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PRESS RELEASE

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Most Saipan Banks Accommodating Soudelor Survivors

Capitol Hill, CNMI – Five local banks have agreed to ease policies that are delaying some Typhoon Soudelor survivors from accessing disaster benefits.

Nearly as soon as federal funds began arriving on island, problems arose with survivors not being able to access their funds. Most of the problems involved either payments going to a member of a qualifying household who is not the owner of the household's bank account, or survivors who did not have bank accounts.

To allow Soudelor survivors to begin their recovery, participating local banks agreed to accommodate them. These local banks include Bank of Guam, Bank of Saipan, BankPacific, City Trust Bank, and First Hawaiian Bank.

Banks will typically not cash checks for people who do not have an account with them unless the check is drawn on that bank. Survivor assistance funds going to survivors are not drawn on any bank, but on the U.S. Treasury Department.

However, in this situation many survivors who opened an account still could not immediately access their money. This is because the banks put a hold on funds in newly created accounts for periods of time varying between one and 30 days delaying the survivors' ability to rebuild.

The other problem was an outgrowth of the immigration status issue. Especially with CNMI-Only Transitional Workers (CW), who are the head of a household, but because of their status, are not eligible for Federal Public Benefits. However, a child in the household may be eligible, and therefore, the entire household would qualify. Survivor assistance however can only be paid to the eligible individual. Most banks would not honor a check or electronically transferred funds (ACH) made out to a minor child and endorsed by the parent.

In a public-private partnership, CNMI, the Federal Emergency Management Agency, the Micronesian Legal Services Corporation (MLSC) and the Saipan Chamber of Commerce worked with the banks toward a resolution. MLSC created a form, "Statement of Parent/Person Indorsing on Behalf of Minor Child," that the five banks agreed to accept. The form authorizes parents to handle the transactions to their children.

“My office has been working in close coordination with President Obama’s representative, Mr. Stephen DeBlasio, FCO FEMA, on this matter as well as our local banking institutions, the Chamber, and MLSC. I appreciate the accommodations provided by the participating banks to ease the burden on survivors who truly need their funds to rebuild their homes and property. This is part of the banking institutions’ meeting the needs of the survivors under the Community Reinvestment Act. For those bank institutions who are not participating at this time, I encourage them to do so,” said Mark O. Rabauliman, CNMI Banking Director / Secretary of the Department of Commerce.

Most of the five banks say they also would modify their hold policy for those with a signed form. These forms have been translated into Carolinian, Chamorro, Korean, Simplified Chinese, and Tagalog, and are available at the participating banks or from MLSC.

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