

Presidential Report to Congress

Immigration in the Commonwealth of the Northern Mariana Islands

December 2012



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PRESIDENTIAL REPORT ON IMMIGRATION IN THE CNMI

The Congress, in subtitle (A) of title VII of the Consolidated Natural Resources Act (Public Law 110-229), provides for Federal administration of immigration in the Commonwealth of the Northern Mariana Islands (CNMI), which in this document is called “the Federal immigration law”. Included is a transition program from CNMI administration to Federal administration. The immigration reform provision of title VII added section 6 to Public Law 94-241 (the Act that approved the *Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America*). Subsection (h) of section 6 calls for the President to provide a report to committees of the Congress that –

- (1) evaluates the overall effects of the immigration transition program on the CNMI, and
- (2) describes efforts to diversify and strengthen the local economy of the CNMI, including efforts to promote the CNMI as a tourist destination.

The statutory language of the reporting requirement is presented in Appendix A.

The Federal agencies that are taking part in the Federal administration of immigration in the CNMI are the Department of Homeland Security, the Department of State, the Department of Commerce, the Department of Labor, and the Department of the Interior. The duties of these agencies are set out in the Federal immigration law and in the related interagency agreement. By far, the majority of these immigration responsibilities have been assigned to the Department of Homeland Security.

The activities of each of these agencies since the May 8, 2008 signing of the law follow.

DEPARTMENT OF HOMELAND SECURITY

The Department of Homeland Security (DHS) recognizes the importance of conscientiously implementing the Federal immigration law both for the United States and for the people of the CNMI. Since the enactment of this historic legislation, DHS and its components have been working hard together and with its interagency partners to ensure full implementation of the Federal immigration law in a manner that will minimize adverse effects on the CNMI.

The Federal immigration law was enacted in May 2008, to extend federal immigration law to the CNMI. Since that time, DHS and its components have taken numerous steps to establish federal border control in the CNMI and to implement the Federal immigration law with regard to foreign workers, visitors, and investors in the CNMI. During the transition period, which began in November 2009 and extends through the end of December 2014, the Secretary of Homeland Security, in consultation as appropriate with federal and territorial partners, has worked to establish, administer, and enforce a transition program to regulate immigration in the CNMI.

The Federal immigration law contains several CNMI-specific provisions pertaining to foreign visitors, workers and investors. The Federal immigration law amended existing U.S. immigration law to establish a joint visa waiver program for the CNMI and Guam, replacing a preexisting visa waiver program for visitors to Guam. The Federal immigration law also establishes CNMI-only visa categories for nonimmigrant investors and transitional workers. DHS and its component agencies have published regulations establishing these programs, as more fully discussed below.

DHS has established and developed strong relationships throughout the transition, within DHS and its component agencies, the federal interagency group and the CNMI and Guam. DHS has designated experienced personnel within its relevant components to serve as points of contact and to lead teams composed of Headquarters and Field Office staff to implement the transition to Federal immigration law in the CNMI. DHS and its interagency partners, including the Departments of the Interior, Justice, Labor and State, periodically meet to coordinate efforts and identify issues for resolution in the CNMI. The Departments of the Interior, Homeland Security, Justice, Labor and State have completed and signed the Memorandum of Agreement required under Section 702(a) of the Federal immigration law. The Department of Justice voluntarily signed onto the interagency agreement. U.S. Customs and Border Protection (CBP), U.S. Immigration and Customs Enforcement (ICE), and U.S. Citizenship and Immigration Services (USCIS) representatives have participated in meetings in Washington, and in the CNMI with representatives of the Government of the CNMI and the CNMI private sector. In addition, DHS officials have met with the Delegates from the CNMI and Guam; the CNMI and Guam Governors and their staff; and other elected officials and interested parties, in order to help minimize any adverse effects of the transition on the CNMI and to identify areas for

improvement during the transition period. The actions taken by the three DHS components charged with the implementation of the Federal immigration law are detailed below.

U.S. Citizenship and Immigration Services

United States Citizenship and Immigration Services (USCIS) has taken the following actions to implement the Federal immigration law. In developing regulations and policies, USCIS sought to minimize any adverse effects on the CNMI as stated in the Federal immigration law and also gave consideration to the unique nature of the transition from CNMI immigration law to the Immigration and Nationality Act (INA). USCIS' actions fall into the following areas:

- Developing and implementing regulations for the CNMI-specific nonimmigrant classes and a conforming regulation to update the appropriate INA Title 8 regulations affected by the Federal immigration law.
- Developing and implementing policies that would reduce the adverse effects of the transition to the Immigration and Nationality Act on the residents of the CNMI.
- Conducting outreach in the CNMI to facilitate understanding of the new immigration laws and procedures. Outreach was conducted after publication of proposed and final regulations.
- Establishing an office in Saipan to provide biometric collection and to provide appropriate interview and information service.
- Staffing changes at the California Service Center and on Guam and Saipan.

Regulations: USCIS has developed and published the following regulations.

- CNMI E-2 Investor Final Rule published on December 20, 2010.
- CNMI Transitional Worker Final Rule published on September 7, 2011 (the interim final rule which would have implemented the transitional worker program beginning on November 28, 2009, was enjoined as a result of legal challenge by the CNMI Government).
- CNMI Interim Final Conforming Rule published on October 28, 2009.

Policies: USCIS has implemented the following policies:

- Grant of Parole¹ to 4 groups of aliens in the CNMI. October 6, 2009.
- CNMI Permanent Residents;
- Immediate relatives and surviving spouses of CNMI permanent residents; and Spouses of nationals of the Compacts of Free Association States who are not eligible for admission under the Compacts of Free Association.

¹ Although announced policies on granting parole specified "groups" of potential beneficiaries, parole decisions are made on a case by case basis in all instances. Being a member of a specified group does not automatically confer parole status.

- Parole in Place for Travel: November 30, 2009. Because of the delay in implementation of the Transitional Worker regulation and the E-2 CNMI investor regulations, USCIS began granting parole-in-place to aliens in the CNMI who needed to travel directly to Guam or to the rest of the US or foreign through Guam. USCIS also began granting advance parole to aliens who wished to travel abroad and return to employment and family in the CNMI. Effect of the Federal immigration law on L-1 status in CNMI and prior employment in the CNMI. November 23, 2009.
- Granting status to aliens in the CNMI with CNMI status or USCIS parole status. December 14, 2010.
- Receipt of adjustment of status applications for residents of the CNMI who have CNMI permit status. August 9, 2011.

The following policies were implemented in September and October 2011 in response to information received from the public at outreach sessions, and to ameliorate the effects of the transition and the end of CNMI permit status as of November 27, 2011:

- Extension of Previously Granted Parole. September 29, 2011 Update. Extensions Granted until January 31, 2012.
- Parole for Dependents of Transitional Workers turning 18 within one year. September 29, 2011.
- Parole for Beneficiaries of H-1B and other Nonimmigrant Petitions. October 5, 2011.
- Parole for Caregivers of U.S. citizens. October 7, 2011.
- Parole for Certain Immediate Relatives² and Stateless Individuals. November 23, 2011.

Questions and Answers on CNMI employment matters issued March 12, 2010, including generous construction of “umbrella permits” to authorize both continued employment and labor mobility.

Addition of CNMI-specific documentation to Form I-9 document list to cover period of grandfathered employment authorization between November 28, 2009 and November 27, 2011, and issuance of specific Form I-9 CNMI for use in the CNMI during this period.

E-Verify voluntary employment authorization program made available to CNMI employers beginning in March, 2012.

Outreach – Public Engagement

USCIS conducted public outreach and employer outreach coinciding with the publication in September 2009 of a proposed CNMI E-2 investor regulation and the interim final rule, and the CNMI Transitional Worker interim rule in October 2009. These outreach sessions included introductions to U.S. immigration law and documentation

² For this purpose the parent of a US citizen child under the age of 21 is considered to be eligible for “immediate relative” parole status.

requirements. Sessions were held with employers, employer groups, and the general public. The level of USCIS outreach has been unprecedented and has used a variety of methods, including an extensive web page on the USCIS website devoted to CNMI matters; use of multimedia and video presentations; responsiveness and outreach to local news media; and translation of outreach materials into various foreign languages used in the CNMI.

In December 2009, immediately after the transition period began, USCIS conducted general outreach sessions on US immigration law and on Form I-9, Verification of Employment, which was required for newly hired employees in the CNMI.

In January 2011, USCIS conducted one week of outreach sessions on the final rule relating to the E2 CNMI nonimmigrant investor.

In September 2011, USCIS conducted two weeks of outreach sessions for both public and employers on the CNMI transitional worker final rule and petition process.

In November 2011, USCIS conducted an additional week of sessions for employers to clarify items on the Form I-129CW, which is the application form for the CNMI Transitional Worker nonimmigrant classification.

A significant result of these sessions, and especially of the September 2011 sessions, has been the establishment of parole policies that allowed employers and individuals to continue to employ aliens who would not otherwise qualify for status.

Recognition of the depressed economic state of the CNMI and of the humanitarian factors involving U.S. citizen children with noncitizen parents also led to the establishment of a parole program for certain parents, spouses and children of U.S. citizens in the CNMI.

Facilities

USCIS opened an expanded Application Support Center (ASC) in Saipan in March 2009. This office carries out biometric collection and was also designed to provide limited information and interviewing service capacity. The office is staffed by two USCIS employees in addition to contract support personnel.

Staffing

In recognition of the uniqueness of the transition and factors that apply to the CNMI, USCIS has assigned jurisdiction over nonimmigrant benefit requests from the CNMI to the California Service Center (CSC). USCIS has trained a team of 24 officers at the CSC to adjudicate petitions and applications filed with the CSC from the CNMI.

Recognizing the challenges that would occur due to the delay in publication of the Transitional Worker regulation and to the end of the two year period where CNMI

immigration permits continued to have limited validity for U.S. immigration purposes, beginning in July 2011, USCIS added two additional detailed officers to the Saipan ASC and has continued to maintain that level of support.

Beginning in September 2011, additional staff of 2 to 4 officers and support personnel were added to the Guam office and are continuing at this time to deal with the parole and employment authorization workload resulting from the policies announced in October and November 2011.

Implementation of the Federal immigration law has involved close coordination between various USCIS offices, utilizing a variety of expertise at the district, regional, and headquarters level, and extensive travel of USCIS personnel to the CNMI when necessary. Both USCIS Director Alejandro Mayorkas and, before his tenure, Acting Director Michael Aytes have been strongly supportive of devoting the necessary resources to this important task and personally involved when necessary in key decisions. Acting Director Aytes traveled to Saipan to formally open the new office in the spring of 2009 and inform himself of conditions there, and Director Mayorkas met with CNMI Governor Benigno Fitial in February of 2011 to discuss the implementation effort and issues of mutual concern regarding immigration in the CNMI.

Customs and Border Protection

Guam-CNMI Visa Waiver Program Overview

When the Federal immigration law was signed by the President in May, 2008, U.S. Customs and Border Protection (CBP) assumed responsibility for the inspection and admission of aliens into the United States at CNMI ports of entry. CBP designated and opened six ports of entry into the CNMI: Saipan (airport and seaport), Tinian (airport and seaport), and Rota (airport and seaport).

Pursuant to the Federal immigration law, CBP promulgated a regulation establishing the new Guam-CNMI Visa Waiver Program (Guam-CNMI VWP). The Guam-CNMI VWP Interim Final Rule (IFR) was published in the Federal Register on January 16, 2009. The complete provisions for eligibility for the Guam-CNMI VWP are found in 8 CFR 212.1(q). Currently, 12 countries and geographic areas are designated for participation in the Guam-CNMI Visa Waiver Program: Australia, Brunei, Hong Kong, Japan, Malaysia, Nauru, New Zealand, Papua New Guinea, Singapore, Republic of South Korea, Taiwan, and the United Kingdom.

Though not designated for participation in the Guam-CNMI VWP, on October 21, 2009, DHS announced the Secretary's decision to allow nationals from these two countries on a case by case basis to undertake visa-free travel to the CNMI pursuant to her parole authority under Section 212(d)(5)(A) of the INA [8 U.S.C. 1182(d)(5)(A)]. Such visits may be allowed for up to 45 days and visitors under this discretionary exercise of parole authority may not obtain employment or engage in labor for hire.

Statistical Summary of Paroles Granted under Section 212(d)(5)(A) of the INA

Citizenship	FY 2010	FY 2011	FY 2012 (to 4/12/2012)	Total by Country
China	34,304	33,458	33,036	100,798
Russia	3,561	3,601	2,620	9,782

U.S. Immigration and Customs Enforcement (ICE)

Since the Federal immigration law was enacted, U.S. Immigration and Customs Enforcement (ICE) has worked closely with DHS, CBP, and USCIS to plan for, initiate, and maintain operations in the CNMI, and implement the requirements of the Federal immigration law. ICE representatives have participated in meetings in Washington and in the CNMI with representatives of the Government of the CNMI and the CNMI private sector, and the U.S. Departments of the Interior, Labor, Justice, and State to prepare and share information regarding Federal immigration law implementation. ICE also participated in several DHS rulemaking actions to implement the Federal immigration law, including the regulations establishing the CNMI-only Transitional Worker visa, the CNMI-only E-2 nonimmigrant investor visa, and the Guam-CNMI Visa Waiver Program.

Enforcement and Removal Operations (ERO)

In November 2009, ERO established a sub-office of the San Francisco ERO office on the island of Saipan in the CNMI. The office was allotted 10 positions (8 officers and 2 support staff). As of February 3, 2012, ERO had filled 8 of the 10 positions, including 1 Supervisory Detention and Deportation Officer, 2 Deportation Officers, 3 Immigration Enforcement Agents (IEAs), 1 Detention and Removal Assistant, and 1 Mission Support Specialist. Two IEA vacancies still remain open. An announcement for the IEA position for local commuting area only was posted in November 2011, but failed to produce any candidates. It was re-announced in December as a DHS nationwide announcement, and a list of candidates is under review.

Currently, construction is underway for new ERO office space on Saipan. The new ERO space will include administrative work areas, officer workspace, a conference room, search and processing areas, interview rooms, and holding cells. The construction should be complete during fiscal year (FY) 2012.

Enforcement

As of February 5, 2012, DHS had initiated charging documents against 327 individuals, removed 126 individuals, and verified the voluntary departure of 34 individuals in the CNMI since the transition began in November 2009. The ERO Criminal Alien Program provides full coverage of

the CNMI correctional facility and identifies all individuals who are incarcerated or booked into the CNMI Department of Corrections. ERO has fostered good working relationships with the CNMI Office of Adult Probation and the CNMI Office of Parole to identify foreign nationals involved in criminal activity.

In addition, ERO has focused on over 1,600 referrals provided by the CNMI Attorney General's (AG) office and the CNMI Department of Labor (DOL). The 361 referrals provided by the CNMI AG's office were of aliens who either had criminal backgrounds or were previously in immigration proceedings under the CNMI system. By the end of April 2010, the CNMI DOL had provided ICE with a list of over 1,300 individuals certified as "out of status," but the CNMI DOL had provided only a name and CNMI case number, (e.g., Labor and Immigration Information Data System (LIIDS) number). DHS, including ICE, has yet to receive direct access to information in local CNMI databases, including LIIDS, BMIS, and JustWare. Thus, ICE has requested additional information on each referral. In October 2011, ICE received additional information in the form of LIIDS printouts for each of the CNMI AG and DOL referrals, and has been working to identify removable aliens and place them into proceedings. More recently, on December 7, 2011, ERO requested LIIDS printouts from the CNMI AG on the 19,000 individuals to whom the CNMI government issued umbrella permits prior to federalization. This information, which ERO has yet to receive, would aid ICE in identifying and removing aliens who fell out of status after the transition period began.

Detention

Since April 2011, ERO and the ICE Office of the Chief Counsel have been meeting biweekly with the CNMI AG to discuss issues of mutual interest. These biweekly meetings have contributed to an improved working relationship with the CNMI government. In April 2011, ICE signed an Intergovernmental Services Agreement (IGSA) with the CNMI Department of Corrections (DOC) that provides ICE with detention space at the lone CNMI correctional facility. ERO began housing ICE detainees in the CNMI DOC facility in June 2011, and has funded 20 beds through FY 2012. As of February 4, 2012, the CNMI DOC facility has housed an average of 15 detainees daily.

Prior to having detention space, ERO used Alternatives to Detention (ATD) programs or transported detainees to facilities in either Guam or Hawaii. In total, ERO transported eight criminal aliens to either Guam or Hawaii for detention prior to the signing of the IGSA. ERO continues to use ATD programs in the CNMI when appropriate. As of February 6, 2012, ERO had encountered 2,680 individuals, placed 144 detainees, and released 235 individuals on some type of supervised release since the transition period began.

Homeland Security Investigations (HSI)

Within the United States, ICE has authority to investigate all immigration and customs violations. In the CNMI, HSI's investigative authority is generally limited to immigration violations. In addition to immigration violations, HSI can investigate violations related to bulk cash smuggling, intellectual property destined for the United States, cybercrime, and child pornography.

On November 28, 2009, HSI opened an office on Saipan. HSI Saipan's current staffing level allows for 1 supervisor, 1 support staff, and 4 special agents. The supervisor position, the mission support, and 2 special agent positions have been permanently filled. HSI Honolulu continues to rotate 2 special agents on 60 to 90-day temporary deployments. These rotations will continue until HSI has staffed the office with permanent positions. The 2 remaining special agent vacancies will be re-announced in the near future. HSI Saipan hopes to fill these permanent positions with experienced ICE agents from elsewhere in the United States.

Since November 28, 2009, HSI has initiated 124 investigations. As of February 6, 2012, these investigations have resulted in the arrest of 164 individuals. Of these, 64 were arrested for criminal violations and 100 were arrested for administrative immigration violations.

Investigations are generally initiated by referrals from other federal or state government agencies, cooperating sources, or complaints from the general public. Referrals from other government agencies include referrals from the Federal Bureau of Investigation, the Drug Enforcement Administration, CBP, USCIS, the CNMI Department of Public Safety, and the CNMI Ports Police Department. HSI promotes working with other law enforcement agencies. Depending on the violations at issue, these joint investigations ensure maximum investigative resources and coordination. Generally, investigations involving narcotics, money laundering, wire fraud, and human smuggling are jointly worked with other law enforcement agencies. Office of the Principal Legal Advisor, Office of the Chief Counsel (OCC), Honolulu, Hawaii
On November 28, 2009, OCC Honolulu opened an office on Saipan. The OCC does not have attorneys or staff permanently occupying the Saipan office, which is co-located with ERO and HSI.

After the transition period began, OCC attorneys were initially detailed to Saipan every 6 to 8 weeks for a one-week period to represent DHS in removal hearings before the Executive Office for Immigration Review (EOIR). In February 2011, EOIR began holding some hearings via video teleconferencing one day per week with an immigration judge in Hawaii; OCC attorneys now handle most cases from Honolulu.

According to EOIR, there were approximately 71 cases pending on the Saipan court docket as of the end of January 2012.

Actions taken to diversify and strengthen the local CNMI economy, including efforts to promote the CNMI as a tourist destination.

ICE does not have any enumerated responsibilities under the Federal immigration law or other statutes to promote tourism or diversification of the CNMI economy; however, the stated intention of Congress provides an overarching responsibility when applying the INA to the CNMI to minimize potential adverse economic and fiscal effects, while maximizing the potential for future economic and business opportunities and promoting tourism. Generally, ICE promotes the strengthening of the CNMI economy through the enforcement of U.S. immigration laws, which reduces the demand for illegal employment and protects employment opportunities for the lawful workforce.

DEPARTMENT OF STATE

On January 10, 2011, the Department of State (State) implemented three new visa classifications that regulate immigration into the Commonwealth of the Northern Mariana Islands (CNMI), as prescribed in the Federal immigration law. The transition period is set to conclude December 31, 2014, at which time foreign nationals will need a U.S. visa in a standard classification of the Immigration and Nationality Act (INA) to be admitted to the CNMI.

The CNMI-specific visa classifications are:

- CW-1: CNMI-Only transitional worker
- CW-2: Spouse or child of a CNMI-Only transitional worker
- E-2C: CNMI-Only investor, spouse, or child

State published procedural guidance to administer the new visa classifications in Volume 9 of the Foreign Affairs Manual, chapter 41, subchapter 34 (9 FAM 41.34) on December 27, 2011.

State consulted with the Department of Homeland Security (DHS) to establish a visa reciprocity schedule for aliens of all nationalities who meet the eligibility requirements for the three CNMI-specific visa classifications. The validity periods of CNMI-specific visas for each nationality correspond to those of existing E, H, and L visas. Additionally, CW and E-2C visa validity may not exceed the period of validity of the approved underlying petition (one year for CW petitions and two years for E-2C petitions), and no CW or E-2C visa may be valid after December 31, 2014, the conclusion of the transition period mandated in the Federal immigration law. State published this guidance via cable (STATE 002581) on January 10, 2012.

State anticipates that most CW and E-2C applicants will apply for their visas at posts in the East Asia/Pacific region. Posts in China, the Philippines, Japan, South Korea, Malaysia, and Hong Kong have already processed CNMI-specific visas. However, every visa-issuing U.S. embassy

and consulate has the technological capabilities to issue these visas. State has received few applications for CW and E-2C visas, issuing nine CW-1, one CW-2, and eight E-2C visas worldwide between January 10, 2012 and April 6, 2012. Demand is expected to increase as USCIS approves more petitions. As of the submission of this report, there is no backlog of CNMI-specific visa applications.

State's efforts to make these visa classifications available directly supports and strengthens the local economy of the CNMI, by allowing CNMI transitional workers and investors to fill jobs and support businesses in the CNMI.

DEPARTMENT OF COMMERCE

National Telecommunications and Information Administration (NIST)

NIST provided CNMI three Broadband Technology Opportunities Program (BTOP) grants under the American Recovery and Reinvestment Act (ARRA) of 2009.

Grantee: Communication Service for the Deaf, Inc.

Sustainable Adoption \$14,988,657 (multi-state and territory grant that includes CNMI)

Broadband's ability to expand educational and employment opportunities is especially meaningful for Americans who are deaf or hard of hearing, a community that faces unique challenges in education and that suffers from a rate of unemployment much higher than the national average. Communication Service for the Deaf, Inc. (CSD) intends to expand broadband adoption among people who are deaf and hard of hearing and provide them with online tools to more fully participate in the digital economy. The project proposes to employ a combination of discounted broadband service and specialized computers, technology training from an online state-of-the-art support center customized to the community's needs, public access to videophones at anchor institutions from coast to coast, and a nationwide outreach initiative. Thousands will gain online access to all the Internet has to offer, including sign language interpreters, captioned video services, and other content and functionalities designed especially to advance their educational, employment, and healthcare interests.

Grantee: Broadband Data & Development \$1,216,116

Project serves: Commonwealth of the Northern Mariana Islands

Project Components

Data Collection, Integration, and Validation:

This project will fund broadband planning activities two years of semi-annual data collection, integration, verification and display.

Grantee: Island Telephone and Engineering

Infrastructure \$8,039,792

Project serves: Commonwealth of the Northern Mariana Islands, Guam

Island Telephone and Engineering (IT&E) plans to expand high-capacity broadband services to the Territory of Guam and the Commonwealth of the Northern Mariana Islands by upgrading the existing network serving remote and underserved areas. The project intends to upgrade local island backbone infrastructure and replace the existing inter-island transmission system, utilizing fiber, 3G wireless, and WiMax technology. The project expects to directly connect 403 anchor institutions, including community colleges, K-12 schools, libraries, health care facilities, and public-safety organizations. Network speeds from 1.2 Gbps for microwave to 10 Gbps for fiber service will be offered, enabling government agencies, schools, and businesses in these remote island locations to benefit from videoconferencing and other advanced broadband capabilities.

International Trade Administration (ITA)

The Department of Commerce directly assists American exporters through our global network of trade specialists posted across America and worldwide, including in Northern Mariana Islands. Experts in the International Trade Administration's domestic U.S. Export Assistance Centers (USEAC) have tremendous experience in facilitating U.S. companies' exports, advocating on their behalf, and helping them find new customers.

In FY10 and FY12, the Hawaii USEAC office (which covers CNMI) conducted outreach, met with key clients, partners, and local officials, and media, to promote exports in accordance with National Export Initiative (NEI). This outreach included 4 export training seminars, including 1 specific to the NEI priority sector - Travel and Tourism industry. Three of the four seminars took place on the island of Saipan and the fourth was held on the island of Tinian. The USEAC also presented one company with a Certificate of Appreciation in Trade for their outstanding work promoting exports.

The Hawaii USEAC has also successfully recruited U.S. Secretary of Commerce appointed members for Hawaii District Export Council. Building on this momentum, the USEAC has established a Marianas Chapter of the Hawaii Pacific Export Council, and are currently pursuing the establishment of a new Marianas Export Council.

Bureau of Economic Analysis (BEA)

Since 2009, BEA has been working with the DOI's Office of Insular Affairs (OIA) to produce comprehensive, objective measures of economic activity in the CNMI. Estimates of gross domestic product (GDP) and its major components have been published for the years 2002 to 2009. This year, estimates for 2010 will be released, along with new measures that will provide additional information on the economy of the CNMI. These new measures will include GDP by industry, compensation of employees by industry, and detailed consumer spending.

The work by BEA and OIA supports CNMI's economic development by providing policymakers and businesses with the statistical tools needed to make informed economic and financial planning decisions.

U.S. Census Bureau

The U.S. Census Bureau successfully completed the 2010 Census for the Commonwealth of the Northern Mariana Islands and found that population was 53,883 – a decrease of 22.2 percent from the 2000 Census. As part of the 2010 Census, the Census Bureau worked with the Northern Mariana Islands government to enumerate and gather detailed data on population and housing characteristics. Later this year, more 2010 Census statistics will be available for the Northern Mariana Islands in a demographic profile that will include basic demographic, social, economic and housing characteristics for the Island Area and lower levels of geography.

National Oceanic and Atmospheric Administration (NOAA)

NOAA's work touches the daily lives of every person in the United States and in much of the world. Our products and services are the result of the hard work of NOAA's dedicated staff and partner organizations located in program and research offices throughout the country. The following is a summary of NOAA programs based in, and focused on, in the Commonwealth of the Northern Maria Islands.

Entire Commonwealth

National Marine Fisheries Service (NMFS)

Pacific Islands Region

Pacific Islands Regional Office & Fisheries Science Center

NMFS is responsible for the management, conservation and protection of living marine resources within the United States' Exclusive Economic Zone. The Pacific Islands Region, encompassing the waters surrounding American Samoa, Guam, Hawaii, and the Northern Mariana Islands as well as many remote island areas, is the largest geographic area within NMFS jurisdiction, with a U.S. Exclusive Economic Zone of more than 1.7 million square nautical miles of ocean. Using the tools provided by the *Magnuson-Stevens Fishery Conservation and Management Act*, NMFS assesses and predicts the status of fish stocks, develops and ensures compliance with fisheries regulations, restores and protects habitat and works to reduce wasteful

fishing practices, and promote sustainable fisheries. Under the *Marine Mammal Protection Act* and the *Endangered Species Act*, NMFS recovers protected marine species (i.e. Hawaiian monk seals, five species of sea turtles, and a variety of cetacean species). NMFS co-manages the Pacific Island marine national monuments, including the Papahānaumokuākea Marine National Monument.

The Pacific Islands Regional Office, located in Honolulu, HI, uses ecosystem-based strategies to manage the marine resources of the region. Responsibilities include maintaining healthy fish stocks for commercial, recreational and subsistence fishing in coordination with the Western Pacific Fishery Management Council and the Western and Central Pacific Fisheries Commission, protecting and recovering populations of protected species, preserving and restoring marine

habitat, and coordinating with international organizations to implement and monitor fishery agreements and treaties. The Pacific Islands Regional Office also manages the at-sea observer system for longline vessels in the region. The Pacific Islands Fisheries Science Center, also located in Honolulu, HI, is responsible for monitoring and research on fisheries and protected species populations as well as coral and oceanic ecosystems and the diverse human components of this region. The Fisheries Science Center has two research facilities: the Kewalo Research Facility located on the Honolulu waterfront, has seawater capabilities for conducting research on live large pelagic fishes, monk seals, and sea turtles, and the Aiea Research Facility that has a wet laboratory supporting fish biology research. The Center uses the NOAA ship *Oscar E. Sette* as its primary at-sea research platform and shares the NOAA Ship *Hi'ialakai* with the National Ocean Service.

The Regional Office and Fisheries Science Center both have field offices serving American Samoa, Guam, and the Northern Mariana Islands.

<http://www.fpir.noaa.gov> and <http://www.pifsc.noaa.gov>

National Ocean Service (NOS)

Integrated Ocean Observing System Program

Integrated Ocean Observing System Regional Association

The NOAA Integrated Ocean Observing System (IOOS) program manages the development of a national network of coastal ocean observing systems. The Pacific Islands Ocean Observing System (PacIOOS) intent is to create an effective partnership of data providers and users who will work together to develop, disseminate, evaluate and apply new ocean data and information products designed specifically to address the needs of the communities, businesses and resources that call the Pacific home. The PacIOOS region is defined as the state of Hawaii, the Commonwealth and Territories of the United States in the Pacific and the Freely Associated States in the Pacific.

<http://www.soest.hawaii.edu/pacioos/>

**National Ocean Service (NOS)
Office of Coast Survey
Navigation Manager**

Navigation Managers serve as Coast Survey's ambassadors to the maritime community. Located in different regions throughout the country, Coast Survey Navigation Managers help identify the challenges facing marine transportation in general, directly supporting the NOAA strategic goal to "promote safe navigation." These agents assist Coast Survey in overseeing the National Oceanic and Atmospheric Administration's nautical chart data collection and information programs, helping to meet constituent needs. Navigation Managers focus primarily on resolving charting and navigation questions, educating constituents on emerging charting technologies and their uses, and soliciting feedback on NOAA's navigation products and services from the commercial maritime industry. OCS has a Navigation Manager located in Honolulu, HI to support mariners and stakeholders in the Pacific Islands.

<http://www.nauticalcharts.noaa.gov/nsd/reps.htm>

**National Weather Service (NWS)
Pacific Region Headquarters
Micronesian Offices**

Located in the Mauka Tower of the Pacific Guardian Center in downtown Honolulu, HI, this regional office has administrative and management responsibilities for all National Weather Service field operations in Hawaii and the territories of American Samoa, Guam and the Commonwealth of the Northern Mariana Islands. These areas include offices in Honolulu, Hilo, Kahului, and Lihue, Hawaii; Guam; Pago Pago, American Samoa; Koror, Republic of Palau; Majuro, Republic of the Marshall Islands; and Pohnpei, Yap and Chuuk, Federated States of Micronesia. The NWS Pacific Region operates its five Micronesian offices in cooperation with the Republic of the Palau, Republic of the Marshall Islands and the Federated States of Micronesia in accordance with the provisions of the Compact of Free Association between the United States and each Micronesian government. The five Micronesian Weather Service Offices provide the United States with critical Upper-Air Data and Aviation Weather Observations. These offices also provide adaptive weather forecasts and warnings to their local constituents. The Pacific Region Headquarters also oversees the Central Pacific Hurricane Center and the Pacific Tsunami Warning Center, and it hosts the International Tsunami Information Center.

<http://www.prh.noaa.gov>

**National Weather Service (NWS)
Weather Forecast Office
Guam WFO**

Located near the International Airport in Guam, this National Weather Service Weather Forecast Office has public, aviation and marine forecast and warning responsibility for Guam and the Commonwealth of the Northern Mariana Islands and the surrounding ocean areas. In addition, WFO Guam has international responsibilities for aviation advisories and forecasts for the tropical Pacific from 130E to 160E; public tropical cyclone watch, warnings and advisory products for

the tropical islands of the northwest Pacific; and forecast support for weather service programs involving the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau under the Compact Agreement of Free Association treaties.

<http://www.nws.noaa.gov/pr/guam>

**National Marine Fisheries Service (NMFS)
Pacific Islands Fisheries Science Center
Science Operations Field Office**

The Pacific Islands Fisheries Science Center (based in Honolulu, HI) is responsible for research on Federally managed marine fisheries, protected species, and ecosystems in the entire western and central Pacific Ocean, in both insular (near island) habitats and pelagic (open ocean) environments. The Saipan Science Operations Field Office provides logistical and coordination support for all Science Center research in the area, and provides direct scientific support to the CNMI Biological Sampling Program and the Marianas Trench Marine National Monument's Science Program.

<http://www.pifsc.noaa.gov>

**National Ocean Service (NOS)
Office of Ocean and Coastal Resource Management
Commonwealth of Northern Mariana Islands Coastal Management Program/ Northern
Mariana Islands Coastal Resources Management Office**

Through a unique Federal-state partnership, NOAA's Office of Ocean and Coastal Resource Management (OCRM) works with the Commonwealth of the Northern Mariana Islands Coastal Resource Management Office (CRMO) to implement the National Coastal Management Program in the Northern Mariana Islands. OCRM provides the CRMO with financial and technical assistance to further the goals of the Coastal Zone Management Act to protect, restore and responsibly develop our nation's coastal communities and resources by balancing the often competing demands of coastal resource use, economic development and conservation. The Commonwealth of the Northern Mariana Islands is made up of 14 islands that span 440 miles of the western Pacific Ocean. The entire land and water area of the Commonwealth are included within the coastal boundary.

http://coastalmanagement.noaa.gov/mystate/n_mariana_islands.html

**National Ocean Service (NOS)
Office of Ocean and Coastal Resource Management
Coral Reef Conservation Program**

The CNMI consists of a combination of islands are surrounded by fringing and barrier reef systems that are of tremendous economic value via tourism and cultural value to this island community. Human pressures on coral reef fisheries combined with impacts from development have been detrimental to this resource. The NOAA Coral Reef Conservation Program (CRCP) conducts mapping, assessment and characterization, and monitoring activities in each U.S. jurisdiction with coral reefs. The CRCP also conducts research to better understand coral reef

structure, function, and health. Each U.S. jurisdiction receives coral reef grants annually to conduct research, monitoring, and management activities. A coral reef status report is produced every 2-3 years based on monitoring and research conducted in each jurisdiction. The program also strives to foster coral reef resiliency through a ridge-to-reef approach that includes effective management of Marine Protected Areas (MPAs) as well as addressing land-based sources of pollution.

<http://http://www.coralreef.noaa.gov>

Additionally, FY12 funding for CNMI from the Coastal Zone Management Program will be formally approved soon. NOAA has plans to execute a number of internal projects in FY2012 that will either occur in CNMI or will benefit coral conservation efforts there. Together these projects represent additional financial support for coral reef conservation in CNMI of approximately \$1,368,670 (see attached pdf).

Economic Development Administration (EDA)

EDA funding has supported the tourism industry by providing the Garapan area of Saipan with water infrastructure projects for a pressurized water system in the Garapan area. Prior to the projects EDA was informed by CNMI that this area had an un-pressurized water system that allowed for both salt water and sewage intrusion into the water lines. The Garapan area is primarily for tourism as there are hotels, shops, restaurants. This area is the "Waikiki" for the island of Saipan.

Projects include: FY 2008 grant of \$750,000 for waterlines and leak detection in the Garapan area to CNMI Governor's Water Task Force.

FY 2009 grant of \$110,000 for a comprehensive economic development strategy to the CNMI Department of Commerce.

FY 2011 grant of \$1.5 million for a water tank to supply water to the Garapan area to CNMI Governor's Water Task Force.

DEPARTMENT OF LABOR

Since the enactment of the Federal immigration law, Department of Labor's (DOL) goal has been to provide the CNMI Department of Labor officials with the tools and resources needed to help employers understand DOL's certification responsibilities since the federalization of the CNMI's immigration system.

Under the Immigration and Nationality Act (INA), the Secretary of Labor has two fundamental responsibilities in labor certification processes that apply in certain temporary and permanent employment-based immigration programs: first, making a determination as to the availability of able, willing and qualified domestic workers; and second, to ensure that the employment of a

foreign worker in the requested position(s) would not have an adverse effect on the wages and working conditions of similarly employed U.S. workers. In addition, DOL certifies the submission of labor condition applications for employers seeking workers in certain temporary immigration programs, and enforcing the obligations of employers seeking those workers.

Since the enactment of the Federal immigration law, DOL has conducted extensive outreach to both private and public leaders in the CNMI to help employers, workers, and the CNMI Department of Labor navigate the foreign labor certification process. DOL has distributed informational materials and provided technical assistance to the regulated community through DHS, CNMI Department of Labor, Saipan Chamber of Commerce, and others who have worked with employers and workers during this transition as well as through correspondence with Delegate Sablan.

In addition to the contact DOL has had and continues to have with CNMI government officials and the CNMI Department of Labor on its new role, DOL has conducted the following activities since the enactment of the Federal immigration law:

- Publishing on DOL's web site information related to CNMI foreign labor certification, specifically related to obtaining prevailing wage determinations, the first step in the certification process (11-30-2009);
- Publishing a notice in the *Federal Register* that provided guidance for obtaining prevailing wage determinations for foreign labor certifications for the CNMI (12-4-2009);
- Providing the CNMI Department of Labor access to a web-based training module (3-17-10);
- Briefing employers through both the Saipan Chamber of Commerce and U.S. Congressional offices on the Department's programs and processes to participate in the programs;
- Providing technical assistance to end users and others regarding program participation, including the provision or obtaining of prevailing wages; and
- Issuing determinations for applications received for processing in most of the temporary and permanent visa programs administered by DOL. See Tables 1 and 2 for details.

Interagency Agreements and the Transition Period

On March 4, 2010, DOL entered into an agreement with the Department of Homeland Security, the Department of Interior, Department of Justice, and the Department of State in keeping with section 702(a) of the Federal immigration law. This interagency agreement established an operational framework for the coordination of Federal activities in the implementation of the transfer of authority for immigration from the CNMI government to the U.S. Federal Government. The agreement also established the framework for DOL to consult with these Federal agencies as DOL makes the determination regarding whether to extend the transition

program for up to five years, as required by the Federal immigration law in section 702(a), § 6(d)(5). DOL has also been a key partner in a DHS-led interagency working group since the passage of the legislation.

Other Activities

DOL also continues to have investigators from DOL's Wage and Hour Division (WHD), who are responsible for enforcement of the Fair Labor Standards Act (FLSA) and other worker protection statutes, on the ground in the CNMI. In 2010, the WHD held training sessions in Saipan and Tinian that provided information about the FLSA to local employers.

**Table 1 - Temporary Visa Program
Commonwealth of Northern Mariana Islands (CNMI) Profile Report
February 16, 2012**

H-1B – Workload Summary:

Workload Category	FY10	FY11	FY12
Total Applications Received	56	70	310
Total Determinations	56	70	310
Total Applications Certified	24	31	132
Total Positions Requested	91	70	374
Total Positions Certified	27	31	132
Percent Processed Timely	98.2% (55)	100% (70)	100% (310)

H-2A – Workload Summary:

No Applications were filed

H-2B – Workload Summary:

Workload Category	FY10	FY11	FY12
Total Applications Received	0	7	0
Total Determinations	0	6	1
Total Applications Certified	0	2	0
Total Positions Requested	0	42	4
Total Positions Certified	0	11	0
Percent Processed Timely	0	50% (3)	0% (0)

E-3 – Workload Summary:

Workload Category	FY10	FY11	FY12
Total Applications Received	0	0	1
Total Determinations	0	0	1
Total Applications Certified	0	0	1
Total Positions Requested	0	0	1
Total Positions Certified	0	0	1
Percent Processed Timely	0	0	100% (1)

Table 2 - Permanent Visa Program**Commonwealth of Northern Mariana Islands (CNMI) Profile Report***February 17, 2012***PERM – Workload Summary:**

Workload Category	FY10	FY11	FY12
Total Applications Received	1	0	0
Total Determinations	1	0	0
Total Applications Certified	0	0	0
Total Positions Requested	1	0	0
Total Positions Certified	0	0	0
Percent Processed Timely	100%	N/A	N/A

DEPARTMENT OF JUSTICE**Submission of the Office of Special Counsel for Immigration Related Unfair Employment Practices for Report to Congress on Implementation of Title VII of the Consolidated Natural Resources Act Of 2008**

The Office of Special Counsel for Immigration Related Unfair Employment Practices (OSC), a unit within the Civil Rights Division of the U.S. Department of Justice, is responsible for enforcing the anti-discrimination provision of the Immigration and Nationality Act (INA), 8 U.S.C. § 1324b. While that provision is subject to limitations in some situations to certain classes of authorized workers, the provision generally prohibits discrimination based on citizenship status or national origin by any person or entity that employs four or more employees in the hiring, firing, referral/recruitment for a fee or in the employment eligibility verification process under the INA. It also prohibits retaliation against a person based on his or her exercise of a right protected under the INA's anti-discrimination provision. The INA's anti-discrimination

provision became effective in the CNMI on November 28, 2009, as a consequence of the Federal immigration law.

Due to limited fiscal and human resources, OSC has not had the opportunity to establish, even on a limited temporary basis, a physical presence in the CNMI. OSC has not received a significant number of calls from the CNMI through its hotline. Though there is a significant time zone difference between OSC's Washington, D.C. location and the CNMI, OSC is able to return messages left on its hotline voicemail via telephone or email.

In the face of these barriers to direct enforcement and outreach activities in the CNMI, OSC has undertaken a number of actions to assist other entities in implementing the law's extension of the INA's anti-discrimination provision to the CNMI.

First, in support of the educational outreach initiative undertaken by the U.S. Department of Homeland Security (DHS) in November 2009, OSC assisted DHS in developing appropriate community-based educational materials. As part of that effort, OSC made a number of its employer and employee educational and presentation materials available to DHS for translation, printing and distribution in the CNMI. Among the items ultimately distributed in the CNMI was an illustrated booklet for employees on the INA's anti-discrimination provision and OSC's role in its enforcement, which OSC had translated into all the major non-English languages encountered in the CNMI (Chamorro, Carolinian, Tagalog, Korean, Chinese and Japanese).

Second, in July 2010, the Honorable Gregorio Sablan, the CNMI's delegate to Congress, sought guidance from OSC on the interplay between the requirements of the INA and the requirements of CNMI law requiring that U.S. citizens constitute a minimum percentage of an employer's CNMI workforce, and on the availability of OSC technical assistance to employees and employers in the CNMI. Addressing the application of the INA's anti-discrimination provision when local law imposes affirmative citizenship-based hiring requirements, OSC advised that an employer may lawfully impose citizenship status restrictions in employment where such restrictions were required to comply with applicable law, regulation, executive order, or provisions of a federal, state or local government contract. OSC also advised that technical assistance was available to both employers and employees through OSC's website or OSC's telephone hotlines.

Third, in October 2010, Pamela Brown, the U.S. Department of Interior's CNMI Ombudsman, attended OSC's 2010 Grantee Conference in Washington, D.C. During the two-day conference, Ms. Brown was trained on the INA's anti-discrimination provision, OSC's enforcement and educational outreach policies and procedures and its charge investigation process.

Executive Office for Immigration Review Implementation of the Consolidated Natural Resources Act within the Commonwealth of the Northern Mariana Islands

The Department of Justice (DOJ) in conjunction with the Department of Homeland Security (DHS) started to implement federal immigration rules and regulations in the CNMI on November 28, 2009, the transition program effective date. DOJ and DHS issued interim final regulations on October 28, 2009, to implement immigration regulations in the CNMI. *See* 74 Fed. Reg. 55725-55744 (Oct. 28, 2009). The Departments published two additional regulations to address minor drafting corrections. *See* 74 Fed. Reg. 62207 (Nov. 27, 2009) and 74 Fed. Reg. 67969 (Dec. 22, 2009). Additionally, the Departments are working on a final rule implementing immigration regulations in the CNMI.

DOJ has jurisdiction over several immigration matters involving aliens in the CNMI.

- Immigration judges who are part of DOJ's Executive Office for Immigration Review (EOIR) adjudicate removal proceedings brought by DHS, in which aliens are charged as being inadmissible or deportable and may seek relief from removal, and other immigration proceedings.
- EOIR's Board of Immigration Appeals (BIA) adjudicates appeals from the immigration judges, as well as appeals from DHS decisions in certain areas including airline fines and family-based visa cases.
- EOIR's Office of the Chief Administrative Hearing Officer (OCAHO) adjudicates civil penalty cases brought by DHS against employers for violation of the illegal hiring and employment eligibility verification requirements of the Immigration and Nationality Act (INA), as well as civil penalty cases brought by DHS for document fraud.
- The Civil Rights Division's Office of Special Counsel for Immigration Related Unfair Employment Practices (OSC) investigates and brings complaints for violations of the INA's employment discrimination provisions. OCAHO also adjudicates these complaints brought by OSC or by individual victims of employment discrimination seeking civil penalties, hiring/reinstatement, backpay, and other prospective relief.

Actions Undertaken by EOIR

Actions undertaken by EOIR to implement the Federal immigration law include creating the Saipan Immigration Court in November 2009, and designating it as an administrative control court for filing purposes. *See* 8 C.F.R. § 1003.31(a). EOIR currently employs one full-time U.S. citizen contract employee who is assigned to the Saipan Immigration Court.

The Saipan Immigration Court adjudicates removal proceedings brought in the CNMI. Parties to removal proceedings in the Saipan Immigration Court can appeal their decision to the BIA, within EOIR. From November 2009 to date, DHS has brought 341 removal proceedings before the Saipan Immigration Court. Of these, 53 remain pending before the court, and 288 are complete. The BIA has received a total of 57 appeals arising out of decisions of the Saipan Immigration Court. Of these, 49 remain pending before the BIA, and 8 are complete. The small number of removal proceedings initiated in the CNMI does not support assigning a permanent immigration judge to the Saipan Immigration Court. EOIR periodically details immigration judges to the Saipan Immigration Court from the Honolulu Immigration Court to conduct in-person hearings; EOIR also conducts hearings via video-teleconference.

DEPARTMENT OF THE INTERIOR

Background -- Boom And Bust Economy

With the implementation in 1978 of most of the *Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America*, the CNMI began to awaken to new economic potential. Utilizing its (political) family ties to the United States, CNMI control of its minimum wage rate, and CNMI control over its immigration processes, the CNMI rose from island backwater to economic marvel. The booming CNMI economy was based on two sources of outside income: garment manufacturing and tourism.

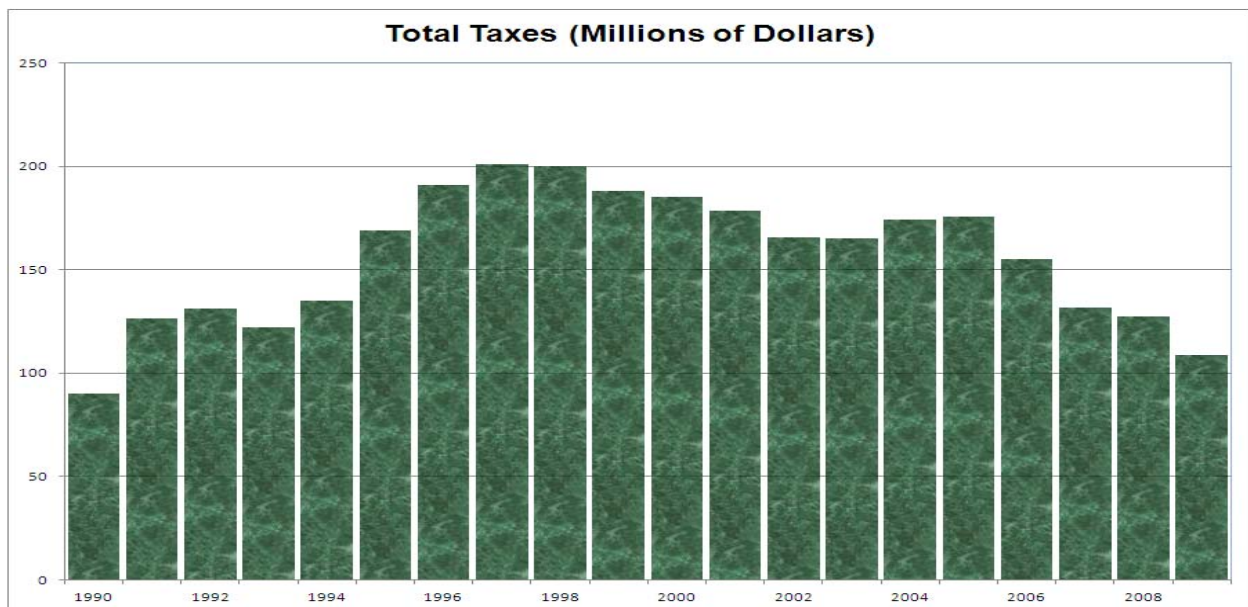
Garment Manufacturing. At its peak in 1999, the garment industry's gross business receipts were \$2.2 billion which produced \$802.9 million in tax receipts for the CNMI government. A steady and economically painful process of winding down of the garment industry began in 2005 when a new global trade regime allowed unlimited garment imports from low-cost producers such as China. Closure of the last three garment factories in the first quarter of 2009 on Saipan marked the end of the CNMI's largest industry and source of taxes.

Tourism. Tourism grew rapidly in the 1980s and early 1990s. Tourist arrivals to the CNMI peaked in 1996 with a total of 736,117 visitors. The downward trend started with the Asian financial crisis in the late 1990s and continued into the 2000s. Continued weakness in tourist arrivals, especially in the mid-2000s, was exacerbated by the unilateral decision by Japan Air Lines (JAL) in 2006 to drop its long-established route. As it turned out, JAL which carried nearly a third of Japanese tourists to and from Saipan, decided to abandon this market because of internal financial issues. But it left a void in the market that no other carrier has filled.

The Fiscal Impact. The closure of the CNMI's garment industry and decline in visitors, especially from Japan, are reflected in the CNMI's financial resources. As noted earlier, the CNMI's tax receipt total in 2009 was 34.3 percent below its 2002 level. Although Federal grants

and programs have helped, the gap left by the loss in garment and tourism taxes has caused painful cuts in government services in all areas. These range from cuts to power production and facility maintenance, austerity measures for government employees, to contributions to retirement funds, even the ability of the CNMI government to post economic and financial data on its web sites.

The proposed CNMI budget for fiscal year 2013 anticipates total receipts of \$120.7 million, of which taxes account for \$108.2 million. The proposed budget for 2013 keeps funding levels the same as for fiscal year 2012, based on the same projections as for fiscal year 2012.³ The budget shows that the CNMI government, the best arbiter of its economic and financial conditions, expects no gain in the fiscal year ahead. The repeat budget for fiscal years 2012 and 2013 with less than \$110.0 million in taxes is the lowest since 1991.



Minimum Wage. The United States Congress put the CNMI on the path to the Federal minimum wage by including the territory in the Fair Labor Standards Act for the first time in 2007.⁴ The CNMI's minimum wage rate (\$3.05 at the time) was to increase 50 cents annually until it equals the Federal rate, which at present is \$7.25 per hour. The annual increments in the minimum wage rate occur on September 30 of every year unless the U.S. Congress delays the increase as it did in 2011. The current minimum wage rate of \$5.05 is valid until September 30, 2012, when it increases to \$5.55 an hour.⁵

³ CNMI Office of the Governor, Proposed Budget for Fiscal Year 2013 (as submitted to the CNMI legislature), dated March 30, 2012, p. 2.

⁴ The same legislation included American Samoa for the first time also.

⁵ <http://www.dol.gov/whd/regs/compliance/posters/cnmi.pdf>

Immigration -- Federal Administration

Enter Federal immigration reform. On May 7, 2008, the President signed the Consolidated Natural Resources Act (Public Law 110-220, which included, in subtitle (a) of title VII, provisions for Federal administration of immigration in the CNMI. At the time, the Congress was well aware that severe economic decline in the CNMI had already taken place. In transferring immigration administration from the CNMI to the Federal government, the Congress made clear that Federal officials were to tailor Federal immigration actions to (1) minimize any negative effect immigration action may have on the CNMI economy, and (2) take positive steps to aid the CNMI economy.

The Secretary of the Interior was assigned three significant tasks: agreement on interagency implementation of the Federal immigration law, a report on alien workers, and the provision of technical assistance to aid the CNMI economy as Federal administration of immigration was implemented

Interagency Agreement on Implementation

In March 2010, Secretary of the Interior entered into an agreement with the Department of Homeland Security, the Department of Labor, Department of Justice, and the Department of State regarding implementation of Federal immigration law. Since the inception of the DHS-led Interagency Group on CNMI Immigration in 2009, the Department of the Interior has also been an active partner in implementing the title VII provisions.

Report on the Alien Worker Population in the CNMI

As instructed by the Congress, the Secretary of the Interior conducted an extensive investigation and survey of the aliens in the CNMI, which resulted in the Secretary's April 2010 *Report on the Alien Worker Population of the Commonwealth of the Northern Mariana Islands*. The report responded to five requests for information:

REQUEST (1): The number of aliens residing in the Commonwealth

Response: As of January 2010, the best available estimated numbers for aliens residing within the CNMI: 20,859 aliens in the CNMI, of which 16,304 are alien workers.

REQUEST (2): A description of the legal status (under Federal law) of such aliens

Response: Each alien who possessed a CNMI entry permit on November 27, 2009, was lawfully present in the CNMI on November 28, 2009 and able to avail himself or herself of the provisions contained in title VII. Based upon available data, approximately ninety-

nine percent of the 20,859 aliens were legally in the CNMI and thus, are not removable under section 212(a)(6)(A) of the INA.

REQUEST (3): The number of years each alien has been residing in the Commonwealth

Response: The following is a summary and estimation of the numbers of aliens according to differing lengths of residence in the CNMI as collected by the Department of the Interior's Federal Ombudsman:

5 years or more	15,816
3 years to 5 years	2,221
6 months to 3 years	1,979
less than 6 months	819
undeclared	24

REQUEST (4): The current and future requirements of the Commonwealth economy for an alien work force

Response: From a sample of ten Saipan Chamber of Commerce firms, the need for temporary alien workers is expected to increase by 15.9 percent between November 2009 and 2014.

REQUEST (5): Recommendations to the Congress

Response: Consistent with the goals of comprehensive immigration reform, the Department of the Interior recommends that the Congress consider permitting alien workers who have lawfully resided in the CNMI for a minimum period of five years to apply for long-term status under the immigration and nationality laws of the United States.

Technical Assistance

The Federal immigration law calls for the Secretary of the Interior (in consultation with the Governor of the CNMI, the Secretaries of Labor and Commerce to provide technical assistance that encourages diversification and growth, will assist in recruiting, training and hiring workers, and will assist in identifying jobs and related skills. In fulfilling this requirement further consultation shall be had with the CNMI government, local businesses, regional banks, and educational institutions, and other CNMI experts.

In order to fulfill the request of the Congress, the Secretary of the Interior organized the November 2010 **Forum on Economic and Labor Development (FELD)**, a cooperative effort between the Department of the Interior and the Government of the Commonwealth of the

Northern Mariana Islands (CNMI) intended to develop a basis for the granting of technical assistance called for in Federal immigration law. Both Governor Benigno R. Fitial and Assistant Secretary Anthony M. Babauta actively participated in the Forum, which highlighted CNMI's need for diversification and growth in the CNMI economy and recruiting, training, and hiring of United States-eligible workers.

In July 2011, the CNMI Department of Commerce submitted a proposal and OIA awarded a \$1M technical assistance grant to:

- Improve CNMI's economy and develop on-the-job training program
 - \$300,000 to hire an economist
 - \$700,000 for on-the-job training program
- The CNMI Department of Commerce decided to sub grant a portion of the TA fund and issued a Public Service Announcement on October 5, 2011, to encourage applicants to submit proposals to develop an on-the-job training program for the following:
 - Agriculture & Aquaculture Enhancement Program: \$150,000 (competitive)
 - Labor Enhancement Program: \$450,000 (competitive)
 - Tourism Hospitality Enhancement Program: \$50,000 (competitive)

In October, 2011, CNMI Commerce and OIA held the CNMI's first job fair with over 800 job-seekers attending with close to 30 employers participating as well. The participating employers, according to the CNMI Commerce data, report hiring close to 100 United States-eligible workers as a result of the job fair's exposure.

The technical assistance grants are to provide assistance for eligible applicants to develop or expand an "on-the-job training program", to train United States-eligible workers (U.S. citizens, FAS Citizens, and green card holders) where the actual jobs are, so that trainees can meet the job requirements and become employable upon completion of training.

In December 2011, the Notice of Award and the Terms and Conditions were issued to awardees. Awardees and amount received are as follows:

- **Agriculture and Aquaculture: \$150,000 (competitive)**
 - i. CNMI Aquaculture Producers Association
 - 1. Awarded - \$90,000.00
 - ii. Saipan Sabalu Farmers Market Inc.
 - 1. Awarded - \$46,000.00
- **Labor Enhancement Program: \$450,000 (competitive)**
 - i. Marianas Resource Conservation and Development Council
 - 1. Awarded - \$145,000.00
 - ii. Northern Marianas Trade Institute

- 1. Awarded - \$134,000.00
- iii. Society for Human Resources
 - 1. Awarded - \$102,000.00
- iv. The Bridge Project Inc.
 - 1. Awarded - \$60,000.00

- **Tourism Hospitality Enhancement Program: \$50,000 (competitive)**
 - i. NONE

Total awarded is \$586,000.00 out of the \$700,000.00. The program that was not awarded is the Tourism Hospitality Enhancement Program as the CNMI Department of Commerce did not qualify anyone. A future announcement and award is being finalized by the CNMI Commerce.

CNMI Commerce planned to issue an RFP to hire an economist using OIA's \$300,000 TA.

The \$1 million is a one-time grant from OIA's technical assistance using moneys remaining in the population and workforce surveys fund. The Federal immigration law did not provide funds for the TA.

Related projects that are funded by OIA programs

- a) In response to CNMI's concerns raised by public and private sectors that application of the Guam prevailing wage rate in the CNMI was inappropriate, Assistant Secretary Anthony M. Babauta, in July 2011, awarded a grant of \$16,150, to the Saipan Chamber of Commerce to conduct a survey that would determine the CNMI's prevailing wage. The survey, titled, "2011 Survey of Wages and Salaries among Specified Jobs and Organizations in the CNMI" was completed on September 30, 2011. The survey is made available to the public on the Chamber's Web site, www.saipanchamber.com.
- b) The CNMI was included in a technical assistant agreement with the Bureau of Economic Analysis (BEA), which provides GDP data for CNMI, American Samoa, Guam and USVI. The technical assistance agreement started in fiscal year 2010 and is subject to annual renewal. The GDP data provide official estimates of economic activity in the CNMI and other territories. BEA was awarded a total of \$1,068,320 in FY 2010. Out of that award, \$568,320 was obligated on August 3, 2010 and \$500,000 was obligated on September 1, 2010. The BEA report on CNMI 2008 and 2009 GDP after its completion was presented to the CNMI on July 14, 2011.
- c) On June 11, 2010, the Marianas Visitor's Authority was awarded a \$350,000 technical assistance grant to update the Northern Mariana Islands Strategic Initiatives for 2006-2010. This plan will include an update of statistics, trends, current issues, analysis, and new strategies for the future. The Tourism Master Plan is critical for decision about marketing strategies, improving CNMI visitor offerings, and assisting the CNMI to become competitive in global tourism markets. More specifically, the

Tourism Master Plan will consist of three fundamental components: Developing the Tourism Framework, Developing the Tourism Master Plan, and Achieving the Plan. The plan was completed and launched on March 16, 2012.

- d) As for informal assistance to DHS, services provided by the Ombudsman's Office in the CNMI, aliens are advised of the procedures available to them under Federal immigration law as well as assist them with interpretation during any interview for which services are requested by the alien. Further, the office assists those who request with completion of various types of forms to apply for the different federal immigration statuses that are available through USCIS. As for those aliens in removal proceedings, we attempt to ascertain the basis for the alien's status in the CNMI and if appropriate, refer them to private attorneys for assistance in representing any possible defense to the immigration court.

The Ombudsman's Office also acts as a liaison between the alien, most of whom are not fluent in English, and the appropriate DHS office from which an alien may be seeking a benefit. This may entail e-mails to DHS counterparts to follow up on the status of the application or telephone calls to customer help lines, if necessary.

The Ombudsman's Office also works closely with HSI regarding potential trafficking victims and provide translation and interpretation services to Micronesian Legal Services for T visa and U visa applications where deemed appropriate for the alien in question.

While trafficking cases are investigated, aliens that are referred by the Ombudsman's Office for investigation of their respective claims are also given food and shelter assistance through OIA and USDOJ technical assistance funding to Karidat as administered by Guma Esperansa. Once a trafficking victim is certified as a victim by the federal government, the Ombudsman coordinates with Guma Esperansa to secure benefits available through USDOL and USHHS.

CONCLUSION

The agencies involved in the interagency group are working well together and expect proper implementation of the Federal immigration law (subtitle (A) of title VII of Public Law 110-229). All of the agencies are mindful of the congressional intent to normalize immigration control in the CNMI under Federal immigration laws while vigilant that they do so with the least adverse economic impact on the CNMI and its businesses. All are similarly cognizant of the immediate need to train U.S. eligible workers within the CNMI to perform the duties presently requiring the continued use of alien workers. Without such focus on training of United States eligible workers and accompanying expansion of its United States workforce, economic recovery and growth will continue to stall or decline. The Administration and the Congress are striving to prevent such an outcome for the people of the CNMI.

Subsection (a) of section 702 of Public Law 110-229

Amendment to Public Law 94-241

Section 6

Subsection (h) Reports to Congress-

(1) IN GENERAL- Not later than March 1 of the first year that is at least 2 full years after the date of enactment of this subtitle, and annually thereafter, the President shall submit to the Committee on Energy and Natural Resources and the Committee on the Judiciary of the Senate and the Committee on Natural Resources and the Committee on the Judiciary of the House of Representatives a report that evaluates the overall effect of the transition program established under section 6 of the Joint Resolution entitled 'A Joint Resolution to approve the 'Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America', and for other purposes', approved March 24, 1976 (Public Law 94-241), as added by subsection (a), and the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) on the Commonwealth.

(2) CONTENTS- In addition to other topics otherwise required to be included under this subtitle or the amendments made by this subtitle, each report submitted under paragraph (1) shall include a description of the efforts that have been undertaken during the period covered by the report to diversify and strengthen the local economy of the Commonwealth, including efforts to promote the Commonwealth as a tourist destination. The report by the President shall include an estimate for the numbers of nonimmigrant workers described under section 101(a)(15)(H) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)) necessary to avoid adverse economic effects in Guam and the Commonwealth.

CNMI GDP Data

	CNMI Gross Domestic Product (Millions of Dollars)							
	2002	2003	2004	2005	2006	2007	2008	2009
Gross Domestic Product	1,222	1,181	1,148	982	914	863	847	716
Personal Consumption Expenditures	538	543	547	502	557	558	588	518
Private Fixed Investment	24	24	42	41	35	24	27	27
Net Exports	293	255	190	66	(42)	(72)	(111)	(169)
Exports	1,077	1,030	1,128	910	729	525	377	219
Goods	848	810	842	668	514	333	172	23
Services	229	220	286	242	215	192	205	196
Imports	784	775	938	845	771	597	488	388
Goods	675	667	808	728	665	514	419	332
Services	109	108	130	117	106	83	69	56
Govt. Consump. Expend. & Gross Invest.	367	358	369	374	364	353	344	339
Federal	14	16	13	17	14	13	16	21
Territorial	353	342	355	357	350	339	327	317
Real GDP (Millions of Chained 2005 Dollars)	1,175	1,189	1,146	982	919	848	746	598
Population (000)	74.4	76.6	78.9	70.6	60.7	58.6	55.2	51.5
Per Capita Real GDP (\$)	15,793	15,522	14,525	13,909	15,140	14,471	13,514	11,612