

**Arnold I. Palacios**  
Governor



**David M. Apatang**  
Lieutenant Governor

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS  
**OFFICE OF THE GOVERNOR**

**DIRECTIVE 2025-002**

Date: October 28, 2024  
To: All Departments and Agencies  
From: Governor  
Subject: Lifting of 10 Austerity Hours Effective Pay Period beginning

Lt. Governor Apatang and I understand the hardship the austerity measures place on our employees and their families. We have been working hard to push and progress with initiatives that would provide much needed restoration of hours that promote our employees' financial stability and wellbeing while giving them the hard-earned ability to put food on the table and pay for essential household obligations. Although austerity measures are indeed a necessary tool to control expenditures and balance the budget, we anticipate positive cash relief to the General Fund in the coming weeks. Recent developments have given us confidence that the financial impact to government employee salaries can be alleviated with the provisions of the FY 2025 Budget Act allowing for 100% reprogramming authority within the executive branch in anticipation of these funds.

Thus, *effective pay period beginning on November 3, 2024* (Pay Period #24), austerity work hour reduction will be lifted and hours restored to 80 hours for all employees affected. Departments and Agencies may inform their employees that the last austerity hours shall end on Saturday, November 2, 2024.

While we are pleased to be able to lift austerity, Directive 2023-001 and Sections 6 through Sections 10 of Directive 2025-001 will remain in effect until further notice. We remind all government employees that we are all public servants entrusted to deliver the needs of the community as a whole and as such, we must continue to work diligently to improve services to the public and do our part to control expenditures.

Hence, all department and activity heads are instructed to immediately review their fund balances for the remainder of the fiscal year to confirm the availability of funds and identify any potential shortfall to cover the cost for the increase in work hours on current active employees. This information should be made available to OMB no later than November 1, 2024.

Lastly, we anticipate the restoration of hours will increase our personnel expenditure, which was not provided for by the current Appropriations Act (P.L. 23-26). However, we will be working closely with the Office of Management & Budget and Department of Finance to prepare a proposed amendment to Public Law 23-26 and submit to the Legislature for their action as developments finalize.

The Lieutenant Governor and I thank all our government employees for their partnership and patience during these trying economic times.



**ARNOLD I. PALACIOS**

cc: Lieutenant Governor  
Mayors, CNMI  
Chairpersons, CNMI Municipal Councils  
Payroll Division, Department of Finance