reduction in pay for a 10% reduction in work week) for any week in which work is performed.
- f) For employees who are salaried/overtime-exempt and for whom the reduction in hours will result in pay below \$455 per week, an RFPA must be routed to OPM to amend eligibility status to "overtime eligible." Agency heads are responsible for completing this process.

# Section 2. Modified Scheduling

The heads of executive branch departments and agencies may determine that certain offices and installations of their organizations, or parts thereof, must remain open, and that certain employees must report for duty during the Austerity period, for reasons of public safety, health, and welfare. However, expenditure authorities must remain within authorized budget levels. I encourage all departments and agencies to continue to modify operation schedules to comply with this Directive.

## Section 3. Leave

The work hours, pay, and leave of employees of executive branch departments and agencies of the CNMI Government will be subject to Austerity in compliance with this Directive and with Public Law 24-14 as enacted on September 30, 2025. No leave will be authorized to supplement austerity hours.

#### Section 4. Terminations, Furloughs, & Reduction-in-Force

All executive branch departments and agencies shall review current employee performance pertaining to Absent-Without-Leave (AWOL), Leave Without Pay (LWOP) (Non-FMLA/Military), and Adverse Actions, as factors to be considered for terminations, furloughs, or reduction in force. Expenditure authorities should comply with the personnel and excepted service regulations, as applicable, in initiating separation from government employment. Expenditure authorities are also encouraged to develop and maintain performance measures to promote quality public services while reducing personnel costs.

For civil service employees, all terminations, furloughs, and reductions-in-force must follow the procedures in NMIAC § 10-20.2 Subpart D (Suspensions, Separations, and Demotions) unless otherwise provided by law.

For excepted service employees who are "subject to reduced hours", 60 days' written notice will be provided, unless a lesser notice period is established by statute.

For excepted service employees who are "exempt" from "reduced work hours", 60 days' written notice will be provided for termination without cause.

#### **Section 5. Personnel Restrictions**

All department and agency heads shall implement a hiring freeze, except as expressly authorized by the Governor. All examination announcements for vacant positions funded by the General Fund must be cleared with the Office of Management & Budget for prior approval. Requests for personnel actions effective in FY 2026 should not include salary increases (i.e., Salary Adjustment, Within-Grade-Increase, Merit Award, etc.).

Due to the anticipated reduction in gross revenues for General Fund appropriation as identified in the FY 2026 Revised Budget, the Civil Service Commission has published the notice required by NMIAC § 10-20.2-1101 to effectuate this section of the directive for all civil service employees.

## Section 6. Holidays

All legal holidays in FY 2026 will be paid holidays, unless otherwise provided by law.

#### Section 7. Law Enforcement

Law enforcement officers will be subject to the following work-hour reduction:

- a) The biweekly pay period shall not exceed 80 hours for sworn law enforcement officers in the Department of Public Safety and Department of Corrections.
- b) The biweekly pay period shall not exceed 100 hours for sworn firefighters of the Department of Fire and Emergency Medical Services engaging in emergency response.
- c) Sworn law enforcement officers of the Department of Commerce, Division of Customs & Biosecurity and the Department of Lands and Natural Resources are exempt from reduction in hours and maintain an 80 hour pay-period, provided sufficient funding is identified.
- d) Emergency dispatchers for the Department of Public Safety and Department of Fire & Emergency Services are exempt from reduction in hours and maintain an 80 hour pay-period, provided sufficient funding is identified.
- e) Sworn law enforcement performing administrative duties and non-emergency response shall be subject to reduction in hours at 70 hours per pay period.

# **Section 8. Operational Cost-Containment**

The following cost containment measures supersede previous directives and remain in effect until lifted.

## a) Overtime Restrictions

Overtime hours will only be approved for unforeseen events. Unless I have authorized otherwise, the payment of overtime hours will be strictly limited to overtime-eligible employees directly involved in law enforcement, fire protection, emergency management, or health services. Authorization of overtime must be in compliance with the Fair Labor Standards Act. The heads of Executive Branch departments, offices, and activities shall be responsible for enforcement of this restriction so as not to become an unauthorized government obligation.

## b) Travel Restrictions

The heads of Executive Branch departments, offices, and activities are directed to strictly limit locally-funded travel for essential purposes, i.e., for public health and welfare, public safety, fiscal recovery, or the critical infrastructure needs of the Commonwealth. For travel under federally funded programs, approval must be obtained from the Governor and grantor prior to the submission of a travel claim.

Travelers who are non-compliant with travel regulations and have outstanding travel claims will be restricted from future travel.

## c) Limitations on Contracts, Leases, and Subscriptions

All heads of Executive Branch departments, offices, and activities are directed to identify and terminate all nonessential, locally-funded office contracts, subscriptions, and leases, including vehicle leases under their control.

## d) Termination of Nonessential Cellphones and Land Lines

All heads of departments, offices, and activities of the Executive Branch are directed to identify and terminate all nonessential, locally-funded cellphones and land lines. Renewal of essential communication costs must remain within authorized budget levels.

#### e) Utilities: Transition to Prepaid Meters and Energy Conservation

All Executive Branch departments, offices, and activities are directed to transition to prepaid electric meters within 30 days, except Department of Corrections facility and Government Streetlight accounts. Water and sewer charges will continue on post-paid services until such time that all utilities services can be paid using pre-paid accounts.

Furthermore, all government offices are directed to take energy conservation measures to reduce utility costs.

Reprogramming from Utilities to other non-Utilities cost categories is strictly prohibited. All federal programs are directed to seek grantor approval for budget adjustments to ensure adequate utilities funding for federal program operations, using available funds from the Indirect Cost high-rate percentage (32%) to low-rate percentage (7.5%).

### f) Fuel Conservation

Government fleet card utilization will be subject to funding availability. I further direct all department, office, and activity heads of the Executive Branch to take immediate actions to reduce and monitor the consumption of fuel. Government vehicles must be used strictly for official purposes in accordance with regulations. Use of government vehicles for private purposes will not be tolerated.

## Section 9. Use of Revolving Funds for Operations

Pursuant to P.L. 24-14, revolving account funds may be expended for personnel and for the following operational uses: fuel; communications; office supplies; and interisland travel for training purposes. All expenditures will be subject to funding availability.

Commonwealth Utilities Corporation monthly utility billings for all executive departments and agencies shall be applied to general revolving accounts until exhausted.

# Section 10. Application to Municipalities

Pursuant to PL 24-14, Section 603(c), for Fiscal Year 2026, notwithstanding any provision of law to the contrary, austerity measures shall apply to all Resident Department Heads of the First and Second Senatorial Districts and CNMI Department Heads.

## Section 11. General Provisions.

- a) This order shall be implemented consistent with applicable law and subject to the availability of appropriations pursuant to Public Law 24-14.
- b) Nothing in this order shall be construed to impair or otherwise affect:
  - (i) the authority granted by law to an executive department or agency, or the head thereof; or
  - (ii) the functions of the Department of Finance relating to collection of revenues.
- c) The Governor has the authority to grant waivers or exceptions to the measures stated above upon showing of reasonable justification and sufficient funding sources.
- d) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the Commonwealth, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

Sincerely,

DAVID M. APATANG

cc: Lieutenant Governor Secretary of Finance

Special Assistant for Management and Budget

Special Assistant for Administration Special Assistant for Programs and Legislative Review All Branches, Municipalities, Departments and Agencies