

NMI SETTLEMENT FUND

POST OFFICE BOX 501247, SAIPAN, MP 96950

September 14, 2023

VIA ELECTRONIC MAIL

Edith E. Deleon Guerrero President 23rd Northern Marianas Commonwealth Legislature Senate P.O. Box 500129 Saipan, MP 96950

Edmund S. Villagomez Speaker **23rd Northern Marianas Commonwealth Legislature** House of Representatives P.O. Box 500586 Saipan, MP 96950

RE: H.B. 23-66, HS1, SS2 ("Budget Bill")

Dear President Deleon Guerrero and Speaker Villagomez:

I am writing to provide comments to the Budget Bill, which will be voted on by the House of Representatives on Friday, September 15, 2023. The Legislature has appropriated the sum of \$936,952 for active employees' health insurance benefits, and the sum of \$1.00 to GHLI for Settlement Class Members. The Budget Bill, in its current form, does not make any provision for 1,218 GHLI Settlement Class Members' health insurance benefits who are members of the CNMI health plan.

The Budget Bill does not comport with the Settlement Agreement because it treats Settlement Class Members differently than current full-time employees by appropriating funds to fund health insurance premiums for current full-time employees and zero to Settlement Class Members. Section 13.0 of the Settlement Agreement mandates that Settlement Class Members be included in the same health and life insurance plans offered to all current full-time employees of the CNMI:

13.0 Government Health and Life Insurance. The Settlement Fund, the Trustee, the Plaintiff and Class Counsel shall not be responsible for the provision or administration of health and life insurance to Settlement Class Members and shall not be responsible for the payment of the costs of such insurance. But the CNMI agrees that it will include all Settlement Class Members in the same government health and life insurance plans and with the same benefits as

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provided to all then current full-time employees of the CNMI. It will be the duty and obligation of the CNMI to pass any legislation necessary to effectuate this paragraph.

Settlement Agreement, § 13.0 (ECF No. 468-1 at 25) (emphasis added). The Budget Bill in its current form only provides funding for full-time Government employees and nothing for Settlement Class Members. This is a clear violation of Section 13.0 of the Settlement Agreement and the NMI District Court's Order dated October 23, 2013.

The Legislature needs to amend the Budget Bill to comply with the Court's Order. I am available to discuss our comments at your convenience.

Sincerely,

Jovce C.H. Tang

cc: Hon. Arnold I. Palacios, Governor Hon. David M. Apatang, Lt. Governor