

David M. Apatang
Governor



Dennis James C. Mendiola
Lieutenant Governor

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
OFFICE OF THE GOVERNOR

DIRECTIVE 2025-008

Date: October 1, 2025

To: All Executive Branch Department, Office, and Activity Heads

From: Governor David M. Apatang

Subject: Austerity Measures for Executive Branch Departments and Agencies for Fiscal Year 2026

Fiscal recovery is a top priority for my administration. I ask every government employee and appointee to work together to ensure that public funds are managed prudently and that essential services are delivered as efficiently as possible. Each of us has a vital part to play in cutting expenditures and realigning our operations with the resources we have as we navigate this challenging fiscal climate. In imposing these efficiency measures, our goals are fiscal stability, streamlined government operations, and maintenance of essential public services.

In light of the recent passage of 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 austerity measures.

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 reduction in hours based on the following schedule:
 - Monday – Friday: 8:30am - 4:30pm
- b) The government must remain open for business during regular working hours as provided in this Section, including during the lunch hour.
- c) The reduction in work hours is effective Sunday, October 5, 2025 (pay period 22), and will continue through the end of Fiscal Year 2026 or until further notice.

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-Live (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.

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 shall not include salary increases (i.e., Salary Adjustment, Within-Grade-Increase, Merit Award, etc.). Federal programs may continue to fill vacant positions if funding is available.

Section 6. Unpaid Holidays

The following holidays will be unpaid. Austerity that falls on a paid holiday will be observed on the next day following the holiday.

Monday, October 13, 2025	Commonwealth Cultural Day
Tuesday, November 4, 2025	Citizenship Day
Monday, December 08, 2025	Constitution Day
Monday, January 19, 2026	Martin Luther King Day
Monday, February 16, 2026	President's Day
Tuesday, March 24, 2026	Covenant Day
Friday, April 3, 2026	Good Friday
Friday, June 19, 2026	Juneteenth Day
Friday, July 3, 2026	Independence Day

Section 7. Law Enforcement

Law enforcement officers will be subject to a 6-hour adjustment per pay period, as follows:

- a) The biweekly pay period shall not exceed 80 hours for sworn Department of Public Safety and Department of Corrections officers; and
- b) The biweekly pay period shall not exceed 100 hours for sworn Department of Fire and Emergency Medical Services officers.
- c) Sworn law enforcement performing administrative duties and non-emergency response shall be subject to regular reduction in hours.

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

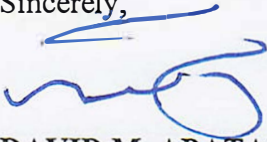
Pursuant to PL 24-14, Section 603(c), for Fiscal Year 2026, notwithstanding any provision of law to the contrary, austerity measures shall apply to all Resident Department Heads of the First and Second Senatorial Districts and CNMI Department Heads.

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) 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