



**Statement of the National Advocacy Center of the Sisters of the Good Shepherd  
For the Senate Committee on Energy and Natural Resources  
Concerning S. 1634, The CNMI Covenant Implementation Act  
Sr. Gayle Lwanga Crumbley, *National Coordinator*  
Sr. Carol McClenon, RGS  
Alison Prevost, *Lobbyist*  
July 19, 2007**

**National Advocacy Center of the Sisters of the Good Shepherd**  
504 Hexton Hill Road • Silver Spring, MD 20904-3300 • 301-622-6838 • Fax: 301-384-1025  
E-mail: [info@gsadvocacy.org](mailto:info@gsadvocacy.org) • Website: <http://www.gsadvocacy.org>

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U.S. Senate Energy and Natural Resources Committee  
Hearing on The Commonwealth of the Northern Mariana Islands Covenant Implementation Act  
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On behalf of the Sisters of the Good Shepherd and the victims of human trafficking served by Good Shepherd programs and affiliates throughout the world and particularly in the Commonwealth of the Northern Mariana Islands, the National Advocacy Center of the Sisters of the Good Shepherd appreciates this opportunity to share our thoughts and concerns about S. 1634, The Commonwealth of the Northern Mariana Islands Covenant Implementation Act of 2007. The National Advocacy Center of the Sisters of the Good Shepherd represents sisters and programs in 22 states, the District of Columbia, Saipan, and the Virgin Islands. We also collaborate with the Sisters of the Good Shepherd's NGO office in consultative status with the Economic and Social Council and with the Good Shepherd International Office for Justice, Peace and Solidarity in Mission in Rome.

Following the Good Shepherd mission of reconciliation and reaching out to people, especially women and girls who are marginalized by society, Good Shepherd Sisters, Associates, Lay Collaborators, and Volunteers throughout the world have been engaged in efforts to combat human trafficking and assist trafficking victims for many years. The Good Shepherd connection to the Commonwealth of the Northern Mariana Islands began in 1999, when Sr. Mary Stella Mangona was sent by her Provincial Superior to investigate reports of human trafficking and determine if the Sisters could provide assistance or intervention. Sr. Stella continues to work in the CNMI with the Community Guidance Center providing counseling services to both the local and immigrant populations and conducting outreach and educational services related to domestic violence, human rights advocacy for non-resident workers, and trauma recovery and empowerment for victims of human trafficking and sexual assault. She submitted testimony related to her experience and concerns about labor abuses and trafficking for the committee's oversight hearing on February 8, 2007.

Sr. Carol McClenon joined Sr. Stella in Saipan in 2003 to work at Karidat, a non-profit social services agency affiliated with the Catholic Church—the local equivalent of Catholic Charities. Sr. Carol worked at Guma' Esperansa—House of Hope—with Lauri Ogumoro, who also testified before this committee in February. Sr. Carol's work was initially with women and children who had been affected by domestic violence and sexual assault, but beginning in 2005 also came to include work with victims of human trafficking into the CNMI. Since September 2005 until recently, Sr. Carol, at the request of Bishop Tomas A. Camacho of the Diocese of Chalan Kanoa, who had become aware of the growing number of incidents of trafficking coming to the attention of law enforcement and victim service providers, also served as a special liaison to the diocesan office on the topic of human rights in the Diocese, which encompasses all the islands in the CNMI. She worked closely with Sr. Stella Mangona, Lauri Ogumoro, and K.E. (a trafficking survivor), the delegation sent by Bishop Camacho, in their preparation for the committee hearing February on labor and immigration issues in the CNMI. Sr. Carol joined the National Advocacy Center staff in June 2007, but remains in close contact with the CNMI. The Sisters of the Good Shepherd remain committed to anti-trafficking work in the CNMI and have recently missioned Sr. Miriam Phan to Saipan to assist with victim services and translation.

Drawing from these connections, the National Advocacy Center offers this statement in general support of the proposed legislation, S. 1634, but with some reservation and suggestions for improvement. Knowing that the government of the CNMI opposes this legislation creates some

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difficulty for us as those we work with rely on some measure of government cooperation to assist the victims they serve. However, the continuing prevalence of human trafficking on the CNMI necessitates a stronger response than has yet been provided.

During the February 2007 testimony, the members of Bishop Camacho's delegation (and Sr. Carol, as one of his consultants) did not take a position on the hotly-debated topic commonly known on the Islands as "Federalization." They merely supplied information which had been requested about clients with whom we worked and for whom we advocated. At that time, delegation members still cherished some hope that the local government was truly interested in human rights and would make reforms for the purpose of creating a more just society and greatly reducing the incidents of human trafficking and labor law violations. This hope was based on experiences of collaboration with individuals in various government agencies who worked valiantly as investigators, prosecutors, and hearing officers trying to implement laws and reduce an old backlog of labor cases. Here we would particularly like to mention the assistance provided by Assistant Attorney Generals Kevin Lynch and Dorothy Hill, although there were also many others.

The National Advocacy Center and our contacts on the CNMI had hoped that following the hearing, higher-ranking members of the CNMI administration would use the occasion to explore the concerns about human trafficking being brought to their attention and to add credibility to their commitment to ongoing reform. Unfortunately, such has not been the case. The current CNMI administration continues to employ the term "alleged abuses" to imply that reports made by victim services providers and human rights advocates about the problem of trafficking in the CNMI are exaggerated, fabricated, or based on speculation. This is troubling, because such reports stem from documented cases which were mostly referred by local government agencies themselves, or by Federal agencies such as the F.B.I. and the Office of the Federal Ombudsman.

Over the past two years, 43 victims of human trafficking into the CNMI have been referred to Karidat, including 9 victims in the 5 months since the hearing in February. Attached to this statement is a spreadsheet providing more detailed information on these cases. The most recent case referred to Karidat in June may involve an additional 16 victims, possibly including one minor. To understand the extent and continuing prevalence of the problems, one need only compare Karidat's current caseload with its own projections of the number of victims it would serve under the Department of Justice grant (to provide services to pre-certified victims of human trafficking) it applied for and received in December of 2006. In the grant application, Karidat projected it would serve 50 victims during the three-year grant period. However, since the grant began in December, Karidat has already served to 39 human trafficking victims—in just the first six months of the grant.

Unfortunately, in many of these cases investigations languish and victims are held in limbo. Rather than wait for government action, some victims have chosen to return to their home countries without restitution. Moreover, despite evidence of abuse, rumors abound that the victims are only making allegations in order to receive "T" visas (though many were not even aware of such visas when they sought assistance) and in some cases have delayed the

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certification of trafficking victims, which would provide them access to needed social services as they attempt to rebuild their lives.

Representative of these problems and the government's unwillingness to investigate and take action against labor abuses is the story of three female immigrant workers previously employed by the now defunct Benny's Place in Garapan. Promised jobs as waitresses in the CNMI, upon arrival the women were forced to wear skimpy clothes, were subjected to touching by patrons and forced to perform lewd acts with customers. In addition, the women were often forced to clean the homes of their employers, were illegally confined to their barracks, and were not paid promised wages. The three women filed a labor complaint in May 2005, but it wasn't until March of this year that their case was granted a hearing and they were identified as victims of human trafficking and referred to Karidat for assistance. While the employers were ordered by the Labor administrative hearing officer to pay back wages and damages to the victims, the criminal investigation also requested by the hearing office has yet to be acted upon by the Attorney General's Office, despite evidence of additional labor violations by the same employers from a labor hearing earlier in March of this year.

More detailed information about this particular case can be found in two attached news articles from the *Saipan Tribune* and the *Marianas Variety*. Of additional concern to the National Advocacy Center in this case and others is the lack of a victim-centered approach as required by federal anti-trafficking legislation. In addition to having to wait two years before receiving a hearing and needed assistance, the *Saipan Tribune* article reports that the women themselves were fined for Labor violations that were the direct result of their having been trafficked.

Understandably, the government of the CNMI wishes to rehabilitate its tarnished international reputation, but as Sr. Stella Mangona noted in her testimony, this desire has led to a defensive posture by the government, which downplays and refuses to address continuing problems. Quoting Sr. Stella, "[This] climate is not conducive for productive dialogue and search for systemic solutions to serious and ongoing problems." The insistence of the government that it has identified and fixed all of its immigration problems in the face of continuing abuses unfortunately demonstrates the unwillingness of the current administration for true self-reform and perpetuates a corrupt system that prevents people of good will who are working to end abuses from realizing justice.

For these reasons and in solidarity with the victims of human trafficking and labor abuses, the National Advocacy Center of the Sisters of the Good Shepherd believes that federal involvement has become necessary and supports the framework for reform outlined in S. 1634. However, we hope that amendments will provide greater clarity to the legislation in the following areas:

- In all areas regarding immigrant workers, workers' rights and specific references to applicable U.S. labor protections should be included and an appeals process for workers should be outlined, lines of accountability for addressing abuses and for worker redress should be made explicit, and penalties for employers found in violation of fair labor and immigration regulations should be spelled out;

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- It should be made explicit that all U.S. anti-trafficking laws and penalties apply to the CNMI and sufficient funding for enforcement, investigation/prosecution of trafficking and labor abuse cases and victim services should be provided. Technical assistance and training should also be provided to all employees within the new federally administered immigration system on how to recognize, screen and serve victims of human trafficking. Given the prevalence of human trafficking within the region, a funding set aside for regional training/technical assistance for all federal immigration and customs officials should be included.
- The legislation should include clarifications to Violence Against Women Act and provide directions for the yet to be released regulations for the “U” visa to ensure that immigrants to the CNMI have the right to self-petition for relief if they are victims of domestic violence, sexual assault, or other forms of violence.
- Negotiations and cooperative agreements with sending countries should be considered to prevent continued recruitment fraud and falsification of documents;
- In both the GAO and local government reports mandated by the Act, information on efforts to combat human trafficking and the prevalence of trafficking should be required.

The above provides a basic outline for the improvements to the legislation that the National Advocacy Center believes are necessary, but we stand ready to work with the committee in its efforts craft a bill that ensures that all workers on the CNMI are treated with justice, dignity, and respect and that abusive employers and government systems themselves are held accountable.

Understanding the economic difficulties facing the CNMI, the National Advocacy Center is yet grounded in Catholic Social Teaching which states that the beginning, the subject and the goal of all social institutions is and must be the human person and that the economy should be at the service of the people and not the other way around. In the United States Conference of Catholic Bishops’ pastoral letter, *Economic Justice for All*, this fundamental principle is summarized eloquently:

The basis for all that the Church believes about the moral dimensions of economic life is its vision of the transcendent worth -- the sacredness -- of human beings. The dignity of the human person, realized in community with others, is the criterion against which all aspects of economic life must be measured.

All human beings, therefore, are ends to be served by the institutions that make up the economy, not means to be exploited for more narrowly defined goals. Human personhood must be respected with a reverence that is religious. When we deal with each other, we should do so with the sense of awe that arises in the presence of something holy and sacred. For that is what human beings are: we are created in the image of God (Gn 1:27).  
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Given the documented and continuing problems within the CNMI, the National Advocacy Center strongly believes that a new approach to immigration and labor regulation, grounded in the fundamental dignity of every person and respect for human rights, is necessary. We commend the Committee on Energy and Natural Resources and its staff for their work to bring

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justice to the CNMI and Senators Akaka, Murkowski, Cantwell, and Inouye for the introduction of S. 1634. We hope that its passage will provide desperately needed change to the CNMI and create a responsive government system that will be proactive in addressing and preventing abuses. Thank you again for this opportunity to share our concerns.

**Addenda**

**De la Torre, F. (2007, March 30 ). Two owners of defunct club told to pay \$120K. *Saipan Tribune*. Retrieved July 17, 2007 from <http://www.saipantribune.com/newsstory.aspx?newsID=67034&cat=1>**

“Three alien workers who were hired as waitresses under false pretenses were coerced into performing acts of a sexual nature and were restricted to their barracks. One of the employers was also found to have submitted false documents to the CNMI Department of Labor and even to the Philippine government.

As a result, Labor yesterday held the owners of the defunct Benny's Place in Garapan liable to pay a total of \$110,000 in wages and damages to the three waitresses and sanctioned one owner to pay \$10,000 for numerous violations of law.

Labor administrative hearing officer Barry Hirshbein ordered Bienvenida C. Camacho and her former husband, Felipe SN Camacho, to pay \$49,496 to Maritess A. Aurelio, \$30,607.40 to Ronna D. Santo Domingo, and \$30,357.40 to Rosalima C. Oliva.

The awards were for unpaid wages, restriction/overtime payments, contract damages, liquidated damages, health examination payments, health certificate reimbursement, processing fee reimbursement, airfare reimbursement, and housing reimbursement.

Hirshbein said Mrs. Camacho is solely sanctioned in the sum of \$10,000. Her alter ego, Michelle Corp., was also ordered to pay \$1,000 in sanction.

Hirshbein permanently barred Mrs. Camacho and Michelle Corp. from employing nonresident workers in the CNMI.

He noted that while the business operation was conducted in Mr. and Mrs. Camacho's name, it was Mrs. Camacho who made all the business decisions.

The three workers were given 45 days to seek new employers. But they were each ordered to pay a \$250 sanction for violating Labor laws such as failing to report unapproved changes to their contracts and accepting commissions not provided for in the contract.

“The evidence in this case is overwhelming. Mrs. Camacho flagrantly violated numerous provisions of the Nonresident Worker Act and Alien Labor Rules & Regulations,” Hirshbein said.

He pointed out that Mrs. Camacho's testimony lacked any credibility whatsoever.

“Fraud and deceit permeate every aspect of her business activities,” the hearing officer said.

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Hirshbein noted that by her own admission, Mrs. Camacho submitted false documents to the Philippine government and that evidence supports a finding that she also filed false documents to CNMI Labor.

He also noted that there is strong evidence of tax fraud by reporting wages that were not paid; by not reporting commissions as salaries; and by failing to report the employer's share of ladies' drinks as income.

At the hearing, Aurelio, Santo Domingo and Oliva were represented by attorney Mark Hanson. Mrs. Camacho came with counsel Reynaldo Yana, and Mr. Camacho was represented by Stephen Nutting.

On May 23, 2005, the three filed a labor complaint against the Camachos and Michelle Corp.

The workers alleged that respondents failed to pay hourly wages; altered the terms of their employment contract; failed to pay overtime; improperly restricted them to their barracks; and made unlawful deductions from their wages.

The three stated that they were recruited in the Philippines as waitresses but when they arrived on Saipan they learned that their duties would be different.

Aurelio and Oliva testified that Mrs. Camacho instructed them to engage in intimate contact with patrons.

Hirsbein determined that “the weight of the evidence is overwhelmingly in favor of complainants.”

Early this month, Labor administrative hearing officer Herbert D. Soll also found Mrs. Camacho and Michelle Corp. liable to three employees of their defunct Tagpuan Nightclub in Garapan for unpaid wages, “training” wages and wages for reduced hours.

Soll also ordered the respondents Michelle Corp. and Mrs. Camacho to reimburse the workers for house rental, utility payments, processing fees, and medical fees.

The total award was over \$6,000 in that case.”

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**Eugenio, H. (2007, March 30). Alien workers say they were forced to perform sexual acts. *Marianas Variety*, Vol. 35 No.11. Retrieved July 17, 2007 from <http://www.mvariety.com/calendar/march/30/frontpage/front01.htm>**

“LABOR Hearing Officer Barry Hirshbein has asked the Attorney General’s Office to investigate a possible case of human trafficking involving at least six alien workers who were brought here as waitresses but were allegedly coerced by their former employers into performing sexual acts with bar customers, in addition to other possible criminal violations.

The workers were also not paid their hourly wages or overtime, were illegally confined in their barracks, and had illegal deductions made from their wages, among other labor violations.

On Wednesday, Hirshbein issued a 27-page administrative order awarding \$110,000 in wages, damages and liquidated damages to nonresident workers Marites A. Aurelio, Ronna D. Santo Domingo and Rosalina C. Oliva.

Three of their former co-workers, who testified in the labor case, also suffered the same abuses from the employers.

Hirshbein imposed a \$10,000 sanction against the employers: Bienvenida C. Camacho, Felipe SN. Camacho and Michelle Corp. who owned Benny’s Place.

Mrs. Camacho managed the bar and was named as the primary responsible party in these abuses.

The workers testified that their employers would not pay their wages and overtime if they didn’t perform “acts of a sexual nature.”

“The evidence in this case is overwhelming. Respondent Bienvenida C. Camacho flagrantly violated numerous provisions of the Nonresident Worker Act and the Alien Labor Rules and Regulations,” Hirshbein said.

In some instances, Mrs. Camacho instructed the workers to fly from the Philippines to Hong Kong and then depart Hong Kong for Saipan as “tourists” to avoid the Philippine Overseas Labor Office’s requirements of authenticated contracts.

The workers were hired by the employers as waitresses for Benny’s Place, but once they reached Saipan, their duties “were very different.”

The workers testified that Mrs. Camacho instructed them to “engage in intimate contact with patrons including hugging, kissing, touching the customers’ genitals and allowing customers to fondle them.”

“Mrs. Camacho brought these workers into the CNMI under false pretenses,” said Hirshbein. “In addition to the other possible criminal violations suggested by this case, the hearing officer

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recommends that the Office of the Attorney General determine whether there was a violation of the Anti-Trafficking Act of 2005.”

Hirshbein said Mrs. Camacho’s “testimony lacked any credibility,” and that “fraud and deceit permeate every aspect of her business activities.”

By Mrs. Camacho’s own admission, she submitted false documents to the Philippine government to hire the workers.

Mrs. Camacho also submitted false documents to the CNMI Department of Labor based on the evidence, said Hirshbein.

“There is strong evidence of tax fraud by reporting wages that were not paid; by not reporting commissions as salaries; and by failing to report the employer’s share of ladies drinks as income,” said Hirshbein.

The workers were restricted to their barracks during non-working hours, and were required to sign payroll records under threat that they would not receive the commission payments but these payroll records did not reflect the actual amount they receive as wages. The wages were much lower than what was in the contract, and were subject to illegal deductions.

In the order, Hirshbein said nonresident worker Marites A. Aurelio is entitled to receive \$49,496 for unpaid wages and overtime, liquidated damages, contract damages for unexpired term, health examination payments, and processing fee reimbursement.

Ronna D. Santo Domingo is entitled to a total of \$30,607.40, while Rosalima C. Oliva, \$30,357.40.

Hirshbein also permanently barred the respondent employers from employing alien workers in the CNMI.”