NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS
40TH CONSTITUTION REGULAR SESSION, 2019

Republic of the Marshall Islands
Jepilpilin Ke Ejukaan

GOVERNMENT-EMPLOYMENT RETIREMENT PLAN ACT, 2019

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GOVERNMENT-EMPLOYMENT RETIREMENT PLAN ACT, 2019

A BILL FOR AN ACT to provide for the establishment of a Government-Employee Retirement Plan with a qualified US Fund management Firm known as ASC Trust; An Act to create the authorization and regulation of the Government Retirement Fund of the Republic of the Marshall Islands.

BE IT ENACTED BY THE NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS

PART A

PRELIMINARY

§101. Short title.

This Act may be cited as the Government-Employee Retirement Plan Act, 2019

§102. Interpretations.

(a) ASC Trust shall mean a US-based management firm whose address is 120 Father Duenas Avenue Capital Plaza Bldg. Suite 110 Hagatna Guma 96910

(b) Contributions shall mean a percentage of the gross salary of an employee who voluntary enrol with ASC Trust for a retirement plan.

(c) Employee shall mean all Government Employee who voluntary enrol with ASC Trust Retirement Plan and are on the Government payroll system.

(d) Government shall mean the Government of the Republic of the Marshall Islands.

(e) Minister shall mean the Minister of Finance, Banking and Postal Services.

(f) Secretary shall mean the Secretary of Finance, Banking and Postal Services.

PART B

GOVERNMENT RETIREMENT PLAN

§103. Government-Employee Retirement Plan:

(1) The Government shall adopt a document known as the Marshall Islands-Employee Retirement Plan with ASC trust which shall set out in detail the procedures for the administration and coverage of the plan.

(2) The plan shall be optional and include coverage for all Government payroll employees that volunteer to enrol in the Plan.

(3) The Government may alter the Retirement Plan pertaining to the Governments obligations and or matching contributions as it sees fit.

§104. Establishment and Authorization of Fund:

(1) There is hereby established a Government Retirement Plan Fund pursuant to Article VIII of the Constitution of the Republic of the Marshall Islands.

(2) There is hereby authorized the sum of 3% to the Government Retirement Plan Fund and said is to be used in accordance with the provisions of this Act and the cost of the administration of the Fund and any other related purposes as the Government authorizes.

(3) The sum of the fund shall be appropriated at such time as funds become available every new fiscal year.

(4) The Fund shall be administered by the Secretary of Finance, Banking and Postal Services pursuant to the Constitution and any other laws of the Republic of the Marshall Islands.

§105. Purpose of the Fund.

The purpose of the Fund is to set aside a Government approved appropriated amount every fiscal year to match the employee contribution only up to three percent of the employee's salary.

§106. Administration of Fund.

The Secretary of Finance, Banking and Postal Services shall be the administrator of the Government Retirement Fund and shall use funds as the Government matching contribution to the employees contribution to their retirement plan with ASC Trust.

PART C

RETIREMENT CONTRIBUTIONS

§107. Employee Contribution:

Each employee who volunteer to enrol in the Plan shall be deducted a percentage of the employees gross pay bi-weekly. The Employee shall choose any percentage of deduction from his or her gross pay in accordance with the options set out under the Government-Employee Retirement Plan and authorize the Secretary of Finance, Banking and Postal Services to transfer said contribution to ASC Trust.

PART D

MISCELLANEOUS

§108. Regulations.

The Minister may promulgate regulations in accordance with the *Marshall Islands Administrative Procedures Act 1979*.

§109. Effective Date.

This Act shall take effect on the date of certification in accordance with Article IV, Section 21 of the Constitution

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BILL SUMMARY

This Act seeks to enable the creation of a Government employee pension scheme through a qualified U.S.-market based fund management firm. Said firm would be contracted by the Government where employees can contribute via payroll deductions and allotment a portion of their gross earnings into individual retirement accounts managed on their behalf by the firm. The Government, through annual appropriations, will provide matching contribution to an employee's deductions of up to three percent (3%). Funds collected into these accounts will be a means of supporting employee's financial security upon retirement or departure from government employment, which should supplement their MISSA payments should they retire.

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SIGNATURES

DATE: ________ **INTRODUCED BY** ________________ ________________
Print Name *Signature*

DATE: 1-25-19 **INTRODUCED BY** BRENSON S. WASE ________________
Print Name *Signature*

DATE: 1/25/19 **INTRODUCED BY** DENNIS MOMOTARO ________________
Print Name *Signature*

DATE: 1/25/19 **INTRODUCED BY** Amenta Matthew ________________
Print Name *Signature*

DATE: 25JAN19 **INTRODUCED BY** KALANI R. KANEKO ________________
Print Name *Signature*

1/25/19 TONY MULLER