

A BILL FOR AN ACT

To enact a whistleblower protection provision for Commonwealth government employees reporting on prohibited personnel practices; to provide whistleblower rewards for individuals who report underpayments of taxes; to clarify the mechanism for the payment of rewards for disclosures leading to the recovery of public funds; and for other purposes.

**BE IT ENACTED BY THE TWENTY-FOURTH NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE:**

1 **Section 1. Short Title.** This Act shall be cited as the “Commonwealth-Wide
2 Whistleblower Protection Act of 2025”.

3 **Section 2. Findings and Purpose.** The Legislature finds that illegal or unethical
4 activities can and do occur within many organizations. The Legislature also finds that
5 within these organizations, courageous individuals known as “whistleblowers” provide an
6 important function in holding organizations accountable by disclosing illegal or unethical
7 activities to the appropriate authorities. Cognizant of the threats or intimidation tactics that
8 these individuals may face, the Legislature finds that this Act is necessary to establish
9 stronger whistleblower protections in the law.

10 The Legislature also finds that pursuant to 1 CMC §7841, the Public Auditor may
11 receive complaints or information concerning any activity constituting fraud, waste, or
12 abuse in the collection and expenditure of public funds. This statute was initially enacted
13 by CNMI Public Law 3-91 and amended by CNMI Public Law 14-60, which established a
14 monetary incentive for individuals who provide information leading to the recovery of
15 public funds; however, the mechanism for paying out such rewards must be clarified. The
16 Legislature also finds that whistleblowers may report other types of unethical or illegal
17 activities that warrant statutory protections, including prohibited personnel practices within

1 the government. Additionally, whistleblowers who report underpayments of taxes that lead
2 to the recovery of public funds may also merit rewards.

3 Therefore, the purpose of this Act is to enact a whistleblower protection provision
4 for Commonwealth government employees who report prohibited personnel practices, to
5 extend whistleblower rewards to individuals who report underpayment of taxes, to clarify
6 the mechanism by which whistleblower rewards may be paid, and for other purposes.

7 **Section 3. Enactment.** Notwithstanding any laws or regulations to the contrary,
8 the following is hereby enacted subject to codification by the Commonwealth Law
9 Revision Commission:

10 **“Chapter. XX. Whistleblower Protection Act.**

11 **§ 101. Short Title.**

12 This Act shall be cited as the “Commonwealth-Wide Whistleblower Protection Act
13 of 2025”.

14 **§ 102. Government Personnel Practices: Definitions.**

15 For the purposes of this Act:

16 (a) “agency” means any entity of the Commonwealth government;

17 (b) “disability” means a physical or mental impairment that substantially limits one
18 or more major life activities of an individual or a record of such an impairment;

19 (c) “disclosure” means a formal or informal communication or transmission, of
20 information that the individual providing the disclosure reasonably believes evidences -

21 (1) any violation of any law, rule, or regulation; or

22 (2) gross mismanagement, a gross waste of funds, an abuse of authority, or
23 a substantial and specific danger to public health or safety.

24 (d) “new employee” means an individual appointed to a position as an employee
25 on or after the effective date of this Act, and who has not previously served as an employee;

26 (e) “personnel action” means -

27 (1) an appointment;

28 (2) a promotion;

-
- 1 (3) a disciplinary or corrective action;
- 2 (4) a detail, transfer, or reassignment;
- 3 (5) a reinstatement;
- 4 (6) a restoration;
- 5 (7) a reemployment;
- 6 (8) a performance evaluation;
- 7 (9) a decision concerning pay, benefits, or awards, or concerning education
- 8 or training if the education or training may reasonably be expected to lead to an
- 9 appointment, promotion, performance evaluation, or other personnel action
- 10 described in this section;
- 11 (10) a decision to order psychiatric testing or examination;
- 12 (11) the implementation or enforcement of any nondisclosure policy, form,
- 13 or agreement; or
- 14 (12) any other significant change in duties, responsibilities, or working
- 15 conditions, with respect to an employee in, or applicant for, a position in
- 16 Commonwealth agency;
- 17 (f) “relative” means, with respect to an individual, a person who is related to the
- 18 individual as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew
- 19 (son of brother or sister), niece (daughter of brother or sister), husband, wife, father-in-law,
- 20 mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather,
- 21 stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister; and
- 22 (g) “whistleblower protections” means the protections against and remedies for a
- 23 prohibited personnel practice as defined in this Act.
- 24 **§ 103. Prohibited Personnel Practices.** Any government employee or official who
- 25 has authority to take, direct others to take, recommend, or approve any personnel action,
- 26 shall not, with respect to such authority-
- 27 (a) discriminate for or against any employee or applicant for employment-
- 28 (1) on the basis of race, color, religion, sex, or national origin;

1 (2) on the basis of age;
2 (3) on the basis of sex, gender identity, or sexual orientation;
3 (4) on the basis of disability; or
4 (5) on the basis of marital status or political affiliation, as prohibited under
5 any law, rule, or regulation.

6 (b) solicit or consider any recommendation or statement, oral or written, with
7 respect to any individual who requests or is under consideration for any personnel action
8 unless such recommendation or statement is based on the personal knowledge or records
9 of the person furnishing it and consists of-

10 (1) an evaluation of the work performance, ability, aptitude, or general
11 qualifications of such individual; or

12 (2) an evaluation of the character, loyalty, or suitability of such individual.

13 (c) coerce the political activity of any person (including the providing of any
14 political contribution or service), or take any action against any employee or applicant for
15 employment as a reprisal for the refusal of any person to engage in such political activity;

16 (d) deceive or willfully obstruct any person with respect to such person's right to
17 compete for employment;

18 (e) influence any person to withdraw from competition for any position for the
19 purpose of improving or injuring the prospects of any other person for employment;

20 (f) grant any preference or advantage not authorized by law, rule, or regulation to
21 any employee or applicant for employment (including defining the scope or manner of
22 competition or the requirements for any position) for the purpose of improving or injuring
23 the prospects of any particular person for employment;

24 (g) appoint, employ, promote, advance, or advocate for appointment, employment,
25 promotion, or advancement, in or to a civilian position any individual who is a relative of
26 such employee if such position is in the agency in which such employee is serving as a
27 public official or over which such employee exercises jurisdiction or control as such an
28 official;

1 (h) take or fail to take, or threaten to take or fail to take, a personnel action with
2 respect to any employee or applicant for employment because of any disclosure by the
3 employee or applicant to the Attorney General, the Public Auditor, the Department of
4 Public Safety, the Legislature, the Department of Finance, any agency component
5 responsible for internal review or investigation, or any law enforcement authority, of
6 information which the employee or applicant reasonably believes evidences -

7 (1) any violation of any law, rule, or regulation, or

8 (2) gross mismanagement, a gross waste of funds, an abuse of authority, or
9 a substantial and specific danger to public health or safety.

10 (i) take or fail to take, or threaten to take or fail to take, any personnel action against
11 any employee or applicant for employment because of-

12 (1) the exercise of any appeal, complaint, or grievance right granted by any
13 law, rule, or regulation, including testifying for otherwise lawfully assisting any
14 individual in the exercise of such right;

15 (2) the employee or applicant cooperating with or disclosing information to
16 the Public Auditor, the Attorney General, the Legislature, any agency component
17 responsible for internal investigation or review, or any other law enforcement
18 authority, in accordance with applicable provisions of law; or

19 (3) the employee or applicant refusing to obey an order that would require
20 the individual to violate a law, rule, or regulation.

21 (j) exclude or deprive any employee or applicant from protections under this Act
22 for making disclosures pursuant to subsections (h) and (i) on the basis of -

23 (1) the motive of the employee or applicant in making the disclosure;

24 (2) the disclosure was not made in writing;

25 (3) the disclosure was made while the employee was off duty;

26 (4) the disclosure was made before the date on which the individual was
27 appointed or applied for appointment to a position; or

1 (5) the amount of time which has passed since the occurrence of the events
2 described in the disclosure.

3 (k) discriminate for or against any employee or applicant for employment on the
4 basis of conduct which does not adversely affect the performance of the employee or
5 applicant or the performance of others; except that nothing in this paragraph shall prohibit
6 an agency from taking into account in determining suitability or fitness any conviction of
7 the employee or applicant for any crime under the laws of the Commonwealth;

8 (l) take or fail to take any other personnel action if the taking of or failure to take
9 such action violates any law, rule, or regulation implementing, or directly concerning, the
10 respective merit system principles;

11 (m) implement or enforce any nondisclosure policy, form, or agreement, if such
12 policy, form, or agreement-

13 (1) does not contain the following statement: "These provisions are
14 consistent with and do not supersede, conflict with, or otherwise alter the employee
15 obligations, rights, or liabilities created by existing statute or executive order
16 relating to: cooperating with or disclosing information to the Office of the Public
17 Auditor, the Office of the Attorney General, the Legislature, any agency component
18 responsible for internal review or investigation, or any other law enforcement
19 authority, of a violation of any law, rule, or regulation, or mismanagement, a gross
20 waste of funds, an abuse of authority, or a substantial and specific danger to public
21 health or safety; any whistleblower protection provided by statute or regulation; or
22 compliance with the public meetings and records requirements set forth in 1 CMC
23 sections 9901 et seq., the Open Government Act. The definitions, requirements,
24 obligations, rights, sanctions, and liabilities created by existing statutory provisions
25 and executive orders are incorporated into this agreement and are controlling; or

26 (2) prohibits or restricts an employee or applicant for employment from
27 disclosing to the Office of the Public Auditor, the Attorney General, the Legislature,
28 any agency component responsible for internal investigation or review, or any law

1 enforcement authority any information that relates to any violation of any law, rule,
2 or regulation, or gross mismanagement, a gross waste of funds, an abuse of
3 authority, or a substantial and specific danger to public health or safety.

4 (n) access the medical record of another employee or an applicant for employment
5 as a part of, or otherwise in furtherance of, any prohibited personnel practice.

6 **§ 104. Responsibilities of Agency Heads.** The head of each agency shall be
7 responsible for:

8 (a) preventing prohibited personnel practices;

9 (b) complying with and enforcing applicable civil service laws, rules, and
10 regulations and other aspects of personnel management;

11 (c) ensuring, in consultation with the Attorney General and the Office of the Public
12 Auditor, that employees of the agency are informed of the rights and remedies available to
13 them under Act, including the role of the Attorney General with respect to enforcing
14 whistleblower protections;

15 (d) ensuring that each new employee is informed of the rights and remedies
16 available to them under this Act not later than 180 days after the date on which the new
17 employee is appointed; and

18 (e) making information regarding whistleblower protections available on the public
19 website of the agency and on any online portal that is made available only to employees of
20 the agency, if such portal exists.

21 **§ 105. Penalties.** Any person found in violation of §103 shall be liable to the
22 Commonwealth government for a civil penalty up to \$10,000 per violation. Furthermore,
23 if a person is found in violation of §103, such person's employment shall be terminated
24 immediately. The Office of Personnel Management shall promulgate regulations to
25 establish procedures for determining violations of §103 and assessing civil penalties.

26 **§ 106. Whistleblower Rewards to Individuals Who Report Underpayments of**
27 **Taxes Levied Under the Laws of the Commonwealth.**

1 (a) The Secretary of Finance pursuant to regulations prescribed by the Department
2 of Finance, is authorized to pay such sums as necessary for detecting underpayments of tax
3 levied under the laws enacted in the Commonwealth.

4 (b) Rewards to Whistleblowers. If the Director of the Division of Revenue and
5 Taxation proceeds with any administrative or judicial action to bring to trial and
6 punishment persons guilty of violating the tax laws enacted in the Commonwealth, based
7 on information brought to the Division's attention by an individual, who is not an employee
8 of the Division, such individual shall receive a reward resulting from the action (including
9 any related actions) or from any settlement in response to such action.

10 (c) Reduction in or Denial of Reward. If the Division of Revenue and Taxation
11 determines that the claim for a reward is brought by an individual who planned and initiated
12 the actions that led to the underpayment of tax or to any administrative or judicial action
13 to bring to trial and punishment persons guilty of violating the tax laws of the
14 Commonwealth, then the Division may appropriately reduce such award.

15 (d) Appeal of Reward Determination. Any determination regarding a reward may,
16 within thirty (30) days of such determination, be appealed through the process established
17 by the Administrative Procedure Act (codified as 1 CMC §9101 et seq.).

18 (e) Additional rules. No contract with the Division of Revenue and Taxation is
19 necessary for any individual to receive a reward under this section. Any individual seeking
20 a reward under this section may be represented by counsel. No reward may be made under
21 this section based on information submitted to the Division unless such information is
22 submitted under penalty of perjury."

23 **Section 4. Amendment.** 1 CMC § 7841 is hereby amended by adding a new
24 subsection (e) to read as follows:

25 "(e) The Division of Revenue and Taxation is authorized to pay monies from the
26 sums appropriated to it in a given fiscal year to comply with subsection (d) of this section.
27 The Department of Finance shall promulgate regulations to establish the procedure for such

1 payment, which shall be made within six months of the information being brought
2 forward.”

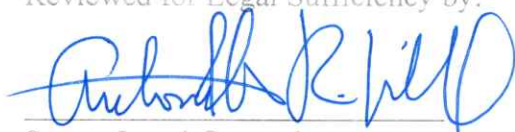
3 **Section 5. Severability.** If any provisions of this Act or the application of any such
4 provision to any person or circumstance should be held invalid by a court of competent
5 jurisdiction, the remainder of this Act or the application of its provisions to persons or
6 circumstances other than those to which it is held invalid shall not be affected thereby.

7 **Section 6. Effective Date.** This Act shall take effect upon its approval by the
8 Governor, or it becoming law without such approval.

Date: 2/6/2025

Introduced by: 
Senator Corina L. Magofna

Reviewed for Legal Sufficiency by:


Senate Legal Counsel