



TWENTY-THIRD LEGISLATURE  
COMMONWEALTH OF THE NORTHERN MARIANAS COMMONWEALTH  
LEGISLATURE

**HOUSE OF REPRESENTATIVES**  
**COMMITTEE ON JUDICIARY AND GOVERNMENTAL**  
**OPERATIONS**

P.O. BOX 500586 SAIPAN, MP 96950

**MARISSA R. FLORES**  
CHAIRWOMAN

*RC - 11/22/2024*

STANDING COMMITTEE REPORT NO. 23-93

DATE: October 21, 2024

RE: House Bill No. 23-64

The Honorable Edmund S. Villagomez  
Speaker of the House of Representatives  
Twenty-Third Northern Marianas  
Commonwealth Legislature  
Capitol Hill  
Saipan, MP 96950

Dear Mr. Speaker:

Your Committee on Judiciary and Governmental Operations to which was referred:

H. B. No. 23-64:

“To authorize local inmates in the CNMI Department of Corrections to be paid for work they perform while imprisoned.”

begs leave to report as follows:

**I. RECOMMENDATION:**

After considerable discussion, your Committee recommends that H. B. NO. 23-64, be passed by the House in the form of House Substitute 1.

HOUSE CLERK'S OFFICE  
RECEIVED BY *Jm*  
DATE *11/19/2024* TIME *8:47a*

## II. ANALYSIS:

### A. Purpose:

The purpose of House Bill No. 23-64 is to authorize inmates to be paid for work they perform while imprisoned and to prepare them for successful reintegration into society.

### B. House Substitute:

The Committee adopted House Bill No. 23-64 in the form of House Substitute 1 to clarify and strengthen the original intent and purpose.

### C. Committee Findings:

Your Committee finds that an integral policy of the Commonwealth should be to promote the rehabilitation of inmates and aid in preparing them for successful reintegration into society. The Committee believes that one way that rehabilitation can be promoted in the Commonwealth would be to provide inmates with the opportunity to earn a wage that shall account for the work that they have performed while imprisoned. In addition, by allowing the inmates to earn a wage for the work they perform, it can aid in developing work skills, provides an opportunity for inmates to learn and engage in financial responsibility and most importantly, help build character and self-esteem. Such a policy could bring about significant change within our prison system and may potentially make a big difference in reducing recidivism and bringing down the incarceration rate.

It should be noted that not all jurisdictions in the U.S. provide inmates with the ability to earn a wage for their labor and that hourly rates paid to inmates vary widely for within the jurisdictions that do allow inmates to earn a wage for their labor. Regarding the variances between the hourly rates paid to inmates, the spectrum ranges from up to \$2.00 per hour on the high end and as little as \$0.16 per hour on the low end. Furthermore, this legislation seeks to provide the CNMI Department of Corrections with the authority to pay as much as \$1.00 per hour to the inmates.

Your Committee finds that it would be in the best interest of the Commonwealth to authorize the CNMI Department of Corrections to pay inmates for the work that they perform during their imprisonment. Furthermore, your Committee also finds that the income that inmates could potentially earn, could be applied to costs rendered by the court.

D. Public Comments/Public Hearing:

In a public meeting held on May 31, 2024, the Committee received oral testimonies from the following:

- Mr. Anthony Torres, Commissioner, Department of Corrections.

“In full support of HB 23-64, HS1.”

Oral testimonies can be made available for public inspection upon request.

E. Legislative History:

House Bill No. 23-64 was introduced by Representative Manny Gregory T. Castro, on July 20, 2023, and was referred to the House Standing Committee on Judiciary and Governmental Operations for disposition.

G. Cost Benefit:

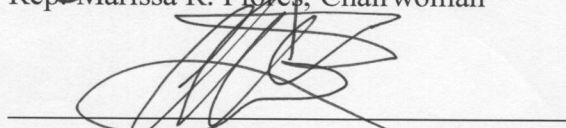
Refer to the attached documents regarding an analysis of the cost benefit impact for the CNMI Government.

**III. CONCLUSION:**

The Committee is in accord with the intent and purpose of H. B. NO. 23-64 and recommends its passage in the form of House Substitute 1.

Respectfully submitted,

  
\_\_\_\_\_  
Rep. Marissa R. Flores, Chairwoman

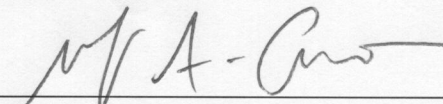
  
\_\_\_\_\_  
Rep. Vincent R.S. Aldan, Member


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Rep. Vicente C. Camacho, Member


  
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Rep. Joel C. Camacho, Vice Chair

  
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Rep. Blas Jonathan “BJ” T. Attao, Member

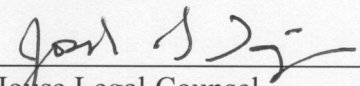
  
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Rep. Manny G.T. Castro, Member

  
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Rep. Malcolm J. Omar, Member

  
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Rep. John Paul P. Sablan, Member

  
\_\_\_\_\_  
Rep. Ralph N. Yumul

Reviewed by:

  
\_\_\_\_\_  
House Legal Counsel

Attachments:

- Cost benefit analysis.
- Detailed description of cost benefit analysis.

In this analysis we take a detailed look the fiscal impact that the CNMI Government could potential incur should the stipulations within HB 23-64, HS1 be implemented which would enable inmates that are incarcerated at the CNMI Department of Corrections facility to earn a wage for the labor that they have performed at a rate of \$1.00 per hour while imprisoned. During the fiscal 2025 budget hearing conducted on June 6th, 2024, by the Commonwealth's 23rd Legislature – Ways & Means Committee for the CNMI Department of Corrections (DOC), Commissioner Torres stated during his presentation, that DOC housed a total of 180 inmates at that time.

For the purpose of this analysis, a total of 180 inmates will be used to calculate the fiscal impact that the CNMI could potentially incur in the future as mentioned by Commissioner Torres during his budget hearing presentation. In addition, we must take into account variances regarding the total cost incurred by the CNMI government depending on the number of hours worked per day, the days per week worked, and the total number of weeks per year that DOC would allow for each inmate. Furthermore, we must also take into account the number or percentage of the 180 inmates housed at the DOC facility.

As an example, we could use an event performed by the employees at the Saipan Mayor's Office where they would conduct the cleaning of secondary roads. In this event, the average hourly salary of the 24 community workers currently working at the Saipan Mayor's comes out to roughly \$13.08. In the event that the Mayor's Office would substitute the labor of their employees with the labor of inmates, the Mayor's Office could realize a cost saving measure of \$12.08 per hour that is substituted with the labor of an inmate.

On the other hand, inmate labor could be used in the event of a private company such as Hawaiian Rock substituting the labor of their workforce for the labor of inmates for specific projects that they could have the inmates perform. If we take into account the average hourly salary of an employee at Hawaiian Rock to be at \$10 an hour, substituting their employees labor for the labor of an inmate would save their company \$9 per employee for the number of hours that the employee would work to have a specific project completed.

While conducting calculations, the variables pertaining to the number of hours, days and weeks per year that are worked for an inmate shall be controlled and remain consistent in each calculation. On the other hand, the variable pertaining to the number or percentage of inmates that are eligible to earn a wage for their worked performed will differ signifying both the low end and high end of the fiscal impact the CNMI Government could incur in the future. In total there will be two separate calculations that will be conducted.

**Percentage of Inmates Earing a Wage for Work Performed: 50%**

Number of Inmates	Hours Worked Per Day	Days Worked Per Week	Weeks Worked Per Year	Hourly Rate Proposed	Total Cost
90	8	5	52	\$1	\$187,200
90	4	5	52	\$1	\$93,600
90	2	5	52	\$1	\$46,800
90	8	3	52	\$1	\$112,320
90	4	3	52	\$1	\$56,160
90	2	3	52	\$1	\$28,080
90	8	1	52	\$1	\$37,440
90	4	1	52	\$1	\$18,720
90	2	1	52	\$1	\$9,360

**Number Inmates Earing a Wage for Work Performed**

Number of Inmates	Hours Worked Per Day	Days Worked Per Week	Weeks Worked Per Year	Hourly Rate Proposed	Total Cost
24	8	5	52	\$1	\$49,920
24	4	5	52	\$1	\$24,960
24	2	5	52	\$1	\$12,480
24	8	3	52	\$1	\$29,952
24	4	3	52	\$1	\$14,976
24	2	3	52	\$1	\$7,488
24	8	1	52	\$1	\$9,984
24	4	1	52	\$1	\$4,992
24	2	1	52	\$1	\$2,496

**Amount Spent for Hawaiian Rock Employees**

Number of Hawaiian Rock Employees	Hours Worked Per Day	Days Worked Per Week	Weeks Worked Per Year	Hourly Rate Proposed	Total Cost
90	8	5	52	\$10	\$1,872,000
90	4	5	52	\$10	\$936,000
90	2	5	52	\$10	\$468,000
90	8	3	52	\$10	\$1,123,200
90	4	3	52	\$10	\$561,600
90	2	3	52	\$10	\$280,800
90	8	1	52	\$10	\$374,400
90	4	1	52	\$10	\$187,200
90	2	1	52	\$10	\$93,600

**Savings for Company**

\$1,684,800
\$842,400
\$421,200
\$1,010,880
\$505,440
\$252,720
\$336,960
\$168,480
\$84,240

**Amount Spent for Mayor's Office Employees**

Number of Mayor's Office Employees	Hours Worked Per Day	Days Worked Per Week	Weeks Worked Per Year	Hourly Rate Proposed	Total Cost
24	8	5	52	\$13.08	\$652,954
24	4	5	52	\$13.08	\$326,477
24	2	5	52	\$13.08	\$163,238
24	8	3	52	\$13.08	\$391,772
24	4	3	52	\$13.08	\$195,886
24	2	3	52	\$13.08	\$97,943
24	8	1	52	\$13.08	\$130,591
24	4	1	52	\$13.08	\$65,295
24	2	1	52	\$13.08	\$32,648

**Savings for Mayor**

\$603,034
\$301,517
\$150,758
\$361,820
\$180,910
\$90,455
\$120,607
\$60,303
\$30,152

**FLOOR AMENDMENT TO H. B. 23-64**

**OFFERED BY: REP. MANNY CASTRO**

**DATE: OCTOBER 17, 2024**

**TO SUBSTITUTE H. B. 23-64 WITH H.B. 23-64, HS1, IN ITS  
ENTIRETY TO READ AS FOLLOWS:**

**TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH**

**LEGISLATURE**

**IN THE HOUSE OF REPRESENTATIVES**

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\_\_\_\_\_ Session, 2024

H. B. 23-64, HS1

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**A BILL FOR AN ACT**

To authorize CNMI Department of Corrections to pay inmates  
and establish work programs

**BE IT ENACTED BY THE 23<sup>RD</sup> NORTHERN MARIANAS  
COMMONWEALTH LEGISLATURE:**

- 1           **Section 1. Findings and Purpose.** The Legislature finds that it is the policy  
2 of the Commonwealth to promote the rehabilitation of inmates and to prepare them  
3 for successful reintegration into society. One way to promote rehabilitation is to

1 provide inmates with the opportunity to earn a wage for work they perform while  
2 imprisoned. Earning a wage can help inmates develop work skills, learn financial  
3 responsibility, and build self-esteem. Such a policy could make a big difference in  
4 reducing recidivism and bringing down the incarceration rate.

5 While some U.S. jurisdictions actually do not pay for inmate labor, the  
6 range for hourly rates that states authorize varies widely. Some states authorize as  
7 low as 16 cents per hour and others authorize as much as \$2.00. This legislation  
8 authorizes DOC to pay as much as \$1.00.

9 The Legislature finds that it would be in the best interest of the  
10 Commonwealth to authorize inmates to be paid for work they perform while  
11 imprisoned. In addition, the Legislature finds that such pay may be applied to costs  
12 ordered by a court.

13 **Section 2. Amendment.** Title 1 CMC § 2882 is amended to add a new  
14 subsection (c) as follows:

15 “(c) Establish inmate pay for work.

16 (1) The Department of Corrections, by promulgation of regulations, shall  
17 establish a process for paying inmates, who have been convicted and are  
18 serving a sentence of confinement, for work they perform within any  
19 program established and supervised by the Division of Corrections. Nothing  
20 in this subsection shall create any entitlement or right to work for a wage



1 and salary. The wages paid to an inmate, subject to adequate funding, shall  
2 be no more than \$1.00 per hour.

3 (2) The Department of Corrections, by promulgation of regulations, may  
4 establish a process for withholding an inmate's wage to pay inmate costs  
5 established by court order, including:

- 6 (i) Restitution to victims of crime;
- 7 (ii) Fines and court costs; and
- 8 (iii) Child support and alimony.

9 Restitution shall be paid in full before an inmate's wage may be withheld  
10 for any other purpose.”

11 **Section 3. Enactment.** Subject to codification by the Law Revision  
12 Commission, a new Section is hereby added to the Commonwealth Code to read as  
13 follows:

14 **“Section 100. DOC Inmate Wage Fund.**

15 (a) The Secretary of Finance shall establish a fund, to be known as the  
16 DOC Inmate Wage Fund, for the purpose of effectuating the  
17 provisions of 1 CMC § 2882(c).

18 (b) All monies appropriated by the Legislature, as well as any other funds  
19 received by the government for the purpose of effectuating 1 CMC  
20 § 2882(c), shall be deposited into the DOC Inmate Wage Fund. The  
21 Secretary of Finance is authorized to administer the DOC Inmate

1 Wage Fund, including the disbursement of funds in accordance with  
2 the provisions of this Section and any applicable regulations.  
3 Expenditures from the DOC Inmate Wage Fund shall be made solely  
4 for the purpose of effectuating 1 CMC § 2882(c) and shall not be  
5 diverted for any other purpose. The Secretary of Finance shall submit  
6 an annual report to the Legislature detailing the status of the DOC  
7 Inmate Wage Fund, including the amount of funds received, the  
8 disbursements made, and the purposes for which the funds were  
9 expended.

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

15 **Section 5. Savings Clause.** This Act and any repealer contained herein shall  
16 not be construed as affecting any existing right acquired under contract or acquired  
17 under statutes repealed or under any rule, regulation or order adopted under the  
18 statutes. Repealers contained in this Act shall not affect any proceeding instituted  
19 under or pursuant to prior law. The enactment of this Act shall not have the effect  
20 of terminating, or in any way modifying, any liability civil or criminal, which shall  
21 already be in existence at the date this Act becomes effective.

HOUSE BILL 23-64, HS1

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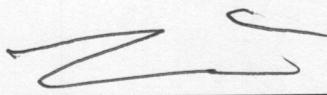
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1           **Section 6. Effective Date.** Once law, either upon approval by the Governor  
2 or upon becoming law without such approval, this Act, shall take effect sixty (60)  
3 days after regulations implementing the Act are promulgated by the Commissioner  
4 of the Department of Corrections.

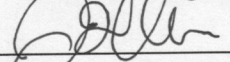
Prefiled:

Date: 10/17/24

Introduced by: \_\_\_\_\_

  
Rep. Manny Gregory T. Castro

Reviewed for Legal Sufficiency by:

 10/17/24  
\_\_\_\_\_  
House Legal Counsel

**TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH**

**LEGISLATURE**

**IN THE HOUSE OF REPRESENTATIVES**

**JULY 28, 2023**

**Fifth Special Session, 2023**

**H. B. 23-64, HS1**

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13 of terminating, or in any way modifying, any liability civil or criminal, which shall  
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15           **Section 6. Effective Date.** Once law, either upon approval by the Governor  
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17 days after regulations implementing the Act are promulgated by the Commissioner  
18 of the Department of Corrections.

Prefiled: 7/20/2023

Date:7/20/2023

Introduced by: /s/ Rep. Manny G. T. Castro

Reviewed for Legal Sufficiency by:

/s/ Joseph L.G. Taijeron, Jr.  
House Legal Counsel

Reviewed for Legal Sufficiency by:

/s/ Joseph M. Hallahan (10/17/2024)  
House Legal Counsel