

Dear Director Charles McNally and OMB Reviewers:

CNMIGA.ORG submits this formal comment on the proposed renewal of the Housing Discrimination Complaint Form HUD-903. We strongly support the continued use of a standardized complaint form to enable individuals to report housing discrimination under the Fair Housing Act and related authorities, including the 2022 Violence Against Women Act amendments. The form serves a critical public purpose, and we appreciate HUD's effort to renew OMB approval.

However, our direct experience with the current HUD-903 intake and processing system reveals serious operational and structural deficiencies that prevent the form from effectively capturing and addressing systemic housing discrimination in the Commonwealth of the Northern Mariana Islands (CNMI). These deficiencies directly undermine the statutory goals of the Fair Housing Act and HUD's own anti-discrimination mandates. We therefore urge HUD to revise the form, its instructions, and associated intake procedures before final OMB approval to ensure the collection actually fulfills its intended purpose.

Specific Deficiencies Exposed by CNMI Experience:

1. **Refusal by the Hawaii District Office to Accept or Investigate Complaints Against CNMI Entities** The Hawaii HUD District Office has repeatedly refused to accept, investigate, or even acknowledge properly submitted HUD-903 complaints against CNMI housing programs, citing the CNMI's "block grant designation." This practice effectively shields an entire jurisdiction from federal oversight. The current form and instructions provide no guidance or mechanism for complainants in block-grant territories, resulting in premature administrative closures (as occurred with our February 4, 2025 dismissal). The form must be revised to include clear instructions and a dedicated field requiring HUD to explain any block-grant exemption and to automatically escalate such complaints to FHEO Headquarters and the HUD Office of Inspector General.
2. **Systemic Fraud, Bid-Rigging, Kickbacks, and Family-Connected Contracting at the Northern Marianas Housing Corporation (NMHC)** HUD-funded NMHC programs are plagued by documented sole-source awards, bid-rigging, kickbacks, and family-connected housing and real-estate transactions. The existing HUD-903 form lacks any fields or prompts that would allow a complainant to report these patterns of fraud that directly affect housing opportunities. We request the addition of a "Systemic or Program-Wide Violations" section that expressly invites reporting of fraud, waste, and abuse in HUD-funded housing authorities.
3. **Rampant Discrimination in HUD-Funded Employment Opportunities at NMHC** Employment and contracting opportunities financed by HUD and USDA Rural Development grants are routinely awarded on the basis of familial, political, or ethnic preference rather than merit. The form should be updated to include a checkbox and narrative field for "Discrimination in HUD-Funded Employment or Contracting," with explicit cross-reference to Title VI of the Civil Rights Act and HUD's own equal opportunity requirements.

4. **CNMI Constitution Article 12 Creates an Ongoing, Federally-Funded Violation of Federal Anti-Discrimination Law** Article 12 of the CNMI Constitution restricts permanent and long-term real property interests to persons of Northern Marianas descent (NMD). This racial/ancestral classification directly conflicts with the Fair Housing Act's prohibition on discrimination based on race, color, and national origin. All HUD and USDA Rural Development grants flowing to NMHC therefore subsidize a system that violates the original intent of federal anti-discrimination mandates. The HUD-903 form must be amended to include a specific field or checkbox for "Discrimination Authorized or Enabled by Territorial or Local Law," with mandatory referral to HUD's Office of General Counsel for constitutional review under the 5th and 14th Amendments and the Takings Clause.
5. **Constitutional Violations of the 5th and 14th Amendments and the Takings Clause** By continuing to disburse HUD funds to a jurisdiction that denies non-NMD U.S. citizens equal property rights, HUD effectively participates in the deprivation of life, liberty, and property without due process. American taxpayers and relocated U.S. citizens are deprived of the opportunity to acquire housing on equal terms. The complaint form must explicitly invite allegations that federal funding is being used in a manner that violates the U.S. Constitution, with automatic forwarding to the U.S. Department of Justice for enforcement action.

Requested Revisions to the HUD-903 Form and Process To cure the deficiencies identified above, we respectfully request that HUD:

- Add a "Territorial / Block-Grant Jurisdiction" section with mandatory fields for CNMI, Guam, American Samoa, and Puerto Rico.
- Include a "Systemic / Programmatic Violations" checklist that triggers OIG and DOJ referral.
- Add an express field for constitutional claims tied to local law (e.g., Article 12).
- Require written explanation to the complainant whenever a complaint is closed for "block-grant" or "statute of limitations" reasons, with appeal rights to FHEO Headquarters.
- Mandate training for all intake staff on the unique legal status of CNMI and the interplay between Article 12 and federal fair housing law.

Without these changes, the HUD-903 information collection will continue to produce incomplete and misleading data, allowing systemic discrimination and fraud to persist unchecked in the CNMI. We stand ready to provide additional documentation, including our prior dismissed complaint, congressional correspondence, and audit reports, to assist HUD in implementing these improvements.

Thank you for the opportunity to comment. We urge prompt revision of the form and instructions so that the renewed collection truly advances HUD's mission of fair housing for all Americans, including those in the CNMI.

Respectfully submitted,

/s/ Zaji O. Zajradhara Program Director CNMIGA.ORG

Attachments (available upon request):

- Prior HUD-903 complaint and February 4, 2025 dismissal letter
- CNMI House Resolution 21-5 (for context on local response)
- Relevant excerpts from CNMI FY2021–2022 audits documenting material weaknesses and questioned costs in HUD-funded programs

cc: Office of Management and Budget, Desk Officer for HUD U.S. Department of Justice, Civil Rights Division HUD Office of Inspector General

