



# House Journal

## FIRST REGULAR SESSION, 2006

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First Day, Organizational Session

January 9, 2006

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Mistress of Ceremony: Good morning Ladies and Gentlemen, our ceremony will begin momentarily. May I ask that you please take your seat. Thank you. Welcome to the Inaugural ceremony for the House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature and I am honored to serve as your Mistress of Ceremony for this auspicious occasion. My name is Rika Matsumoto. Ladies and Gentlemen, before we assemble ourselves for the installation of this new Legislature, I am privileged to introduce to you the staff-designates who will be assisting in this organizational session: serving as House Clerk is Ms. Evelyn C. Fleming; Assistant House and Journal Clerk is Ms. Victoria T. Guerrero; as House Sergeant-at-Arms are Messrs. Simeon Lisua and Troy Taisakan; and sitting as House Legal Counsels, we have Mr. Jose A. Bermudes and Ms. Antonette R. Villagomez. At this time, I am privileged to introduce the Honorable Robert C. Naraja, Presiding Judge of the Commonwealth's Superior Court who will administer the Oath of Office to the members-elect of the House of Representatives. Reverend Fr. Isaac M. Ayuyu of the Diocese of Chalan Kanoa will lead us for the Invocation and Pastor Scott Norman of the Calvary Christian Assembly for the Benediction. Ladies and Gentlemen, it is with great honor that I present to you the members-elect of the House of Representatives for the Fifteenth Northern Marianas Commonwealth Legislature by election districts: Representing Election Precinct I (Saipan): Representative-elect Martin Borja Ada; Representative-elect Florencio T. Deleon Guerrero; Representative-elect Joseph Pinaula Deleon Guerrero; Representative-elect Jacinta Matagolai Kaipat; Representative-elect Benjamin Benavente Seman; and Representative-elect Manuel Agulto Tenorio. Representing Election Precinct II (Saipan): Representative-elect Jesus San Nicolas Lizama. Representing Election Precinct III (Saipan & Northern Islands): Representative-elect Francisco Santos Dela Cruz; Representative-elect Arnold Indalecio Palacios; Representative-elect Ramon Angailen Tebuteb; Representative-elect Stanley McGinnis Tudela Torres; Representative-elect Absalon V. Waki, Jr.; and Representative-elect Ray Anthony Naraja Yumul. Representing Election Precinct IV (Saipan): Representative-elect Justo Songao Quitugua; and, Representative-elect Candido Babauta Taman. Representing Election Precinct V (Tinian & Aguiguan): Representative-elect Edwin Palacios Aldan. Representing Election Precinct VI (Rota): Representative-elect Crispin Mangloña Ogo. And last but not the least, representing Election Precinct No. II (Saipan) and acting as Floor Leader Pro-Tem is Representative Oscar Manglona Babauta. Ladies and Gentlemen, it gives me great pleasure to introduce to you the Lieutenant Governor for the Commonwealth of the Northern Mariana Islands, the Honorable Timothy P. Villagomez. And now, I am very honored to call on Speaker Pro-Tem for this Organizational Session of the House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature, the Honorable Benigno Repeki Fitial, outgoing Speaker of the Fourteenth Northern Marianas Commonwealth Legislature and the newly elected Governor of the Commonwealth. Ladies and Gentlemen, please stand and at this time, I call on the Department of Public Safety Color Guards for the Presentation of Colors.

Representative-elect Torres: Madam Mistress. Excuse me for interrupting. The former Speaker of this House of the 14<sup>th</sup> Legislature is now a Governor. He was sworn in at midnight, early this morning. I think that by allowing the Governor to sit, as Pro-Tem is not in line with the Legislative function. There is interference in the House and I would like to see that the former Floor Leader Oscar Babauta be the Speaker Pro-Tem for this session. And if I may call on whoever that can interpret the function of the Governor to call this session Speaker Pro Tem.

Representative-elect Tenorio: May we ask the legal counsel to help us out as to what the protocol is since the Governor-elect is already the Governor of the CNMI? This is the House of Representatives and it is a different branch. We believe that the Governor is infringing on our constitutional rights and the separation of powers as we are elected by the people and are here as their representatives. So I would like to get a clarification from the legal counsel as to where we stand on this, so that we can proceed with our business. Thank you.

Legal Counsel Jose Bermudes: Basically all the statements that were made are correct. However, there is a decision made and the agreement is to make the Governor-elect who was sworn-in last night as Governor be the Speaker Pro-Tem for today until such time that the House of the 15<sup>th</sup> Legislature is organized. So I stand with that ruling that is appropriate and he should proceed as the Speaker Pro-Tem.

Representative-elect Palacios: With all due respect to our Governor, and I mean that from my heart; however, this is a separate branch of the government. Whether or not the majority of the newly elected members of this house put together an agreement, the question is: is it constitutional or legal? I have do now have a problem if it is constitutional and legal. Agreements can be made, but that is the underlying question here is whether it is legal or constitutional. Mr. Legal Counsel?

Legal Counsel Jose Bermudes: Representative-elect Palacios, none of you have been sworn in at this moment and my opinion stands that the Speaker Pro-Tem will be the Governor-elect as agreed by the members or majority of the members, until such time that the Inaugural Session is conducted and the next Speaker of the House takes over.

Representative-elect Torres: Mr. Bermudes, the incoming Speaker, Mr. Babauta, has the number so let him rule this House into a formal organization. *Munga hit na tafan a disatentuyi pago guine yangin ti ma sedi* that Oscar Babauta should sit up there as the Speaker Pro Tem. It is an infringement of Legislative Branch by the Executive Branch at this moment. What is the justifiable reason that the Governor is here to organize?

Legal Counsel Jose Bermudes: Representative-elect Torres, at this moment none of you have been sworn in and the 15<sup>th</sup> Legislature is not organized, so based on that reason, we need to get moving and the Speaker Pro Tem shall be the Governor at this point.

Representative-elect Torres: Mr. Bermudes, kao hayi pago pumupulan i Executive Branch? *Todo i dos, i Governor yan i Lieutenant Governor* -- they are here and they took office at midnight, 12:01 early this morning. They abandoned the Administration, the Office of the People, so that they can come here and dictate this House. I know that I am not sworn in yet, but this will be our House and I ask the Governor to step aside and let the future Speaker of this House rule from the bench.

Legal Counsel Jose Bermudes: Representative-elect Torres, none of us know who is going to be the Speaker until that person is voted in. So in order to do that, we need to get moving and organize the 15<sup>th</sup> Legislature and the Speaker Pro Tem shall be the Governor.

Representative-elect Torres: To avoid future confrontation in legal matters, I think that we should avoid because if the Governor is to stand up there as the Pro Tem Speaker, his organization will be invalid.

Legal Counsel Jose Bermudes: Representative-elect Torres, we have not organized the 15<sup>th</sup> Legislature. If there is a Constitutional problem then so be it, but the Speaker Pro-Tem shall be the Governor.

Representative-elect Torres: Where is the ethics of the separation of powers here? *Mungi i integritin i separation of powers? Mungi i integritin este na guma na i gobietno ha' talo para u fatto magi guine ya para u arekla hit guine?* I mean, members, leadership, *hafa, para in sedi ha' i gobietno na para guiya u dictate hamyo?* Stand up.

Representative-elect Babauta: Let us have a point of order here. And just for the benefit of our distinguished visitors, families and the people of the Commonwealth, the majority have spoken, the majority have indicated their wish who to extend the Chair Pro Tem this morning. There is a written consensus amongst the majority. We, therefore, respectfully request your humble cooperation so that we may move on this morning. I sincerely appreciate your concern. However, a majority of the members have petitioned this legislative body to have the former Speaker Benigno R. Fitial be the Speaker Pro Tem and I hope that all of us understand this so that we may move on with our official inauguration and be sworn in this morning. Thank you very much.

Representative-elect Tenorio: Mr. Legal Counsel, we have not received any notification. I know we are the minorities but there is no notification as to who is going to be placed at the Speaker Pro Tem, and this is a bad precedence. It shows that this House is not capable of organizing itself and it will go on history that on the 15<sup>th</sup> Legislature, it takes an elected Governor to come in and tell us how to organize. I am ashamed of that because I am pretty sure that Representative-elect Babauta is fully capable in conducting this organization so there is no need for any interference in this house. This is the House of Representatives and we are elected to represent our constituents. We have to uphold the integrity of this house as mandated by the constitution. If our action here proves to be invalid in the future, what will happen to all the elected officers? This is the question that you as the legal counsel should anticipate. Thank you.

Representative-elect Babauta: It is not a question whether or not this House can organize itself. It is a question put forth by the majority of the members that signifies their desire to have the former Speaker and now the Governor of the Commonwealth preside over the opening ceremony and that is my least answer that I can give you. I hope that we can all understand this please. Thank you very much. Ready, Mistress of Ceremony, continue.

Mistress of Ceremony: Ladies and Gentlemen, please stand. At this time, I call on the Department of Public Safety Color Guards for the Presentation of Colors and also call on Mr. Gus Kaipat to lead us in the singing of the National and Commonwealth Anthems.

## **PRESENTATION OF COLORS**

The Colors were presented by the Department of Public Safety Color Guards.

The National Anthem was sung.

Mistress of Ceremony: Thank you, gentlemen. At this time, I call on Reverend Father Isaac Ayuyu to lead us in prayer.

## **INVOCATION**

Reverend Father Isaac Ayuyu delivered the invocation.

Mistress of Ceremony: Thank you, Father Ayuyu. Ladies and Gentlemen, please be seated. Ladies and Gentlemen, it is with honor and great pleasure that I call upon the Speaker Pro Tem, the Honorable Benigno Fitial, to call this Organizational Session of the Fifteenth Northern Marianas Commonwealth Legislature to Order.

## **CALL TO ORDER**

The House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature convened in its Organizational Session, on Monday, January 9, 2006, at 10:46 a.m., in the House Chamber, Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

Speaker Pro Tem Benigno R. Fitial: Good Morning representatives-elect, ladies and gentlemen. This Organizational Session which is the day designated by Article II, Section 13 of the Constitution shall now come to order. I will now ask the Clerk to call the roll.

## **CALL OF THE ROLL**

The Clerk called the roll by election districts. All eighteen Representatives-elect were present.

Speaker Pro Tem Fitial: Let the record show that all the Representatives-elect are present in today's Organizational Meeting. I now ask everyone to please rise and I call upon the Honorable Robert Naraja, Presiding Judge of the CNMI Superior Court for the administration of the Oath of Office.

## **SWEARING IN OF MEMBERS**

Presiding Judge Robert Naraja: Please raise your hand and repeat after me.

(The following was repeated by all the Representatives-elect.)

"I do solemnly swear that I will support and defend the Constitution and laws of the Commonwealth of the Northern Mariana Islands, the Covenant to establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, the applicable provisions of the Constitution, laws and treaties of the United States of America, and that I will faithfully discharge my duties to the best of my ability, so help me God."

Presiding Judge Naraja: Congratulations to all of you. Thank you. (Applause)

## ADOPTION OF THE INTERIM RULES

Speaker Pro-Tem Fitial recognized Representative Babauta.

Representative Babauta: Thank you. Mr. Speaker Pro-Tem, I am proud and honored to introduce prefiled House Resolution No. 15-01, to adopt the Interim Rules of the House of Representatives for the Fifteenth CNMI House of Representatives. I move for its adoption.

The motion was seconded.

H. R. NO. 15-01: A House Resolution to adopt the Rules for the House of Representatives, attached herewith Appendix "A"; to appoint an Ad Hoc Committee to review the rules; and for other purposes.

Speaker Pro-Tem Fitial: The floor is open for discussion on the motion to adopt H. R. NO. 15-01. I recognize Representative Arnold Palacios.

Representative Palacios: I would like to ask for the indulgence of the members to have a ten-minute recess so that we can review the Interim Rules that is being proposed for us this morning. Thank you.

Representative Babauta: If I may, Mr. Speaker Pro-Tem, there are no substantial changes from the Rules of the Fourteenth Legislature other than merging the two Standing Committees on Education, and Health and Welfare back into the traditional committee and now becomes the Committee on Health, Education, and Welfare. That is the only substantial change that we made. Thank you.

The Speaker Pro-Tem recognized Representative Tenorio.

Representative Tenorio: I just want to remind Congressman Babauta that there are some new members here who did not have access to the Rules for the Fourteenth Legislature, so I move that we recess for ten minutes. Thank you.

The Speaker Pro-Tem recognized Representative Joseph Deleon Guerrero.

Representative Joseph Deleon Guerrero: Thank you, Mr. Speaker Pro-Tem. Contrary to what was said, there appears to be other changes. [End of tape]

*(The following is a summary of the proceeding that was not recorded.)*

The motion to adopt H. R. NO. 15-01 was carried by Call of the Roll with eleven members voting "yes" and seven members voting "no."

## ELECTION OF SPEAKER

Speaker Pro-Tem Fitial recognized Representative Quitugua.

Representative Quitugua nominated the Honorable Oscar M. Babauta to the Office of Speaker and was seconded by several others.

Speaker Pro Tem Fitial recognized Representative Torres.

Representative Torres nominated the Honorable Arnold I. Palacios to the Office of Speaker and was seconded by several others.

Representative Florencio Deleon Guerrero moved to close nomination, was seconded and carried by voice vote.

**[Beginning of tape]**

Speaker Pro Tem Fitial: Clerk, Call the Roll.

The Clerk called the roll on the motion to elect the Speaker for the Fifteenth Northern Marianas Commonwealth Legislature and the result was as follows:

Representative Martin B. Ada	Oscar M. Babauta
Representative Edwin P. Aldan	Oscar M. Babauta
Representative Oscar M. Babauta	Oscar M. Babauta
Representative Francisco S. Dela Cruz	Oscar M. Babauta
Representative Florencio T. Deleon Guerrero	Oscar M. Babauta
Representative Joseph P. Deleon Guerrero	Arnold I. Palacios
Representative Jacinta M. Kaipat	Oscar M. Babauta
Representative Jesus SN. Lizama	Oscar M. Babauta
Representative Crispin M. Ogo	Oscar M. Babauta
Representative Arnold I. Palacios	Arnold I. Palacios
Representative Justo S. Quitugua	Oscar M. Babauta
Representative Benjamin B. Seman	Arnold I. Palacios
Representative Candido B. Taman	Arnold I. Palacios
Representative Ramon A. Tebuteb	Arnold I. Palacios
Representative Manuel A. Tenorio	Arnold I. Palacios
Representative Stanley T. Torres	Arnold I. Palacios
Representative Absalon V. Jr. Waki	Oscar M. Babauta
Representative Ray N. Yumul	Oscar M. Babauta

Speaker Pro-Tem Fitial: The new Speaker for the 15<sup>th</sup> House of Representatives of the CNMI Legislature is Representative Oscar M. Babauta. I now call upon the Sergeant-at-Arms to please escort the new Speaker to the dais. We now stand recessed.

The Speaker Pro Tem declared a recess at 10:50 a.m.

**RECESS**

The House reconvened at 11:06 a.m.

**ELECTION OF VICE SPEAKER**

Speaker Babauta recognized Representative Kaipat.

Representative Kaipat nominated the Honorable Justo S. Quitugua to be the Vice Speaker and was seconded by several others.

Speaker Babauta recognized Representative Tebuteb.

Representative Tebuteb nominated the Honorable Ray N. Yumul to be the Vice Speaker and was seconded by several others.

Representative Ray N. Yumul declined the nomination.

Speaker Babauta recognized Representative Joseph Deleon Guerrero.

Representative Joseph Deleon Guerrero nominated the Honorable Benjamin Seman and was seconded by several others.

Representative Waki moved to close nomination, was seconded and carried by voice vote.

Speaker Babauta: Clerk, Call the Roll.

The Clerk called the roll on the motion to elect the Vice Speaker for the Fifteenth Northern Marianas Commonwealth Legislature and resulted as follows:

Representative Martin B. Ada	Justo S. Quitugua
Representative Edwin P. Aldan	Justo S. Quitugua
Representative Oscar M. Babauta	Justo S. Quitugua
Representative Francisco S. Dela Cruz	Justo S. Quitugua
Representative Florencio T. Deleon Guerrero	Justo S. Quitugua
Representative Joseph P. Deleon Guerrero	Benjamin B. Seman
Representative Jacinta M. Kaipat	Justo S. Quitugua
Representative Jesus SN. Lizama	Justo S. Quitugua
Representative Crispin M. Ogo	Justo S. Quitugua
Representative Arnold I. Palacios	Benjamin B. Seman
Representative Justo S. Quitugua	Justo S. Quitugua
Representative Benjamin B. Seman	Benjamin B. Seman
Representative Candido B. Taman	Benjamin B. Seman
Representative Ramon A. Tebuteb	Benjamin B. Seman
Representative Manuel A. Tenorio	Benjamin B. Seman
Representative Stanley T. Torres	Benjamin B. Seman
Representative Absalon V. Jr. Waki	Justo S. Quitugua
Representative Ray N. Yumul	Justo S. Quitugua

Speaker Babauta: Thank you. With 11 members voting “yes” and seven members voting “no”, the newly elected Vice Speaker for the 15<sup>th</sup> House of Representatives is Representative Justo S. Quitugua from Election District IV, Saipan. Congratulations Mr. Vice Speaker. At this time, I wish to ask for your indulgence to please rise for a minute. I have been informed that the former Senate President Ponciano “Ponce” Cruz Rasa just passed away this morning at Queen’s Medical Center in Hawaii at approximately 8:05 a.m.

The House observed a moment of silence in honor of the late Senate President, the Honorable Ponciano Cruz Rasa.

### **ELECTION OF FLOOR LEADER**

Speaker Babauta: At this time, the Speaker would like to move along and open the nomination for the position of the House Floor Leader for the 15<sup>th</sup> CNMI House of Representatives, and I recognize the Honorable Representative Waki.

Representative Waki nominated the Honorable Florencio T. Deleon Guerrero for the Office of Floor Leader, and was seconded by several others.

Speaker Babauta recognized Representative Palacios.

Representative Palacios nominated the Honorable Joseph P. Deleon Guerrero for the Office of Floor Leader, and was seconded by several others.

Floor Leader Pro Tem Florencio Deleon Guerrero moved to close nomination; was seconded and carried by voice vote.

Speaker Babauta: Clerk, Call the Roll.

The Clerk called the roll on the motion to elect the Floor Leader for the Fifteenth Northern Marianas Commonwealth Legislature and the result was as follows:

Representative Martin B. Ada	Florencio T. Deleon Guerrero
Representative Edwin P. Aldan	Florencio T. Deleon Guerrero
Representative Oscar M. Babauta	Florencio T. Deleon Guerrero
Representative Francisco S. Dela Cruz	Florencio T. Deleon Guerrero
Representative Florencio T. Deleon Guerrero	Florencio T. Deleon Guerrero
Representative Joseph P. Deleon Guerrero	Joseph P. Deleon Guerrero
Representative Jacinta M. Kaipat	Florencio T. Deleon Guerrero
Representative Jesus SN. Lizama	Florencio T. Deleon Guerrero
Representative Crispin M. Ogo	Florencio T. Deleon Guerrero
Representative Arnold I. Palacios	Joseph P. Deleon Guerrero
Representative Justo S. Quitugua	Florencio T. Deleon Guerrero
Representative Benjamin B. Seman	Joseph P. Deleon Guerrero
Representative Candido B. Taman	Joseph P. Deleon Guerrero
Representative Ramon A. Tebuteb	Joseph P. Deleon Guerrero
Representative Manuel A. Tenorio	Joseph P. Deleon Guerrero
Representative Stanley T. Torres	Joseph P. Deleon Guerrero
Representative Absalon V. Jr. Waki	Florencio T. Deleon Guerrero
Representative Ray N. Yumul	Florencio T. Deleon Guerrero

Speaker Babauta: Thank you, Clerk. By a vote of 11 to 7, the newly elected House Floor Leader for the 15<sup>th</sup> House of Representatives is the Honorable Representative Florencio T. Deleon Guerrero from Election District I, Saipan. Congratulations, Mr. Floor Leader.

#### **NOTIFICATION TO THE GOVERNOR AND TO THE SENATE**

Speaker Babauta appointed Representatives Crispin M. Ogo and Jesus SN. Lizama to notify the Senate, and Representatives Francisco S. Dela Cruz and Edwin P. Aldan to notify the Governor and the Lieutenant Governor that the House is duly organized and ready to conduct business.

The Chair declared the House recessed at 11:19 a.m.

## RECESS

The House reconvened at 11:24 a.m.

Speaker Babauta: The session will reconvene. Representative Ogo, can you report to the House with regard to your assignment.

Representative Ogo: Thank you, Mr. Speaker. Representative Jesus Lizama and I officially informed the Senate that we are organized and ready to conduct business. Thank you, Mr. Speaker.

Speaker Babauta: Thank you. Clerk, is there any notification?

House Clerk Fleming: There is none, Mr. Speaker.

Speaker Babauta: I recognize Representative Tenorio on point of privilege.

Representative Tenorio: I would like to comment under Communications, Mr. Speaker.

Speaker Babauta: Please proceed.

## COMMUNICATIONS

Representative Tenorio: The minority of seven members of the Republican Party wishes to inform the House that we have elected the Honorable Representative Arnold I. Palacios as our Minority Leader and wish to request that your office accord him the opportunity to work with you. Thank you.

Speaker Babauta: Indeed. I will continue to work with the Honorable Representative Palacios, including the members of the minority. My door will be open for each of you. Thank you, and congratulations for being entrusted again, Representative Palacios. At this time, I wish to ask the indulgence of the members, if I may, I have prepared a short statement for this morning.

There was no objection.

Speaker Babauta: Thank you. My Honorable fellow colleagues and my humble dear, only woman in the 15<sup>th</sup> House of Representatives Ms. Cinta Kaipat; to Governor Ben Fitial and Lieutenant Governor Timothy Villagomez; Deputy Assistant Secretary David Cohen; Presiding Judge Naraja; Reverend Isaac Ayuyu; Pastor Norman; families of my fellow colleagues; distinguished dignitaries; mayors and municipal councils of the respective islands; and last but not least, my fellow citizens of the Commonwealth who have shared their time this morning to be with us in this important Inaugural Session. Indeed, good morning and also I wish to extend a happy and cool Commonwealth Day to each and every one of you which is being celebrated today. I first take the honor to thank Governor Ben Fitial for conducting the traditional turnover of leadership today. I also thank the former Vice Speaker, now the Lieutenant Governor Timothy Villagomez for gracing the event of our Inaugural Session this morning. Their presence today is a strong signal that we will work together from this day forward to ensure that we attend to the needs of our people and partners from near and far. We are ready to work with them as they begin their first day in office today at 2:00 p.m. I now digress to the brief remarks that I have prepared for this historic occasion. It is with a great sense of humility that I accept the vote of confidence you have entrusted in me to serve as your Speaker in

the 15<sup>th</sup> CNMI Legislature. I do so weary of the dire financial straits of our local government that have piled up over the past two decades. This is one of the biggest challenges facing each and every policy maker henceforth. The other pertains to major policy reforms that must be addressed with magnanimity; even the dire need to institute stability, specifically on policies that would lure and encourage lasting investments in our island. We owe it, my colleagues, to our people again that we meet under the umbrella of understanding, patience, and cooperation to help facilitate the revival of the local economy. I need not belabor the issues and challenges that we face as we begin this year. We owe it to our people to work together to build real opportunities from planned wealth and job creations now waiting in the wings. Yes, I am also hopeful that as we come to terms with the obvious -- streamlining government expenses in the interest of being able to retire our deficit nearing \$200,000,000.00, while opening real opportunities for fresh investments. Therefore, seek revenues to pay for basic vital services. All of us are aware of this. Governor Fitial and Lieutenant Governor Villagomez this year promises real challenges for both the Executive and, of course, the Legislative Branch of our government. We are prepared to work with you for the good of our people and friends from near and far. Congratulations to all of you. Let this year be known as the year when real fiscal discipline and confidence in the conduct of government is returned to the governance. Once again, I welcome all of you, *Hafa Adai*, thank you, *Un Sen Dankulu na Si Yu'us Ma'ase, Olomwaay Remi*. Thank you.

#### STATEMENTS OF MEMBERS

Speaker Babauta: Any member wish to say any encouraging words this morning? Vice Speaker Quitugua.

Vice Speaker Quitugua: Thank you, Mr. Speaker. Mr. Speaker, congratulations for being elected the Speaker of the 15<sup>th</sup> House of Representatives. I would also like to congratulate all the members in this house. I would like to thank my families, friends, supporters, and colleagues for their support. I would also like to congratulate my good colleague, Arnold Palacios for again being elected the Minority Leader. As a member of this house for another term, I pledge my cooperation and support to all the members of House of Representatives including the Senate and the Administration to find ways to address issues and find solutions of our communities and the Commonwealth in general. I would also like to thank the staff of the Legislative Bureau and all the other people that have put in their time and other resources to make sure that this Inaugural Ceremony is a success. Lastly, I would like to thank everyone present here this morning to witness the 15<sup>th</sup> Legislature work. I am sure that this body will work harmoniously and at heart for the betterment of all the people of the Commonwealth. Thank you.

The Chair recognized the Honorable Benjamin Seman.

Representative Seman: Good morning, Mr. Speaker, distinguished guests, members of the House, Ladies and Gentlemen. Mr. Speaker, we have just officially organized the set up of the House of Representatives and sworn in as official representatives of the people. Today, I would like to ask for your indulgence to allow me to express some personal concerns that might become bigger in scope than the issues of electrical power surcharge, government contribution to the Retirement Fund, Compact Impact funds, Capital Improvement Project (CIP) appropriations, cover-over taxes as contained in the Covenant, among many, many others. Mr. Speaker, it has come to my attention after serving two terms in the House that until and unless a comprehensive and practical institutional plan for the general services of our people is instituted, we will be confronted with piecemeal and senatorial politics which definitely will militate against any type of growth and positive

development. Mr. Speaker and honorable members of the House, our problems are not isolated and unique. The biggest and most complex issue facing us today is the economy. This problem, however, is generally typical world crises especially in those areas where foreign investments fail to benefit the hosting country. Without having to be more detailed, one need not go any further but just look at the statistics on the yearly remittances and profit repatriations. This is not to say that foreign investments is unacceptable but unless such specific investment can contribute to developing a self-reliant commonwealth, it will be nothing more than a moneymaking apparatus for some and a problem making apparatus for us. Mr. Speaker, I do not wish to dwell further on what I have just said, but I always subscribe to the notion that “Good Government is never a substitute for self-Government” and self-government can only be sustained by ensuring a palatable degree of economic independence. In closing, Mr. Speaker and colleagues, Today I would like to express my personal gratitude and *un Sen Dankulu na Si Yu’us Ma’ase* to the countless number of people who have worked so hard for the past six months to place us in office. First and foremost, I would like to extend to my families and friends a Thank You from the bottom of my heart, and on a similar vein, I would like to extend my sincere gratitude to the officers of the Republican Precinct 1 Club chairman and its officers and the planning and strategy committee. Lastly, but not the least, I would like to say thank you to the voters of Precinct 1 and as always, I shall remain worthy of the consideration and I equally promise that I will never ever shift my allegiance or betray that party that carried that torch on my behalf. For better or worse, I shall remain as bona fide Republican congressman representing my precinct and the people of the Commonwealth. Anything less would be tantamount to trust betrayed. Thank you and may God bless us all.

Speaker Babauta: Thank you, Representative Seman. I now recognize Representative Jacinta Kaipat.

Representative Kaipat: Thank you, Mr. Speaker. Distinguished guests, my honorable colleagues, special visitors from different areas and regions of the world who are here, families and the general public: I am so honored to be here with you and we are so grateful that you are here to share this special and very important day with us. Mr. Speaker, I am here to pledge my full support to this body. I am here as a Representative from Precinct I. I thank my constituents from Precinct I who supported me. Even if you did not support me, I thank you anyway for participating in our election process that is, after all, what democracy is. I pledge to you that I will be your voice here. I will listen and learn from each and every single one of you here, outside the office, and in the public. I pledge to you my distinguished colleagues my full cooperation. Even though we all sit here and we were elected by different parties, I pledge to you that if we keep in mind that we are here representing the entire people of the CNMI then we all belong to the same team and to the same party. I want to take this moment to recognize the two distinguished gentlemen who are seated behind me who escorted me into this Chamber. These gentlemen have worked so hard, they represent the general Precinct I constituents out there who supported me. I would like to thank Mr. Alfred Pangelinan and Mr. John Reyes. Thank you, gentlemen. I also want to thank my family members who are here in the lobby and thank my brother Gus Kaipat for gracing us with the National Anthem. I would like to also thank my co-chairs Joe Limes and Chai Lizama and the many various members of my committee, who, without their help, I would not be here. I would like to thank you from the bottom of my heart. I love you all, my door is open, and I am ready to serve you. Thank you very much.

The Chair recognized Representative Tebuteb.

Representative Tebuteb: Thank you, Mr. Speaker. Good Morning and *Tirow. Faisho rel yaami toto relill-yey. Ghillisow ngalighami aramas tolap rel yaami paaiy-li atoll iyo-iye oowsibwe filli bwe ebwe alisighisch me lool imwaal Samool laap Governor me imwaal Congresso. Toomogholl tirow rel schookewe reke bota lool Precinct III rel yaami afili-yey bwe ibwe alisi oowtoll tingoor me remi, me bwaal me-rer aramas tolap. Apiluughluugh rel yaami isis, ebwe a-lleegh lughuul pischey. Weires nge ebwe-pel rel yaami llo aroy. Ghillisow tumoogh.* Mr. Speaker, in consideration of time, I will summarize speech and submit the rest for the Journal. Honorable members of this body, distinguished guests who are in the Gallery, Mayor Tudela, my friends from Palau, my friend Floor Leader Ngareklau and his lovely wife, Delegate Maruir, ladies and gentlemen, families and friends, thank you for being with us this morning. First and foremost, on behalf of my wife, Missy, our children and our families, I would like to express our most sincere gratitude and profound thank you to all those individuals in Precinct III who elected and reelected me these past elections. I am committed to uphold your trust at the highest respect. My conformity to a standard of right is my commitment to you and in particular to our Commonwealth most especially our children. To all my friends, supporters and my committee to reelect led by Chairman Ed Peter, Vice Chairman Frank Mettao and my treasurer Rachel Teregeyo, thank you from the bottom of my heart. Congratulations to you my distinguished incumbent Representatives for your re-election and of course to all newly elected members, congratulations. The next few years in this Chamber should be an opportunity for all of us to set aside political differences and focus on our political similarities for our Commonwealth. I am committed to just doing that. I ask your understanding and assistance. Thank you, Mr. Speaker.

The Chair recognized the Floor Leader.

Floor Leader Deleon Guerrero: Thank you, Mr. Speaker. Good morning honored colleagues, distinguished guests, ladies and gentlemen. I would like to take a moment to thank my colleagues for their support as we come from different political lines or parties, now we join hands with our families. I want to thank my wife and children, the Pan family and my wife's family and the people of the Northern Marianas. I especially thank my constituents from Precinct I for their tremendous support, their vote of confidence that they have bestowed upon me in pursuit of my mission, Mr. Speaker. As a public servant of the 15<sup>th</sup> CNMI Legislature, I will be committed to do my duty to the best of my ability. I respect and will support the concern of the people of the CNMI. Therefore, I assure you, that my colleagues and I will conduct our operations with the utmost efficiency for the CNMI. With that said, I thank you, *Un Dankulu na Si Yu'us Ma'ase, Olomwaay, Salamat po.*

Speaker Babauta: Thank you, Mr. Floor Leader. I wish to thank you in advance for the pastries that are forthcoming from today on. Thank you. I now recognized the Honorable Manny Tenorio.

Representative Tenorio: Mr. Speaker, fellow colleagues, honored guests, ladies and gentlemen, good morning and a warm *hafã adai* to all of you who are present here today. Today marks the beginning of the 15<sup>th</sup> CNMI Legislature as we gather to organize the House of Representatives as the first Order of Business to implement the mandate of the people of the CNMI. I am honored to be part of this endeavor and I am ready to commit myself to the tasks before us. At this time, I would like to take this opportunity to congratulate you, Mr. Speaker, for being elected by our members to be the guiding light of this august body. At the same time, I would like to extend the same honor and recognition to our newly elected Vice Speaker, Representative Justo Quitugua and Florencio T. Deleon Guerrero as the Floor Leader, and my humble congratulations also to all the newly elected and re-elected members of this Legislature. Mr. Speaker, my presence here, and I am sure for most

if not all of us here, is the result of hard work, perseverance and support of many people. I would like, therefore, to take this opportunity to recognize and extend my sincere appreciation to my Committee-to-elect, headed by Chairman, Mr. Antonio Agulto, Vice Chairman, Dr. Jack Tenorio, Treasurer, Mr. Karl Reyes and Secretary, Mrs. Doris Drew, including many supporting members of my Committee. I also want to thank my children, family, friends and all the good people of Precinct I and the CNMI who in one way or another contributed to my successful election to the 15<sup>th</sup> Legislature. I thank them most sincerely for all their support, including financial and in-kind contribution, valuable time spent, and the moral support that gave me incentives to overcome the constraints during the arduous and difficult campaign days. And most especially, I would like to thank them for the vote of confidence and trust they bestowed on me. Thank you all from the bottom of my heart. Mr. Speaker and fellow colleagues, as we embark on the continuation of the work of the 14<sup>th</sup> Legislature, I would like to start by asking for the cooperation of each and every member of this body to focus on the challenges confronting the CNMI. Judging from various reports in the media, I dare say that we have inherited a multitude of problems. The people of the CNMI have given us their trust and confidence that we can confront these maladies and to find solutions for them. The road ahead is difficult and troubling, but it is not insurmountable. It is all the more reason why I ask in this beginning for complete cooperation and unified effort. Mr. Speaker, I henceforth offer my complete cooperation. The health and welfare of our economy top the list of priorities that need to be addressed. We must search for ways to entice new businesses to the CNMI. We must assist our existing businesses to prosper in the way of business-friendly legislations. We should focus our attention on monitoring and enforcing existing statutes affecting businesses. Our local labor force badly needs upgrading if we are to compete with the influx of alien labor. This is a perennial and never ending problem that we must continue to focus on. Our Public School System and the NMI College should play a major role in the development and enhancement of continuing adult and vocational education. I believe that the college should be in partnership with the private sector in developing curriculum and on the job training for skills development in the many vocational areas of work. This Legislature should work with the college in identifying necessary funding to support the program. In the same vein, the issue of minimum wage must be brought to the table for discussion and action during this Congress. This is a must in order to encourage local participation in the private sector and to foster the development of small local industries in the areas of construction, machinery repair, electrical and plumbing needs, subsistence farming, landscaping, tourism services, small scale fisheries, market for local products, and the like. Such developments will eventually build up our local skilled labor force. This will ultimately enhance the development of the private sector, thus resulting in less reliance for local government employment. The alarming increase of 10% in the number of Food Stamp recipients in 2005 that translates into an increase in unemployment should be a concern of this Congress. The need to assist our people to improve their working skills, to expand or increase our labor resources, and therefore decrease the dependence on government employment should be a concern for each of us here. The issue of future growth and the viability of the Northern Marianas Retirement Fund also must be addressed now. The unfunded liability has grown out of proportion and continues to be a big threat to the Retirement Fund. We must revisit the statute that created the Northern Marianas Retirement Fund and make reforms to meet the realities of life. We have inherited a very luxury and generous Retirement Fund System that we cannot afford to maintain any longer. We must streamline the system so that it can operate within the available resources. We must protect the investment of our young working people so that they can live to benefit from it at their retirement age. Sacrifices may be necessary to accomplish this goal, but so be it. The current fuel crisis will continue to haunt us if this new Administration and the Legislature do not work cooperatively. We should continue the cost saving and austerity measures implemented by the last administration. This Legislature should

closely scrutinize any new plan by the new administration to resolve the fuel crisis. I pray that we can all work together to avoid any major disruption to essential public services. Lastly, Mr. Speaker, the large increase in the number of our teenagers and young adults and our public responsibility to nurture their welfare will be a challenge in this 15<sup>th</sup> Legislature and the new administration. I seriously believe that we should not lose focus on the importance of their development and growth from the standpoint of the social, educational, health, welfare and development. We must empower our youth to have more participation in running this government both in their elected capacity as Youth Congress Senators and in their social capacity as potential work force for the Commonwealth. We must pave the way for our youth to take over the helm of government and train them to be responsible and responsive citizens. These are a few items on my agenda that I wish to share with you, Mr. Speaker, and my fellow colleagues. I am sure everyone has his or her list to focus on during our watch in this 15<sup>th</sup> Legislature. Again, Mr. Speaker, I want to pledge my full cooperation to you and the new Leadership in order to protect and safeguard the interests and mandate of our people. Thank you.

Speaker Babauta: Thank you, Representative Tenorio. For those who do not wish to indulge in lengthy remarks, you may submit your prepared statement to the House Clerk for official inclusion in the Inaugural Session Journal. At this time, I would recognize Representative Candido “Candy” Taman from Election District IV.

Representative Taman: Thank you, Mr. Speaker. Good morning fellow colleagues, distinguished guests, particularly those from our neighboring islands representing their respective governments who are here this morning with us, ladies and gentlemen, I owe it to my wife here and my sister and the general public here in the Marianas. I should be the happiest man in this Chamber, this morning. Candido Babauta Taman was born on January 9, 1948.

Speaker Babauta: Happy Birthday.

Representative Taman: But I must admit I have a very, very mixed feeling this morning in this Chamber. Please allow me to manifest that mixed feeling this morning. As a political observer and a political aspirant, I have always prayed to God to see that one of these days this body will restore integrity. We have lost this. And this morning, when I see the way we conduct ourselves this morning, I am very sad that we showed our conduct to the people who came to witness this very solemn occasion when we threatened to infringe upon a very fundamental constitutional obligation for us to uphold and protect the interest of our people. I am very honored to take this opportunity to welcome and thank everyone present this morning to witness this very solemn commitment as we take Oath of Office to begin our journey to find solutions to the difficult challenges ahead of us so we can tailor sound and prudent policies as we try to deliver the much needed public services in this very difficult time. *Mañaina-hu yan mañelu-hu sumen impotante na hami guine pago debi di bai in fan agotti kannai ya bai in che'gue hafa nisisario para i futuron i famaguon-ta gi man mamaila na tiempo. Este na tano, ti tano-ta. Esti na guma, ti guma-ta. Guma i famaguon yan i famaguon-niha yan i famaguon-niha ni man mamaila siha na tiempo. Maila ya ta na anak i respetu ya ta fan afamaulek mo'na, ta na suha este i politika na stomagu, lao, sumen impotante na ta respeta i Constitution ni dumibidi i Eksegatibu, i lehislatura yan i husticia. Tres ramas gi gobiernamento lau guahu ilekhu na quatro guaha. Ya i mas mietgot na ramas, enague todo na man gaige todo guenao huyung. Siha mas mietgot na ramas gobiernamento. Despensa yu kalan dididi agan i boshu lau hu intensiona na para bai hu na huyung estiena sentimiento-ku ya yahu na uma hungok ni todo i man gachong-hu yan i publiko ni man gaige guine pago ya puedi ha u ma'ase si Yu'us ya ha na'i hit pas*

*yan ina'gofli'e ya tafan machochu parehu para i benefision i famaguon-ta yan man taotao-ta.*  
Thank you, *Si Yu'us Ma'ase, Olomwaay.*

The Chair recognized Representative Ray Yumul.

Representative Yumul: Thank you, Mr. Speaker. Congratulations. I would like to thank most especially my parents, my wife, my grandmother -- who has come up from San Roque for me on this special occasion -- and my brothers who are all present today. It has been a very interesting campaign for me, because, as you all know, I was not here. So I owe a great deal of thanks and respect to my family, my supporters and my constituents of Precinct III who believe that I can still put forth a very sound and prudent legislative agenda. And again, the purpose is to help revive the economy, to work with the Governor, the Lieutenant Governor and the Senate and of course 15<sup>th</sup> Legislature in the House. I am very accommodating. I will join the Fifteenth Northern Marianas Commonwealth Legislature with a renewed sense of optimism and humility that we the legislators can bring forth a cohesive civil body to swiftly address the economic turmoil that we are all witnessing. The migration of key businesses to other economically advantageous locations, and the departure of key airlines to our islands, which serve our tourism industry are regrettable but this lull is just temporary as we must adapt and restructure -- a spring cleaning if you will -- so that we may promote the Marianas. We must also allow the new administration to take root and provide this Legislature with innovative proposals and sound public planning in order for the Commonwealth as a whole to once again thrive. I welcome the new members to the Fifteenth Legislature and I value the talent and expertise that they bring, for the people of the Commonwealth have elected us with the trust of providing resourceful, prudent, and industrious legislation to safeguard our limited resources and in due course enhance our way of life. My deployment to Iraq has taught me the value of life and its fragileness. Let us not forget those who have gone to fight for peace, freedom and democracy throughout the world. But foremost, let us especially honor those who have sacrificed their lives because freedom is not free. I will work with all of you, and with that said, I would like to thank everybody for being patient and understanding. Yes, we did have a rough start in the morning but I think we can look for smooth sailing from this point on. Thank you.

Speaker Babauta: Thank you, Representative Yumul. On behalf of the members, not only do we welcome your reelection into the House of Representative but we officially welcome your return from the war zone and congratulations.

The Chair recognized Representative Palacios.

Representative Palacios: Thank you, Mr. Speaker. Mayor Tudela, Mr. Jeff Schorr from the Department of Interior, DOI, honored guests, families, friends, ladies and gentlemen: Today is indeed a special and memorable day for each of us as we take our Oath of Office. It also marks the beginning of what will be a challenging and hopefully, a productive term in the 15<sup>th</sup> Legislature. First, I wish to take this opportunity to extend my sincere gratitude to my family for their sacrifices, steadfast support, and encouragement over the last nine months of campaigning. I am also grateful to the many friends, relatives, supporters, and the CNMI Republican Party for their support of my candidacy this past election. Lastly, I am grateful to the people of Precinct III for the privilege and honor to represent them and the island of Saipan in the 15<sup>th</sup> CNMI Legislature, ever mindful of the enormous responsibilities that come with these privileges and honor. Against a backdrop of increasing costs of government versus a shrinking economy and revenue base and the lack of meaningful employment opportunities for local residents, we in the 15<sup>th</sup> CNMI Legislature are faced

with a daunting challenge. Accomplishing more with less is always a formidable task, as always is. It will take innovative efforts, political will and resolve to accomplish this end. While there is no doubt that the main focus of our tenure in the 15<sup>th</sup> Legislature will be on reviving and/or stabilizing our economy. We must also be mindful of the need for much improvements and better policies in other areas of governance: from the need to improve and mitigate our degraded and polluted lagoon environment, to the precarious state of CNMI Retirement Fund system, to the inadequate health care insurance system, to the issues of failed labor and immigration policies, to reinvigorating the Tourism Industry, to the need to cease the culture of abuses and waste in our entire government. And the list goes on. But, I am hopeful. There is no question that many of us will be proposing ideas in the form of legislations attempting to address most of these issues. I fully intend to engage myself on these issues and others as well. I urge my colleagues to be mindful, that any and all proposals must be clearly be for the benefit and betterment of our people and that of our Commonwealth. Mr. Speaker and members, both individually and collectively should acknowledge the political divide that is the composition of the House of Representatives in the 15<sup>th</sup> CNMI Legislature. How we build consensus and transcend our differences will be critical in whether we will succeed in addressing the many challenges ahead and taking advantage of opportunity for our people and our Commonwealth. I am hopeful that we will. I also hope that decisions in the 15<sup>th</sup> Legislature will be issue-driven and not based on party affiliation or any other reason or motive. In closing, Mr. Speaker and members, I assure you of my cooperation on all issues that are clearly in the interest of our people and our Commonwealth, just as I will assure of my dissent on those that are not. I offer my congratulations to you on your election as the Speaker, to Representative Quitugua on his election to as Vice Speaker, and to Representative Florencio Deleon Guerrero on his election to be the Floor Leader. Thank you, *Si Yu'us Ma'ase, Olomwaay*.

The Chair recognized Representative Waki.

Representative Waki: Thank you, Mr. Speaker. I am going to try to make this short and sweet; but I do not know, people will say that I do not know how to keep things short and sweet because I love talking. First of, I would just like to congratulate you, Mr. Speaker, for being elected as Speaker, Representative Quitugua as Vice Speaker and Representative Florencio Deleon Guerrero as Floor Leader and congratulations to my colleagues here in the 15<sup>th</sup> CNMI House of Representatives for being duly elected by your constituents in your precinct or respective island. Originally, I was not going to run for office. My parents were telling me not to get involve in politics. But the problem here is, if I am not going to get involve with politics, then who will? There is a responsibility in this particular position and it is not an easy responsibility. That I know. I struggled with running for office, because my parents have said, no, no, no; but eventually it came down to my constituents of Precinct III convincing me to run because they had a vision that I probably could be of assistance to the CNMI. Given that, my Mother Lou Waki as well as Vic Waki both gave me their approval to run for office, so I did and I won. Now, I did not just win for myself. I want to thank my Chairman Simeon Odoshi and his wife Alice, and to the Precinct III Club who never stopped supporting me. And even when I thought that it was going to be difficult and I was not going to win, they continually said that I would. I thank them all from the bottom of my heart because I am here as a testament to their believe. I just want to say that the responsibility that I have here in the House of Representative is not a small task. It is actually a very daunting task. This morning at the Inaugural Ceremony for the Board of Education, I was listening to Pastor Scott Norman and he was giving a motivational speech. I just want to let you know that your speech was motivational, Pastor. The one thing that he did reiterate about the importance of being a public servant is not only humility but selflessness, and thank you for that this morning. We are not here because we alone have ideas and

we alone want to implement those ideas. All the ideas that we will be implementing should come from the majority of our constituents not only from our precincts but the entire Commonwealth. We should be open to listen to every comment, argument, and ideas, and take it in and share it amongst us here. I do not believe in political party lines. I ran under a political party but I am now a duly elected Representative for the 15<sup>th</sup> CNMI House of Representatives and at that point, I say I no longer serve a party. I serve the people of the CNMI and I ask my fellow colleagues in this room right now as well as in the Senate that we think about the people. The party may come in and give us all their ideas and thoughts but at the end of the day, when you go out there, and people approach you, can you honestly say, I did this for the people. Because as we even see this morning, there is a party line difference and as my Honorable colleague Candido Taman said, it is sad to see. But again, this is where people say this is politics, and I truly believe that we are not politicians, we are Legislators. And as such, we should uphold that title with honor and respect. I think that the bottom line is we must learn how to communicate with one another. I for one am not here to fight with any of my colleagues. Your ideas, your thoughts, and your issues are probably very valid. We may not all agree but hopefully by the end of the day, we can come to a reasonable compromise and get on with the responsibility of legislating laws and helping our citizens of the CNMI. If I may just say, there is a section in the Bible that says, the Lord will never give you trials that you cannot overcome. We have trials ahead of us as our constituents have mentioned in detail and there is more than what they have to say. So, we have a really daunting task ahead of us and I ask for your humble cooperation that we work together not as political alliances but let us just work as one, as legislators, to do what is best for the CNMI. Mr. Speaker, I thank you very much for this opportunity. Once again, everybody, thank you very much and a warm *Hafa Adai. Si Yu'us Ma'ase, Olomwaay, Maraming Salamat Po, Arigato Gozaimashta*. Happy Commonwealth Day. Thank you.

The Chair recognized Representative Dela Cruz.

Representative Dela Cruz: Thank you, Mr. Speaker. First of all, I would like to congratulate you on being elected as the 15<sup>th</sup> CNMI House Speaker. I would also like to congratulate Representative Quitugua on being elected as the Vice Speaker, Representative “Bobby Pan” Deleon Guerrero as the Floor Leader and Mr. Arnold Palacios as the Minority Leader. Although I did not prepare a statement, I would just like to acknowledge some people that have brought me onto the seat today. First of all, I would like to thank my wife, Lisa, for being there with me through the politics and the campaigns. I would like to thank my family for being there and for understanding. I would also like to thank most especially the people in Precinct III, which include the Northern Islands, and my Chairman, Joe Itibus and his family. They have been always there for me. I am not someone that falls and gives up. I ran during the mid-term election in 2003 and unfortunately I did not make it. But I had the desire to help and to come into this house and put in my two sense worth. I believe that with the composition of this body here today, we can certainly make a difference. What else is there that go wrong? We need to do a rebound right now and go up. Having been elected into office as one of eighteen representatives for the 15<sup>th</sup> Legislature, I feel honored and humbled to be here today with you. More importantly, I feel that the greater task is before us legislators. I am willing to sit down with all members and work towards enhancing the livelihood of our people here in our Commonwealth. Party politics has come and gone. We as legislators must work cooperatively and harmoniously for the benefit of our constituents that we serve. We have been elected in to office as representatives and as public servants. Fittingly, we must at all costs keep in mind that we must give full representation and serve our people to the best of our abilities. Our Commonwealth has come a long ways but still we lack the essential needs and infrastructures for our people. I believe that by working together with the private businesses we can forge a relationship

that is conducive both for government and the business sector within our Commonwealth. Cognizant of the fact that our Commonwealth is faced with an economy that is struggling, I truly believe that by working together in concerted efforts, we can begin to turn things around and make our lives easier in our Commonwealth which we all call home.

The Chair recognized Representative Stanley Torres. [End of Tape]

Representative Torres: Mr. Speaker, Mayor Juan Tudela, Mr. Jeff Schorr, Pastor Scott Norman, honorable colleagues, family, friends, and citizens: I am humbled to be here with you again in this distinguished chamber. Your support and confidence is duly noted and appreciated. I would especially like to recognize my wife, Arlene -- she is not with us today due a personal reason and with good cause, to whom I owe everything -- my daughter-in-law Juanny, and my aunt, Rosalia Salas Concepcion also known as Auntie Lai and her son Achu (Ike) who are always there for me. Congratulations to every one of you who have been voted into the Fifteenth Legislature, which is at a turning point in the history of the CNMI. At the end our term, the CNMI will celebrate its thirtieth birthday, a milestone. A man or woman that age is expected to be mature and provide for the family. We have the same responsibility except our family is sixty thousand. We have an opportunity with the challenges ahead to do what is right for the majority of people, and not just to benefit a few. The economy has to be priority number one. We cannot overspend. Deficit is a bad word. It is worse than a bad word, it is unconstitutional. The main question that is facing all of us in the Commonwealth is: "Are we truly going to see better times in the future, or will we struggle again with another self-serving administration that will lead us into the turmoil of bitter times? As a member of this Congress, I am obligated to represent not only my constituents, but I am also obligated to make sure that our Commonwealth does not become victimized by greed and corruption. I am also obligated to protect the people who challenge the people in power, because I know how it feels to be persecuted by an administration that objects to being challenged. I propose that our current legislature pursue the issues of both an elected attorney general and an elected public auditor, in order to prevent them from acting as puppets for corrupt government officials. I also propose that all elected officials submit to drug testing to gain the trust of our voting public who sometimes wonder about the behavior and actions of our local leaders. Our economy is the most important issue facing the CNMI. Our economic strength is vital in all phases of our Commonwealth lives. The administration cannot keep making excuses for the terrible mismanagement of CNMI taxpayer's money and federal assistance. Every week, we read story after story of government mismanagement, greed, and corruptive practices, which have adversely affected the individual livelihoods of our local residents and visitors. The leaders of the CNMI must realize that island individuals and business leaders are getting extremely tired of the squandering of funds on needless projects, excessive travel, excessive of purchasing of vehicles, and projects that only benefit a few leaders over the welfare of our many CNMI residents. Our quality of life is another very important issue facing our Commonwealth. Without the necessary funding to provide essential services, our people continue to suffer from lack of clean government water, overflowing sewers, power outages and an abused environment. Not only do our local residents suffer, but our major sources of revenue from tourists and investors also suffer. Tourists are getting tired of dirty, red-flagged beaches, tourist sites being targets for robbers and lack of maintenance, and the feeling that the CNMI is spoiled and does not even care to keep our islands safe and clean. There is also the issue of the Commonwealth's global reputation, which is becoming one of an unfriendly business atmosphere and a place of broken dreams. We cannot afford to continually frustrate potential investors with empty promises and keep thinking investors and tourists are dying to come here to paradise, when our island paradise is losing its reputation as a friendly and efficient island for great

tourism and investment. My main focus will be to embrace a sense of “economic integrity” in regards to our government system, hoping that this economic integrity in the legislature will spill over to the executive branch of government. I will introduce legislation to streamline all government agencies, and to also curtail unnecessary travel and wasteful projects until the government has paid all its bills; submits timely retirement payments; and appoints qualified individuals who will carefully watch over our various agencies. I will always keep an open office to listen to anyone’s suggestions or complains. We cannot keep asking Uncle Sam for aid and keep raising our local fees and taxes to bail us out. Uncle Sam is having major problems of his own, like Iraq and Afghanistan; so how can we always depend on the continual assistance from the federal government? We need to garner the strength of our ancestors, who survived in these islands using their bare hands and common sense. The hard work and honesty of our ancestors should be the guiding light of all our current leaders. I promise you that I will try my sincere best to accomplish the goals that lay before me, so help me God. Thank you.

The Chair recognized Representative Ogo.

Representative Ogo: Thank you, Mr. Speaker. Let me begin by recognizing in the crowd Rota Mayor Joseph Songao Inos; and municipal council members from Rota, the Honorable Chairman Joey Quitugua, Vice Chairman Roy Masga, and Secretary Honorable Mametto Ayuyu. Thank you, gentlemen, for being here today. Mr. Speaker, and members of the House, I am proud to take this opportunity to congratulate every member of this House for being elected into office. We will be facing challenging issues such as the price of fuel, electrical power surcharge, revenue collections, passing a fiscal budget and economic growth. These are just the few issues that the people of the CNMI expect of us to find a solution. We should not hide behind stressful excuses. We chose to be in this position in the first place. Let us sway away from political pressures and work together as members of the Legislature. I understand that growing and working together with the Senate and the new Administration with Ben and Tim, the CNMI can grow and prosper for Better Times. Ladies and Gentlemen, my second term of office could not be a success without the hard working members of the Rota Covenant Party. My Committee Chairperson, Mrs. Balbina Taisacan, Vice Chairman Mr. Joaquin Taitano, Mr. Fidel Manglona, Mr. Luis Mesa and most especially Mom Angie, my brothers, sisters and family and you Chairman Joe Hocog. In closing, Mr. Speaker, I pray for the man above and my Father, the late Congressman Ogo, to continue guiding me through another healthy term in office. I would also like to recognize the people of Rota who believe in me to represent them for another term of office. Mr. Speaker, I cannot close my inaugural statement without recognizing the pillar of my life. Members of this House, I am honored to recognize the Angel of Love, my lovely wife from the beautiful island of Palau, Hera. She has stood with me throughout shaken and unbeatable moments of time and we tend to find solutions together for Better Times. Mr. Speaker, may God bless the CNMI and the greatest country of all, the United States of America. Thank you.

The Chair recognized Representative Joseph Deleon Guerrero.

Representative Deleon Guerrero: For a minute there, Mr. Speaker, I thought you had forgotten about me.

Speaker Babauta: The first to register shall be recognized before the last.

Representative Deleon Guerrero: Thank you, Mr. Speaker. Before I start, I would also like to recognize some distinguished ladies amongst us. First, our former colleagues in the 14<sup>th</sup> CNMI House of Representatives *yan uniku na* Congresswoman, former Representative Janet Maratita and our visitor from Guam, Senator Lou Leon Guerrero -- could you please stand up? -- and the two lovely ladies seated behind me, my wife Mercedes and my Mom Antonia. Good morning and congratulations, Mr. Speaker, Mr. Vice Speaker, Mr. Floor Leader and our own Mr. Minority Leader, members of this August Body. I want to extend a warm welcome and *Hafa Adai* to all of our friends, family and distinguished visitors who have joined us here today. I wish to start by congratulating our newly elected representatives who will be starting their political career in the Fifteenth CNMI House of Representatives. Most of you probably share the same ideas I had when I was first elected -- filled with high hopes of enacting laws that would improve the general livelihood of our people and perhaps an opportunity to make a positive difference in the way politics is practiced here in the Halls of Congress. If this holds true to you then I encourage you to follow that course. To those returning members, I hope we can continue to build upon and strengthen the working relationship we have forged since I began working with you. Gentlemen and Lady, the challenges that lie before us should not be taken lightly. Our meager and continually diminishing financial resources will be stretched to deal with such challenges as the continued and expected rise in fuel costs; the need to keep NMI Retirement Fund program solvent and healthy; making sure that government financial obligations are met, all the while making sure that government employees are paid and public services rendered. And these problems will be further exacerbated by the reduction of garment exports and the pull out of Japan Airlines. The new administration has pledged to meet these challenges and make it their priority to resurrect economic growth here in the Commonwealth. I am cognizant of our economic situation and I will support the administration's goal to stimulate the economy. Having said that, I want to emphasize that I will support responsible economic development that will take into consideration the protection our fragile island environment and ones that will not leave us with long term adverse social impacts associated with certain types of industries. Let us not repeat the mistakes of the past when our open arms approach to development left little consideration for such things as proper land-use planning or the need for adequate infrastructure. Our pro-development policy left us with reliance and in fact dependence on cheap nonresident workforce, one that suppressed any attempt to gradually raise the minimum wage, and other social impacts such as over crowding in our schools, long lines to get treatment in our hospitals, and a huge strain on our island infrastructure. As we explore new economic opportunities, let us not forget that the people of this Commonwealth are now the minority in their own land. Let us not forget that each day more babies are being born in the Commonwealth from nonresident workers than from U. S. citizens. There are even some who hold this notion that they are actually entitled to reside here permanently as we have seen with the Dekada Movement. And lastly, let us not forge that our children even those who have returned to the Commonwealth with higher educational qualifications are finding difficulties in getting a job. Let us ensure that the "economic development" we allow in the Commonwealth from this point forward takes into consideration and addresses the concern of our people. Only then can we call it responsible economic growth. Now please bear with me while it take some time to express my appreciation to some truly deserving people. First of all, I want to extend *Un Dangkulu na Si Yu'us Ma'ase* to my Chairman, Mr. Joseph Palacios who is not here with us today. He was called to active duty and left yesterday to answer our nation's call. I ask all of you to keep him in your prayers for a safe journey until he can one day return to his family. To each and every member of my Committee-to-elect, to my immediate and extended families, and all who has in one way or another contributed their time, effort, funds and support to my reelection bid, I offer my most humble appreciation. I also want to extend my sincere thanks to the officers and members of the Precinct I Club and CNMI Republic Party for their

untiring support and assistance. To the people of Precinct I who voted overwhelmingly in my re-election bid, I am honored and humbled by your vote of confidence. On behalf of my wife and family, and from the bottom of my heart, I say to you *Un Sen Dankulu na si Yu'us Ma'ase*. God Bless you all. *Buenas dias*. Thank you.

The Chair recognized Representative Edwin Aldan from the island of Tinian.

Representative Aldan: Good Afternoon, Mr. Speaker and congratulations, to the honorable guests and the people of the Commonwealth and especially to my colleagues, to Mayor Tudela, Mr. Jeff Schorr, Pastor Scott Norman, Delegates from Palau and Senator Lou Deleon Guerrero from Guam, today, I stand before you as a man truly blessed to have the wonderful support of my family, friends and colleagues as I take this next bold step to serve the people of my island and the Commonwealth. Simply put, it is an honor and it is an adventure to stand in front of you as a servant of the public. In my heart I feel an undeniable gratitude for the people of Tinian for giving me the opportunity to stand as a representative of our island in the House of Representatives. My people on the beautiful island of Tinian and my people in of Commonwealth, I make the tireless promise that these two years will not go wasted by self-interest or political infighting. Instead this year will be the beginning of a new period for our island and the Commonwealth; it will be a period of unbridled cooperation for the benefit of our people; it will be a period of renewed direction as we re-evaluate our bearings on the future; and, it will be a period of imagination and creativity as we face the difficulties but not impossible challenges ahead. I thank you for giving me this opportunity to be part of the group of leaders who will open this period. In ending, I pledge in these two years to continually bring the interest of our Commonwealth to the forefront, and to dedicate myself untiringly to embodying the virtues of ethical and inspired leadership. To be a leader will not be an easy weight to bear, but accept the responsibility knowing full well the demands, which my position will require. And to my colleagues in the House of Representatives, let us set forth on this new journey and new legislature with vitality and commitment to strengthen our Commonwealth. In closing again, I give special thanks, *Si Yu'us Ma'ase*, to my wife and her family, my mom, dad and my family for being there during my political times and for your untiring support and to my committee-to-elect members.

The Chair recognized Representative Jesus SN. Lizama.

Representative Lizama: Thank you, Mr. Speaker. Good afternoon to everybody. Pastor Scott Norman, Ladies and Gentlemen. First, I would like to congratulate the newly elected officers of the 15<sup>th</sup> Northern Marianas Commonwealth Legislature. Congratulations Speaker Babauta, Vice Speaker Quitugua, and Floor Leader Deleon Guerrero. Our task is not going to be easy. Our economy is threatening the livelihood of our people. Our revenue is hardly enough to cover the fuel for the Commonwealth Utilities Corporation (CUC) to keep the power on and payroll for our government employees and the pension for our retirees. Our major tasks must be focused on the economy to bring in fresh investments to replace those businesses that are leaving the Commonwealth. Mr. Speaker, I know for sure that our new Governor shares the same concern and in the days ahead, he will be asking for our cooperation to speed up the passage of necessary legislation that focuses on fixing our economy. Time is of the essence and we must be ready to cooperate. Mr. Speaker, *sedi yu ya bai hu fino' Chamorro. Malagu yu bai hu na'i appreciation i Chairman I Covenant Party as Martin Manglona yan lokue iyo-ta Precinct II Club Chairman as Mr. Jack Aguon, yan i membron i Precinct II Club. Lokkue, malagu yu bai hu ekstendi para iyo-ta Ladies Association Chairwoman as Esther Fleming yan iyo-ta staff guine gi Legislative Bureau ni*

*muna pusipble este na espesiat okasion. Lokkue, Mr. Speaker, ti bai hu dingo guine yangin ti bai hu na'i lokkue appreciation para i asaguahu yan i familia yan i famaguon-mami. Sin mas, Mr. Speaker, kongratulasion para todos hamyo ni elected officials. Thank you.*

The Chair recognized the last but not the least Representative Ada.

Representative Ada: Thank you, Mr. Speaker. First I would like to congratulate you, the Vice Speaker, and the Floor Leader for your election into office. This morning, I am with my Mother and my other half, Espi Borja. I would like to extend my profound appreciation to the Committee to Elect and before I continue that I would like to recognized President for Bank of Guam, Senator Lou Leon Guerrero, our ambassadors from Palau, Mayor Tudela, Jeff Schorr and Bill Leon Guerrero and his wife, former Congresswoman Ana Teregeyo and her husband and of course, former Congresswoman Janet U. Maratita. Again, I would like to extend my appreciation to my Committee to re-elect and to the people who voted me into office. My reasons for my alignment with this Leadership from different party would be aired tonight at KMCV channel 7 at 6:00 p.m. Ladies and gentlemen, sometimes in life you make a decision that you have sacrificed for so many years in order for the betterment of the whole. To my colleagues, it is an alignment, it is not a defection at this point in time. I will be announcing my political career. Ladies and gentlemen, it is time that we put politics aside and really make it real. Let us not have this privilege speech time after time and say put politics aside and then we find ourselves fighting again in this two years. Let us make it real for the people out there who are telling us, *basta hit man mumu ya ta fan agoti kannai ya ta na' mauleg mona*. With that, Mr. Speaker, everybody is hungry and we should move on.

#### ANNOUNCEMENTS

Speaker Babauta: That is reason I recognized you last because I know you will be short. Before I call upon Pastor Scott Norman for the Benediction, I wish to officially announce in the Chamber the appointments of the House Standing Committees' Chairs. The Committee on Ways and Means will be chaired by Representative Crispin M. Ogo from Rota. The Committee on Natural Resources will be chaired by Representative Edwin P. Aldan from Tinian. The Committee on Judiciary and Governmental Operations will be chaired by Representative Jacinta M. Kaipat from Saipan. The Committee on Foreign and Federal Relations will be chaired by the Representative Absalon Waki. The Committee on Public Utilities, Transportation, and Communications will be chaired by Representative Francisco S. Dela Cruz, and the Committee on Health, Education, and Welfare will be chaired by Representative Jesus SN. Lizama. The Committee on Commerce and Tourism is to be retained and chaired by Representative Martin Ada. I wish to invite the families of the members, our visiting dignitaries both in government and the private sector, and the entire people of the Commonwealth to join us for lunch right after the adjournment of this Inaugural Session at the east side of this building. I extend that invitation on behalf the House. I wish to acknowledge of the tremendous effort that was put forth by the Legislative Bureau staff in concerted efforts with other people and the employees of each of the Legislative members who made this activity this morning a very beautiful, solemn, and honorable occasion. I wish to also inform the members that the Governor and the Lieutenant Governor humbly requests our presence at their Inaugural Swearing-in Ceremony this afternoon at 2:00 p.m. at the Marianas High School gymnasium. The House and the Senate are officially invited to participate. Once again, the luncheon will be served immediately after the Inaugural Ceremony. Representative Ogo, recognized.

Representative Ogo: Privilege, Mr. Speaker.

Speaker Babauta: State your privilege.

Representative Ogo: I thank you first of all for appointing me as the Chairman of Ways and Means, Mr. Speaker. With the adoption of H. R. No. 15-01, I read Rule VIII of the House Rules, Section 1: The Committee on Ways and Means shall consist of not more than ten members. I would like to share with the members that I intent to include the Minority Leader as a member of the Ways and Means Committee, whether he likes it or not, Mr. Speaker.

Speaker Babauta: Thank you for your thoughtfulness.

Representative Ogo: It is important that we start working together to really look into the Fiscal Budget for the CNMI. Thank you.

Speaker Babauta: Thank you. Please rise.

### **BENEDICTION**

Pastor Scott Norman gave the Benediction.

### **ADJOURNMENT**

Speaker Babauta: Thank you, Pastor Scott Norman. Please be seated. I was just asked to immediately upon adjournment to call the members right up to the podium for a clear shot of all the members only. I now recognized the Honorable Floor Leader Deleon Guerrero.

Floor Leader Deleon Guerrero: Mr. Speaker, I move that this Organizational Session be adjourned.

The motion was seconded and carried by voice vote.

Speaker Babauta: Motion carries. The House stands adjourned subject to the call. (Applause)

The House adjourned at 1:00 p.m.

Respectfully submitted,

/s/

Vicky T. Guerrero  
Assistant House Clerk/Journal Clerk  
House of Representatives



# House Journal

## FIRST REGULAR SESSION, 2006

Second Day

January 18, 2006

The House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature convened its Second Day, First Regular Session, on Wednesday, January 18, 2006, at 2:18 p.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Oscar M. Babauta, Speaker of the House, presided.

A moment of silence was observed.

The Clerk called the roll and all eighteen members were present.

Speaker Babauta: Thank you. We have a quorum to conduct business for today's session.

### ADOPTION OF JOURNALS

None

### PREFILED AND INTRODUCTION OF BILLS

H. B. NO. 15-01: A Bill for an Act to amend 4 CMC § 5951(a) to modify the requirement for a \$100,000 security deposit for foreign investment Certificate applicants; and for other purposes.

Offered by: Rep. Ray N. Yumul and four others

Referred to: Committee on Commerce and Tourism

H. B. NO. 15-02: A Bill for an Act to enact a new Banking Code for the Commonwealth; and for other purposes.

Offered by: Rep. Ray N. Yumul and four others

Referred to: Committee on Commerce and Tourism

H. B. NO. 15-03: A Bill for an Act to authorize public debt in an amount not to exceed \$2,000,000 to fund the purchase of an incinerator; and for the design, construction and to equip an incinerator facility; design, construction and to equip a transfer station in the First Senatorial District; and to create the First Senatorial District incinerator facility fund; and for other purposes.

Offered by: Rep. Crispin M. Ogo and four others

Referred to: Committee on Ways and Means

H. B. NO. 15-04: A Bill for an Act to amend 4 CMC § 5941(a) to require banking institutions holding cash deposits to be members of the Federal Deposit Insurance Corporation and to give the Secretary of Commerce the discretion to waive the security deposit requirement for long term

business certificates if the holder of the certificate has engaged in business in the Commonwealth for ten years or more; and for other purposes.

Offered by: Rep. Joseph Deleon Guerrero and four others

Referred to: Committee on Commerce and Tourism

H. B. NO. 15-05: A Bill for an Act to restrict the Marianas Public Lands Authority from imposing unreasonable homesteading requirements by amending 105(b) of Public Law No. 12-33.

Offered by: Rep. Arnold I. Palacios and three others

Referred to: Committee on Natural Resources

H. B. NO. 15-06: A Bill for an Act to create in the Office of the Governor a Council of Economic Advisers.

Offered by: Rep. Arnold I. Palacios and three others

Referred to: Committees on Judiciary and Governmental Operations & Commerce and Tourism

H. B. NO. 15-07: A Bill for an Act to authorize and direct the assignment of FHA funds, for the financing, design, construction, maintenance and repair of public roads in the Commonwealth of the Northern Marianas Islands; and for other purposes.

Offered by: Rep. Arnold I. Palacios and three others

Referred to: Committee on Ways and Means

H. B. NO. 15-08: A Bill for an Act to amend Public Law 9-22 to earmark five percent (.05) of the taxes collected from the Income tax, Excise tax, Miscellaneous taxes and License Fees, Amusement Machine Tax, Business License Fees, charges for service and other revenues and taxes except the Fuel Tax for the payment of the surcharge fee; and for other purpose.

Offered by: Rep. Arnold I. Palacios and three others

Referred to: Committees on Ways and Means & Public Utilities, Transportation, and Communications

H. B. NO. 15-09: A Bill for an Act to establish an Agricultural Homesteading Program for the Northern Islands of Sarigan, Alamagan, Pagan, and Agrihan; and for other purposes.

Offered by: Rep. Arnold I. Palacios and three others

Referred to: Committee on Natural Resources

H. B. NO. 15-10: A Bill for Act to vest the Commonwealth Utilities Corporation with the management and disposition of certain public land in Sadog Tasi, Saipan for the development of a water reservoir and booster station.

Offered by: Rep. Arnold I. Palacios and three others

Referred to: Committees on Public Utilities, Transportation, and Communications & Natural Resources

H. B. NO. 15-11: A Bill for an Act to establish an Office of Grants Assistance Program under the Office of Management and Budget; and for other purposes.

Offered by: Rep. Arnold I. Palacios

Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-12: A Bill for an Act to amend Chapter 2 under Title 9 of the Commonwealth Code to require the passage and completion of a driver education course as a prerequisite for the issuance of operator's licenses for all persons applying for the first time for a license within the Commonwealth; and for other purposes.

Offered by: Rep. Arnold I. Palacios

Referred to: Committees on Judiciary and Governmental Operations & Health, Education and Welfare

H. B. NO. 15-13: A Bill for an Act to regulate the Land Exchange Program; and for other purposes.

Offered by: Rep. Arnold I. Palacios and three others

Referred to: Committee on Natural Resources

H. B. NO. 15-14: A Bill for an Act to protect pedestrians in the Commonwealth by establishing safe limits on motor vehicle window tinting.

Offered by: Rep. Benjamin B. Seman and six others

Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-15: A Bill for an Act to adopt the "Model State Vital Statistics Act and Regulation Revision" as recommended by the National Center for Health and Statistics and the Centers of Disease Control to establish a uniform system for handling records that satisfy legal requirements as well as meet statistical and research needs at local, state and national levels.

Offered by: Rep. Ramon A. Tebuteb

Referred to: Committee on Health, Education and Welfare

H. B. NO. 15-16: A Bill for an Act to repeal and re-enact 2 CMC §§ 1621-1624 to reallocate from the Managaha Island Landing and User Fee Trust Account; and for other purposes.

Offered by: Rep. Ramon A. Tebuteb and three others

Referred to: Committee on Ways and Means

H. B. NO. 15-17: A Bill for an Act to regulate the ownership and operation of motor scooters by classifying a motor scooter as a motorcycle; and for other purposes.

Offered by: Rep. Martin B. Ada

Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-18: A Bill for an Act require poker license fees to be paid in full prior to the issuance of any license, to provide that the fees shall be nonrefundable; and for other purposes.

Offered by: Rep. Justo S. Quitugua and two others

Referred to: Committee on Ways and Means

H. B. NO. 15-19: A Bill for an Act to authorize the use of the reserved funding for the Public Auditor under 1 CMC § 7831(a) to pay for audits required of any commonwealth department, agency or entity, to be performed by private auditing firms by amending 1 CMC § 7833; and for other purposes.

Offered by: Rep. Justo S. Quitugua and two others

Referred to: Committee on Ways and Means

H. B. NO. 15-20: A Bill for an Act to account for fixed assets and capital goods purchased by the Legislative Branch and for other purposes.

Offered by: Rep. Justo S. Quitugua and two others  
 Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-21: A Bill for an Act to amend Article 1, Chapter 5, Division 6, Title 1 of the Commonwealth Code by adding a new Section 6523 regarding orderly conduct at polling places; and for other purposes.

Offered by: Rep. Justo S. Quitugua and two others  
 Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-22: A Bill for an Act to require the Scholarship Office and any other governmental agency issuing scholarships to provide scholarship recipient lists to governmental entities; and for other purposes.

Offered by: Rep. Justo S. Quitugua and two others  
 Referred to: Committee on Health, Education and Welfare

H. B. NO. 15-23: A Bill for an Act to require the CNMI Superior Court to compensate jury panelists for actual attendance during jury selection.

Offered by: Rep. Justo S. Quitugua and two others  
 Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-24: A Bill for an Act to amend 3 CMC § 4437(e) to restrict aliens to only one employer; and for other purposes.

Offered by: Rep. Justo S. Quitugua and Jacinta M. Kaipat  
 Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-25: A Bill for an Act to require that the CUC bear the cost of connecting residential dwellings to its water, sewer and electrical power systems by amending 4 CMC § 8123(m).

Offered by: Rep. Justo S. Quitugua and two others  
 Referred to: Committee on Public Utilities, Transportations & Communication

H. B. NO. 15-26: A Bill for an Act to amend 1 CMC § 6341; and for other purposes.

Offered by: Rep. Justo S. Quitugua and two others  
 Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-27: A Bill for an Act to authorize the Northern Marianas College to establish the United States Registered Apprenticeship Training Program and to amend 3 CMC § 4424(c)(1); and for other purposes.

Offered by: Rep. Justo S. Quitugua and two others  
 Referred to: Committee on Health, Education and Welfare

H. B. NO. 15-28: A Bill for an Act to amend Section 2 of Public Law 14-87; and for other purposes.

Offered by: Rep. Justo S. Quitugua and two others  
 Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-29: A Bill for an Act to repeal and reenact Section 2(b) of Public Law 14-31; and for other purposes.

Offered by: Rep. Justo S. Quitugua and two others

Referred to: Committee on Ways and Means

H. B. NO. 15-30: A Bill for an Act to increase the Business License Fees by repealing and reenacting 4 CMC § 5611(d); and for other purposes.

Offered by: Rep. Crispin M. Ogo

Referred to: Committee on Commerce and Tourism

H. B. NO. 15-31: A Bill for an Act to reform the laws governing probation and suspended imposition of sentence and to establish an Adult Diversion program in the Commonwealth; and for other purposes.

Offered by: Rep. Jesus SN. Lizama and two others

Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-32: A Bill for Act to mandate a new schedule of monetary assessments against individuals convicted of either a misdemeanor or felony charge(s) to be deposited into a Victim of Crime Assistance Revolving Fund; and for other purposes.

Offered by: Rep. Benjamin B. Seman and four others

Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-33: A Bill for an Act to authorize the Governor reprogramming authority prior to the enactment of a comprehensive appropriations act for fiscal year 2006; and for other purposes.

Offered by: Rep. Crispin M. Ogo and seventeen others

H. B. NO. 15-34: A Bill for an Act to prohibit and sale of used tires in the Commonwealth; and for other purposes.

Offered by: Rep. Ray N. Yumul and seven others

Referred to: Committee on Commerce and Tourism

H. B. NO. 15-35: A Bill for an Act to amend Title 4 CMC § 5594 to provide for the Secretary of Commerce, or his designee, to impose civil fines for violations of the Alcoholic Beverage Code, as the current statue only provides for the suspension and revocation of licenses; and for other purposes.

Offered by: Rep. Ray N. Yumul and nine others

Referred to: Committee on Commerce and Tourism

H. B. NO. 15-36: A Bill for an Act to provide for the regulation of non-bank automated teller machines by adding a new Chapter 10 to Title 4, Division 6; and for other purposes.

Offered by: Rep. Ray N. Yumul and eight others

Referred to: Committee on Commerce and Tourism

H. B. NO. 15-37: A Bill for an Act to declare Martin Luther King Jr. Day a legal holiday in the CNMI and to rename Columbus Day as Commonwealth Cultural Day; and for other purposes.

Offered by: Rep. Jacinta M. Kaipat and eight others

Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-38: A Bill for an Act to repeal and reenact Chapter 4 through 8 of Division 4 of Title 3 of the Commonwealth Code (Nonresident Workers Act), to amend 4 CMC § 5708(a), (b) and (c); and for other purposes.

Offered by: Rep. Jacinta M. Kaipat and seven others  
 Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-39: A Bill for an Act to regulate re-connection fees which the Commonwealth Utilities Corporation, the cable, and telephone companies may charge to its subscribers; and for other purposes.

Offered by: Rep. Manuel A. Tenorio and five others  
 Referred to: Committee on Public Utilities, Transportation & Communications

H. L. B. NO. 15-1: A Local Appropriation Bill for an Act for the Third Senatorial District to appropriate the sum of \$17,269.00 from the fees collected from the bingo and cockfighting; and for other purposes.

Offered by: Rep. Arnold I. Palacios

H. L. B. NO. 15-2: A Local Appropriation Bill for an Act for the Third Senatorial District to appropriate \$1.5 Million from Saipan Local Law 11-2; and for other purposes.

Offered by: Rep. Arnold I. Palacios

H. L. B. NO. 15-3: A Local Appropriation Bill for an Act for the Third Senatorial District to appropriate Two Million Two Hundred Forty Five Thousand Dollars (\$2,245,000.00) from Saipan Local Law 11-2; and for other purposes.

Offered by: Rep. Ramon A. Tebuteb and three others

H. L. B. NO. 15-4: A Local Bill for an Act for the Third Senatorial District to rename the Garapan Street to the "Jesus T. Attao Road" in honor of Jesus T. Attao, distinguished congressman.

Offered by: Rep. Ramon A. Tebuteb and three others

H. L. B. NO. 15-5: A Local Appropriation Bill for an Act for the Third Senatorial District to appropriate \$50,000 from the fees collected pursuant to Saipan Local Law 11-2, as amended by Saipan Local Law 13-8, for the construction and equipment of a Kannat Tabla Basketball Court Facility.

Offered by: Rep. Martin B. Ada

H. L. B. NO. 15-6: A Local Appropriation Bill for an Act for the Third Senatorial District to appropriate One Million Dollars (\$1,000,000.00) from Saipan Local Law 11-2; and for other purposes.

Offered by: Rep. Joseph Deleon Guerrero and six others

Rep. Ogo: Mr. Speaker, the importance of H. B. NO. 15-33 require that we look at this legislation this afternoon. Therefore, I ask to place this House Bill on today's Calendar for action, if there is no objection.

Several members voice "no objection".

Speaker Babauta: There is no objection, it is so ordered.

Rep. Tebuteb: Mr. Speaker, if there is no objection and because of the urgency of our economic situation, I would like to place on the Bill Calendar H. B. NO. 15-16.

Speaker Babauta: We have so many bills introduced this afternoon, and I kindly ask for your indulgence to allow the standing committees and the rest of the membership time to review them. I know that some of these bills have been introduced in the previous legislature. However, I sincerely appreciate your humble cooperation at this time in the interest of allowing the members who have just been inaugurated the ability to partake in committee deliberations and to review them. Be assured that the Chair will continue diligently to prop the standing committees' chairs and committee members to execute such duties of the committees immediately. As I have stated earlier, I will be giving the rest of the members who have not been fitted in their respective offices time to take their comfort and at the same time do work of the legislature. I sincerely appreciate your understanding. Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. Are you also referring to H. B. NO. 15-33?

Speaker Babauta: There was no objection on the floor. I sincerely appreciate your understanding in addressing this measure without further review in that as a result of the Joint Leadership meeting yesterday with the Administration, the financial picture of this government is very, very sad, to a certain extent that there is an impending financial problem that might probably occur this week or the following week. So I beg your indulgence to please allow this one particular bill's disposition on today's session, so we may proceed to act on it immediately. Thank you.

The Chair recognized the Minority Leader.

Rep. Arnold Palacios: Thank you, Mr. Speaker. That is very good and respectful approach to the newly introduced legislation, but I hope, Mr. Speaker, that some of our new chairmen work diligently because some of these legislations have sat sadly in committees in the 14<sup>th</sup> Legislature. So I am very hopeful that the chairmen will work diligently to at least report them out from the committee.

Speaker Babauta: On the same note, since the chairmen will be seeking assistance from all of you to partake in committee membership, I would sincerely urge each of you who have not partaken in any committee membership to engage yourself with the standing committees so that we may move forward with the legislation process. Be assured that the Chair would diligently check on the committees, perhaps not everyday, but a prodding should be in place. Thank you. Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. I guess I will respect that direction and I withdraw my intention on asking for consideration.

#### **PREFILED AND INTRODUCTION OF RESOLUTIONS**

H. R. NO. 15-02: A House Resolution to request that the Marianas Public Lands Authority reserve Lot number 098-D04 and 098-D05 to serve as the new location of the Garapan Elementary School.

Offered by: Rep. Ramon A. Tebuteb

H. R. NO. 15-03: A House Resolution to request that the Marianas Public Lands Authority grant the CNMI Council for Arts & Culture the existing building located at the Fishing Base across the Horiguchi Building to be used as the CNMI Gallery for Arts & Culture.

Offered by: Rep. Ramon A. Tebuteb

H. R. NO. 15-04: A House Resolution to recognize the Honorable Representative Jesus Torres Attao for his distinguished years of service to the people of the Commonwealth of the Northern Mariana Islands as a Congressman of the CNMI House of Representatives.

Offered by: Rep. Justo S. Quitugua and seventeen others

H. R. NO. 15-05: A House Resolution to amend House Resolution No. 15-1.

Offered by: Rep. Ramon A. Tebuteb and four others

### **MESSAGES FROM THE GOVERNOR**

None

### **SENATE COMMUNICATIONS**

None

### **HOUSE COMMUNICATIONS**

HSE. COMM. NO. 15-1: A letter from Representative Crispin M. Ogo informing the members of the newly installed Committee members for the Ways and Means.

Speaker Babauta: If there is no objection, I just received a copy of House Communication 15-1 from the Chairman of Ways and Means informing the House Members of the membership of the committee. As I mentioned earlier, I would be issuing the complete listing of the House committees' composition. I have requested the standing committee chairs to work with the minority members and other members who wish to engage and deliberate in the committees. The committees appreciate your participation. Thank you. I recognize Representative Ogo.

Rep. Ogo: Thank you, Mr. Speaker. I would like to thank Representative Tebuteb for recognizing a word in this communication. I would like to strike out the word, "during".

Speaker Babauta: No objection. It is only typographical error.

### **COMMUNICATIONS FROM THE JUDICIAL BRANCH**

None

### **COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE**

WASH. REP. COMM. NO. 15-1 – [1/11/06] – From Resident Representative Pete A. Tenorio providing four sets of briefing material covering federal relations issues. (Copy of the set will be provided upon request.)

Speaker Babauta: I would like to inform the members that because of the thickness of the documentation that our Honorable Washington Representative has remitted to my office, I have instructed the Clerk to just copy the cover letter of the communication. Please contact my office if you wish to avail yourself a copy. I recognize Representative Palacios.

Rep. Palacios: Mr. Speaker, are these spiral bound?

Speaker Babauta: No, it came in binder form so it is something that is very quick to reproduce.

Rep. Palacios: Thank you, Mr. Speaker.

The Chair recognized Representative Manny Tenorio.

Rep. Tenorio: Mr. Speaker, I just want to comment on the communication from the Washington Representative. I was thinking perhaps you could issue them in a form of CD-ROM so that we can have it available in our computers. It will probably save us more money rather than having to make a copy for each member.

Speaker Babauta: The Chair would definitely get in contact with the Washington Representative's Office and will see if it could be available in that way so that we may have a copy downloaded to the various computers of the members allowing you time to review and make comments.

### **COMMUNICATIONS FROM DEPARTMENTS & AGENCIES**

None

### **OTHER COMMUNICATIONS**

MISC. COMM. 15-1 – [1/10/06] – From Chairwoman Marian DLG. Tudela, informing the Speaker that the Ninth Saipan & Northern Islands Municipal Council is organized and ready to conduct business.

MISC. COMM. 15-2 – [1/12/06] – From Mayor Juan B. Tudela to the Presiding Officers of the Legislature requesting for an appropriation of \$100,000 for the 2006 Liberation Day Festivities.

MISC. COMM. 15-3 – [1/10/06] – From Mayor Juan B. Tudela providing a copy to the Speaker about his request to the Chairman of the SNILD with regard to the bingo and cockfighting licensing fees.

Floor Leader Deleon Guerrero: Mr. Speaker, we have three Miscellaneous Communications under the record at this time. If it is within the indulgence of the Committee of the Whole, Mr. Speaker, maybe we could move and adopt these communications.

Speaker Babauta: Let me just clarify. Do you wish to discuss any of those communications, Floor Leader, or do you just want to let it go?

Floor Leader Deleon Guerrero: At this point, I think we should just let it go until the next session.

Rep. Tenorio: For the purpose of discussion, Mr. Speaker, on MISC. COMM. NO. 15-2, this is an appropriation request for \$100,000 and if we adopt it....

Speaker Babauta: Let me just clarify. I assumed that the Floor Leader was inquiring about those communications and I asked if anyone wished to comment on such communications. On the particular communication you just mentioned, Representative Tenorio, over the last several months, our mayor continues to prop the Saipan and Northern Islands for financial assistance. The Mayor has continued to be given letters of demand for payment for various heavy equipment rentals. As I understand, approximately \$70,000.00 as of this day is owed for rental services to execute the

Mayor's Office's community services such as, helping families with funerals and repairing of various unpaved roads. So I kindly ask that you review those communications so that we can take them up once the Saipan and Northern Islands Delegation is organized. I have also instructed my office to make sure that these communications are delivered to the Delegation for appropriate action. I recognize the Vice Speaker.

Vice Speaker Quitugua: Thank you, Mr. Speaker. I think MISC. COMM. NO. 15-2 is addressed in one of Representative Tebuteb's House Local Bill, H.L.B. No. 15-3 if I am not mistaken.

Speaker Babauta: Noted. Let us move to item number 15.

### **REPORTS OF STANDING COMMITTEES**

None

### **REPORTS OF SPECIAL AND CONFERENCE COMMITTEES**

None

### **UNFINISHED BUSINESS**

None

### **RESOLUTION CALENDAR**

Speaker Babauta: There was no objection to Calendar H. R. NO. 15-4 by the Committee of the Whole. I recognize Representative Tebuteb.

Rep. Tebuteb: Can we go ahead and adopt all the resolutions, Mr. Speaker?

The Chair called for a short recess.

The House recessed at 2:46 p.m.

### **RECESS**

The House reconvened at 2:48 p.m.

Speaker Babauta: Our understanding during recess is that, H. R. No. 15-05 shall be referred to the Ad Hoc Committee for immediate action. Floor Leader, I hereby, again, appoint you to Chair the Ad Hoc Committee to address the House Rules of the Fifteenth House of Representatives and take into consideration the submission of H. R. No. 15-05.

Floor Leader Deleon Guerrero: Thank you, Mr. Speaker.

Speaker Babauta: I recognize the Floor Leader for the motion to suspension of Rule VII, Section 9, so that we may adopt H. R. NO. 15-2, H. R. NO. 15-3, and H. R. NO. 15-4.

Floor Leader Deleon Guerrero: I so moved, Mr. Speaker, to suspend Rule VII, Section 9.

The motion was seconded and carried by voice vote.

Speaker Babauta: I move for the adoption of H. R. No. 15-02, H. R. No. 15-03 and H. R. No. 15-04.

The adoption motion was seconded.

H. R. NO. 15-02: A HOUSE RESOLUTION TO REQUEST THAT THE MARIANAS PUBLIC LANDS AUTHORITY RESERVE LOT NUMBER 098-D04 AND 098-D05 TO SERVE AS THE NEW LOCATION OF THE GARAPAN ELEMENTARY SCHOOL.

H. R. NO. 15-03: A HOUSE RESOLUTION TO REQUEST THAT THE MARIANAS PUBLIC LANDS AUTHORITY GRANT THE CNMI COUNCIL FOR ARTS & CULTURE THE EXISTING BUILDING LOCATED AT THE FISHING BASE ACROSS THE HORIGUCHI BUILDING TO BE USED AS THE CNMI GALLERY FOR ARTS & CULTURE.

H. R. NO. 15-04: A HOUSE RESOLUTION TO RECOGNIZE THE HONORABLE REPRESENTATIVE JESUS TORRES ATTAO FOR HIS DISTINGUISHED YEARS OF SERVICE TO THE PEOPLE OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS AS A CONGRESSMAN OF THE CNMI HOUSE OF REPRESENTATIVES.

Speaker Babauta: The floor is now open for discussion and I recognize Representative Tebuteb.

Rep. Tebuteb: Mr. Speaker, there is a minor oversight on my part on H. R. NO. 15-02. Please delete the words, “the Senate concurring” on line 19.

Speaker Babauta: Please make note of the necessary typographical correction. I recognize Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: Mr. Speaker, I wanted to ask the author since two out of all three resolutions are from the same author, as far as H. R. No. 15-02 and H. R. No. 15-03, Mr. Speaker, those I believe merit individual discussions. [End of tape] ... [Beginning of tape] .... H. R. No. 15-02, which basically requests that Garapan Elementary School be relocated. I want to discuss that matter with the author and with the other members. If there is no objection, can we go one by one?

Speaker Babauta: Representative Deleon Guerrero, I am sure the motion was for the adoption of the three resolutions and we have opened up discussion for any of them to be deliberated. So any member wishing to deliberate on any of those resolutions will be allowed to do so by the Chair upon recognition. Just specify resolution that you would like to deliberate on.

Rep. Joseph Deleon Guerrero: Thank you, Mr. Speaker. I want to ask the author if this was prompted by potential investors, the Garapan Revitalization District, or somebody else to use the current land where Garapan Elementary School is currently located.

Rep. Tebuteb: Yes.

Rep. Joseph Deleon Guerrero: Can you elaborate?

Rep. Tebuteb: If you look at the contents, it partly specifies some of the intentions. It is basically to look forward in all the plans that I would think this new administration would also participate in, which basically is to expand the revitalization of the Garapan District for tourism purposes.

Rep. Joseph Deleon Guerrero: Have we checked whether the lot in Lower Navy Hill is equal to, less than, or more than the existing campus as far as the size is concern?

Rep. Tebuteb: For the population that Garapan Elementary School has at this point, the answer would be yes.

Rep. Joseph Deleon Guerrero: And would it allow for expansion?

Rep. Tebuteb: It will allow for expansion by going up. But there is also an existing government property above this property, so expansion is possible if our leaders are inclined to go that direction.

Rep. Joseph Deleon Guerrero: Thank you.

The Chair recognized Representative Waki.

Rep. Waki: Thank you, Mr. Speaker. To my honorable Precinct III colleague, have we looked at any other public lands? I have no problem with the fact that the resolution is requesting to relocate Garapan Elementary School, I was just wondering if we looked into other areas such as in China Town, or the housing area, because I am just looking at the different areas. I feel exactly the way you do about the relocation but I was just thinking maybe we should have a discussion before we adopt the resolution. But again, I like your idea. If we can look at other areas of public land in Garapan or from Puerto Rico on towards Chalan Laulau area. It is just a thought.

The Chair recognized Representative Tenorio.

Rep. Tenorio: Thank you, Mr. Speaker. Point of information from the author of H. R. No. 15-03. I recall that during the Thirteenth Legislature this building was supposed to be used for farmers to market their produce. I was not here in the Fourteenth Legislature and I do not know what happened, so I would like clarification as to what transpired. Thank you.

Rep. Tebuteb: This particular building is not part of the Fishing Market project. The Fishing Market project is at the northern end or part of the property but this particular project is with the Marianas Public Lands Authority (MPLA). So it is in the authority of the Marianas Public Lands Authority to say yes, or no to whatever intentions we all have.

Speaker Babauta: Absolutely. I now recognize Representative Ada.

Rep. Ada: I think you are lucky today, Representative Tebuteb, because a former Department of Public Works (DPW) official was telling me that the Fishing Market that was authored by Representative Palacios needs another 5,000 square meters, so just a point of advice to check with DPW and find out more if that is really the case right now. You might want to check that out before committing more of that area.

Rep. Tebuteb: Thank you for the advice. The building that I am talking about is specifically a property that MPLA has authority over. The lot where the Fishing Market project is now, the MPLA has designated part of this property to the Department of Lands and Natural Resources (DLNR) and DPW is part of that project coordinator for the Fishing Market.

Rep. Ada: On another note regarding tourism, for the years that I have been a member of the Tourism Committee, and the trips that I have gone to and in familiarization with MVA as to what they are doing and what we are trying to do with the Tourism Industry here, expanding that area is very, very critical. As you may know the area across the Hyatt and Dai Ichi is a very small place for tourists to come and enjoy their stay, especially tourists from the Asian countries. Expanding that area with the revitalization that we have right now will really entice tourists to come here. Thank you.

Speaker Babauta: Are we ready to vote on the motion to adopt H. R. No. 15-02, H. R. No. 15-03 and H. R. No. 15-04, which are going to be introduced by the Committee of the Whole?

There was no further discussion and the motion to adopt H. R. NO. 15-2, H. R. NO. 15-3 and H. R. NO. 15-4 was carried by voice vote.

Speaker Babauta: H. R. NO. 15-2, H. R. NO. 15-3, and H. R. NO. 15-4 are hereby adopted. I would like to welcome back the media of the Commonwealth. Thank you for being here.

### **BILL CALENDAR**

The Floor Leader moved for the suspension of Rule VII, Section 9, Rule VIII, Sections 9, 10, and 11 for the placement and passage of H. B. No. 15-33.

The motion to suspend the House Rules was seconded and carried by voice vote.

Speaker Babauta: I recognize Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: Mr. Speaker, before we entertain a motion for passage, can I ask for a short recess so we can go back and look at some of the provisions of the statute that are included in here. The bill references provisions of the Commonwealth Code and that we do not have access to right now.

Speaker Babauta: Short recess.

The House recessed at 3:01 p.m.

### **RECESS**

The House reconvened at 3:13 p.m.

Speaker Babauta: The House shall reconvene. I now recognize the Floor Leader for the passage of H. B. No. 15-33.

The Floor Leader moved for the passage of H. B. No. 15-33 on First and Final Reading, and the motion was seconded.

**H. B. No. 15-33: A Bill for an Act to authorize the Governor reprogramming authority prior to the enactment of a comprehensive Appropriations Act for Fiscal Year 2006; and for other purposes.**

Speaker Babauta: The floor is open for discussion, and I recognize Representative Palacios.

Rep. Palacios: Thank you, Mr. Speaker. I would like to offer an oral floor amendment on page 2, line 3, after the word “fund”, to insert “and funds appropriated under all local laws”. I so move.

The motion to amend offered by Representative Arnold Palacios was seconded.

Speaker Babauta: Discussion on the floor amendment. I recognize Representative Waki.

Rep. Waki: Can we ask the legal counsel if that is an appropriate amendment?

Legal Counsel Jose Bermudes: *It is fine.*

Rep. Waki: Thank you.

The oral floor amendment offered by Representative Palacios to H. B. NO. 15-33 was seconded and carried by voice vote.

Speaker Babauta: Is there any other discussion on H. B. NO. 15-33 as amended? I recognize Representative Palacios.

Rep. Palacios: Thank you, Mr. Speaker. This is a very critical piece of legislation. I have a general idea that because of the dire straits of the CNMI government’s finances is why we are entertaining this legislation today. I do not question the intent of the legislation but I would like to request the Executive Branch, particularly the Department of Finance, to please give us at least a summary or general idea of what exactly we are facing to the most expedient date. Give us some numbers as to the status of our finances. I hope that with this reprogramming authority that we are going to give to the Governor would at least get us over the hump to the next fiscal year. Thank you.

Speaker Babauta: Thank you. If I may add, I will send out a letter to the Secretary of Finance and it would include the Office of Management and Budget so that the entire membership would avail themselves with the fiscal conditions of the Commonwealth. I humbly thank you for that suggestion. I would definitely issue a memorandum advising the members of the date and time once it is set. I hope they will heed to this request. As a policymaker, I strongly believe that we need to be aware of the fiscal conditions of our government. I recognize Representative Yumul.

Rep. Yumul: Thank you, Mr. Speaker. I understand the Minority Leader’s concerns, even I am concern, but I would just like to inform the members that in just a few weeks we will start to see the collection of the first quarter’s revenues and this is a very critical piece of legislation that needs to go forward. It does seem very precarious that we are giving the Governor the full authority but based on the briefing that he had given us with the presence of the Acting Secretary of Finance, the Attorney General, and the Special Assistant for Management and Budget, they are very concerned,

and we share their concerns. The last time this type of legislation had come around was in 1983 and that is a long time ago. We need to do this for the betterment of the Commonwealth because we need the Governor to fully assess exactly where we stand. He has even put out a memorandum suspending all new hires for sixty days because he too is concerned. I feel that he is genuine with that and the members of the House should basically follow through and provide him what he needs to bring the government back on track. I do know that he will provide in the most expedient manner a summary of our financial condition as soon as the taxes due the CNMI start to come in the next few weeks. Thank you, Mr. Speaker.

Speaker Babauta: Thank you. Ready for the question?

Several members voiced, “Ready”.

Speaker Babauta: We are now voting on the passage of H. B. NO. 15-33, HD1. Before recognize the Roll call, I want to recognize Representative Tenorio.

Rep. Tenorio: Mr. Speaker, on the same subject, I am just curious. I think we are doing this because of the urgency especially with the problem with the Commonwealth Utilities Corporation (CUC) that we have now. I just want to add that perhaps it would be proper if the House requests CUC to come and try to give us an assessment of what is going on. I understand there are a lot of appropriation bills out already so we have to look at what we have installed with CUC before we start acting on those bills. I just want to request if we could have people from CUC come here and let us know what is going on with CUC. Thank you.

Speaker Babauta: Your concern is noted, Representative Tenorio. I understand that the Chairman of Public Utilities, Transportation and Communications (PUTC) had an informal meeting with CUC management yesterday. So I will recognize the Chairman under Miscellaneous Business to give us an insight of the meeting that transpired. I understand the Chairman was apprised of the situation of CUC. We will now be voting for the passage of H. B. No. 15-33, House Draft 1 on First and Final Reading.

The vote on the motion to pass H. B. No. 15-33, HD1 on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	yes
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes

Rep. Oscar M. Babauta

yes

Speaker Babauta: H. B. No. 15-33, HD1 unanimously passes the House on First and Final Reading. I thank the members for your understanding on this important piece of legislation so that our government can move on and help primarily our employees and retirees who are presently accommodated. I recognize Representative Torres.

Rep. Torres: With the consent of the majority, can we agree that names of all the eighteen members will show in the bill when transmitted to the Governor since everybody voted "yes"? I would like to see all the names on the transmittal.

No one objected.

Speaker Babauta: There being no objection, Representative Torres, I would also like to include my name. Clerk, please take note that H. B. NO. 15-33, HD1, should be transmitted to the Senate and the Governor reflecting that it is sponsored by the Committee of the Whole of the Fifteenth House of Representatives. Thank you, Clerk.

### **MISCELLANEOUS BUSINESS**

The Chair recognized the Chair for Public Utilities, Transportation, and Communications.

Chairman Dela Cruz: Thank you, Mr. Speaker. I, the Vice Chair of PUTC, Representative Waki, did have a meeting yesterday with Acting Secretary for the Department of Finance, Mr. Eloy Inos, and the Special Assistant for the Office of Management and Budget, Mr. Tony Muña. The situation right that we pretty much gathered yesterday is that CUC is in a very bad financial state. The good news is, it is not as bad as the government as a whole. But all in all, they are in dire need of funding right now just to keep up the power plant. We have talked about setting up more meetings with them. The time that we spent there was not enough to gather all the information and numbers. We did request for some pertinent information. I believe that information is going to be forwarded to the Office of Management and Budget as well as the Department of Finance to get a clear picture of the financial status. I had also requested that a copy be provided to the PUTC Committee so that the members of the PUTC Committee can take a look at those numbers and see what we can do. It is interesting to note that they are pretty much running their operation on a tight wire. Right now, it seems they are operating day-by-day trying to make ends meet. But as far as the numbers, that information would be forthcoming. I hope to call up an audience with them to apprise us of their situation. But off-hand, I can just say that they are in deep financial straits right now and they are asking for help. With that said, until we have an audience with the members of the Board and the management of CUC then we can get a clearer picture.

Speaker Babauta: Thank you. If I may add, will you be humble enough to inform the entire House, aside from the PUTC Committee members, should you have a date set up for CUC personnel to have a presentation of their affairs. Please inform the members of the date and time so that everyone can participate. On the same note, I would also follow up with a letter for the financial state of our government. On the request by Representative Manny Tenorio for the state of CUC or conditions of our utility firm, please to share those information as soon as you receive them as practical as possible. I recognize Representative Palacios.

Rep. Palacios: I am wondering whether the Chairman of PUTC has organized the committee. I hope if and when he organizes the committee, that he immediately calls an audience with them, as you say, so that members of this House who are not members of the PUTC Committee could also participate and listen to the presentation in the very near future.

Speaker Babauta: Thank you. The PUTC Chairman continues to diligently organize not only the Committee but also his office. So bear with him because I gave him up to Friday. Hopefully, things can start moving by early next week as far as committee work is concern. Is there any other discussion under Miscellaneous Business?

Rep. Ada: Mr. Speaker, I would like to inform you that the Committee on Commerce and Tourism will be meeting on January 30, 2005 at 10:00 a.m. in my conference room. We will be passing out the list of committee membership.

The Chair recognized Representative Yumul.

Rep. Yumul: Thank you, Mr. Speaker. Going back to CUC, I would like to advise some of the members that CUC might not even be ready to transact business if the Legislature is ready to give them advice or take action, because by counting the number of board members, I think they are short. One member's term expired late last year and the Governor withdrew the nomination on replacements, and one member just resigned this month. So my question really is, are they even able to transact because they do not have leadership right now other than the director. So that might be an encumbrance trying to expedite help to them. That is all, Mr. Speaker.

Speaker Babauta: Well, I am sure the management can have those presentations as to where we are or where we stand in terms of utility at this time. Does anyone know if all the board members resigned?

Rep. Yumul: My understanding is one female, who works for PTI, her term expired. Joe Torres resigned and one nominee from either Tinian or Rota was withdrawn.

Speaker Babauta: Again, I am sure that the top management can give us those presentations as soon as the Chairman...

Rep. Yumul: I believe they will be able to give us information but they will not be able to take any action because the board has to make the decision.

Speaker Babauta: That is what Representative Manny Tenorio wanted to have, information on where we stand in terms of operating our utility.

Rep. Yumul: I think the good Chairman needs to have an open dialogue with the Governor to see if he is going to replace or appoint board members, or if he is going to get direct control. [End of Tape 1, Side B)

## ANNOUNCEMENTS

The House recessed at 3:37 p.m.

Respectfully submitted,

/s/

Victoria T. Guerrero  
Assistant House Clerk  
House of Representatives

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# House Journal

## FIRST REGULAR SESSION, 2006

**Third Day**

**Friday, February 3 2006**

The House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature convened its Third Day, First Regular Session on Friday, February 3, 2006, at 10:15 a.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Oscar M. Babauta, Speaker of the House, presided.

A moment of silent prayer was observed.

The Clerk called the roll and sixteen members were present. Representatives Jesus SN. Lizama and Stanley T. McGinnis Torres were excused.

Speaker Babauta: A quorum is duly established for today's session. Representative Lizama and Representative Torres are duly excused for this morning's session. If I may remind the members to kindly turn on your microphone so that the transcription of the journal is audible, and that we do not have the Clerk or the Journal Clerk figure out the statements of members. I appreciate that.

### **ADOPTION OF JOURNALS**

The Chair recognized the Floor Leader.

Floor Leader Florencio T. Deleon Guerrero moved for the adoption of the First and Second Day, First Regular Session, 2006, journals; the motion was seconded.

First Day, First Regular Session (Organizational Day 1/9/06)  
Second Day, First Regular Session (1/18/06)

There was no discussion and the motion to adopt the journals was carried by voice vote.

Speaker Babauta: If there is no objection, we will allow the clerk to work with each and every one of you to make corrective measures if there is such statement you wish to correct when you come across your statements in the journals. I hope it is cleared. I wish to recommend that we use that concept or process for the next several sessions or for that matter this term, and so we do not have to come back every now and then for an approval. Is that okay with all of you? Thank you.

### **PREFILED AND INTRODUCTION OF BILLS**

H. B. NO. 15-40: A Bill for an Act to amend 1 CMC 2091, 2092 and 2093 and for other purposes.

Offered by: Representative Crispin Ogo

Referred by: Committee on Health, Education, and Welfare

H. B. NO. 15-41: A Bill for an Act to amend 1 CMC Section 831(a) to provide for an additional eighth trustee to the board of trustees of the Retirement Fund; and for other purposes.

Offered by: Representative Ramon A. Tebuteb

Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-42: T A Bill for an Act to require legislative approval for the funding of any capital improvement project from federal financial assistance received pursuant to the Covenant or pursuant to the Impact Aid for the Compact of Free Association or through a special appropriation.

Offered by: Representative Arnold I. Palacios

Referred to: Committee on Ways and Means

H. B. NO. 15-43: A Bill for an Act to reform the compensation of boards and commissions; and for other purposes.

Offered by: Representative Arnold I. Palacios and one other

Referred to: Committee on Judiciary and Governmental Operations, and  
Committee on Ways and Means

H. B. NO. 15-44: A Bill for an Act to amend 4 CMC § 2111 to include the Commissioner of the Department of Public Safety as a non-voting, advisory member of the Marianas Visitors Authority Board of Directors.

Offered by: Representative Ramon A. Tebuteb

Referred to: Committee on Commerce and Tourism

H. B. NO. 15-45: A Bill for an Act to mandate a uniform wage and salary schedule for the staff and personnel of the municipality governments and provide for the suspension of the application and operation of 1 CMC §§ 8131(a)(12) and (a)(15), as amended under P.L. No. 13-1, for those offices which have not promulgated rules and regulations setting forth a comprehensive wage and salary schedule consistent with the Civil Service System; and for other purposes.

Offered by: Representative Justo S. Quitugua

Referred to: Committee on Ways and Means

H. B. NO. 15-46: A Bill for an Act to provide a period of limited immunity for illegal aliens to report themselves to the Department of Labor and the Division of Immigration to enable them to become lawfully employed in the CNMI, and to prohibit prosecution of such aliens for their prior illegal status; and for other purposes.

Offered by: Representative Justo S. Quitugua

Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-47: A Bill for an Act to boost the economy of the CNMI by establishing a specific nonimmigrant entry permit category in the Immigration Code to attract the “Silver Club” market in Japan and retirees from other Asian countries and for other purposes.

Offered by: Representative Stanley T. McGinnis Torres and one other

Referred to: Committee on Commerce and Tourism

H. B. NO. 15-48: A Bill for an Act to allow CUC to purchase and sell motor fuel supply to independent retail service dealers by amending 4 CMC § 8123; and for other purposes.

Offered by: Representative Ray N. Yumul and two others  
Referred to: Committee on Public Utilities, Transportation, and Communications, and  
Committee on Commerce and Tourism

H. B. NO. 15-49: A Bill for an Act to amend 3 CMC § 4437(c); and for other purposes.

Offered by: Representative Ramon A. Tebuteb and four others  
Referred to: Committee on Health, Education, and Welfare

H. B. NO. 15-50: A Bill for an Act to amend Section 4(d) of Public Law 13-17; and for other purposes.

Offered by: Representative Justo S. Quitugua  
Referred to: Committee on Natural Resources

H. B. NO. 15-51: A Bill for an Act to amend 4 CMC § 1709(b) to provide funding to support the Public School System's Seven-Year CIP Plan 2005-2012 and the NMC's CIP Plan 2006-2013; and for other purposes.

Offered by: Representative Justo S. Quitugua  
Referred to: Committee on Health Education and Welfare

H. B. NO. 15-52: A Bill for an Act to repeal and reenact 4 CMC Section 9221 (Minimum Wages) and Section 9223 (Exemptions); to repeal 4 CMC, Division 9, Chapter 5, (Wage Review Committees); and for other purposes.

Offered by: Representative Justo S. Quitugua  
Referred to: Committee on Ways and Means

H. B. NO. 15-53: A Bill for an Act to promote local procurement by amending Chapter 4 of the Planning and Budgeting Act of 1983; and for other purposes.

Offered by: Representative Manuel A. Tenorio and three others  
Referred to: Committee on Commerce and Tourism

H. B. NO. 15-54: A Bill for an Act to amend 4 CMC §§ 1302(a)(i) and (ii) to increase the tax exemption for businesses engaged in producing aqua cultural or agricultural products or fishery in the Commonwealth or its waters for dietary consumption; and for other purposes.

Offered by: Representative Arnold I. Palacios and four others  
Referred to: Committee on Ways and Means

H. B. NO. 15-55: A Bill for an Act to create a Public Utilities, Telecommunications, and Services Commission by repealing the "Commonwealth Telecommunications Act" in its entirety and by amending 4 CMC, Div. 8 to add a new Chapter 3, Section 8301, et seq., to be redesigned as the "Public Utilities, Telecommunications, and Services Commission Act" and for other purposes.

Offered by: Representative Francisco S. Dela Cruz  
Referred to: Committee on Public Utilities, Transportation, and Communications

H. B. NO. 15-56: A Bill for an Act to create a multi-agency and community task force to undertake and/or oversee the completion of a comprehensive feasibility impact study, environmental impact study and any other study deemed necessary by the task force prior to the extraction of pozzalan and/or other valuable mineral(s) on Pagan in the Northern Islands; to temporarily prohibit any person(s) company/company(s), organization(s), or other entities from engaging in any pozzolan

extraction activities or any other type of mining activities on Pagan until such time that the multi-agency and community task force is created and completed its duties and responsibilities as mandated by this Act; and for other purposes.

Offered by: Representative Jacinta “Cinta” M. Kaipat

Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-57: A Bill for an Act to repeal Executive Order 94-3 as codified, Public Laws 10-57, 10-76, 12-33, and 12-71 to the extent they are applicable to public lands; to abolish the Marianas Public Lands Authority and to create the Department of Public Lands within the Executive Branch; and for other purposes.

Offered by: Representative Edward P Aldan and eight others

Referred to: Committee on Natural Resources

H. B. NO. 15-58: A Bill for an Act to change the function of the boards of public corporations, to vest the authority to manage and operate such entities in principal executives; and for other purposes.

Offered by: Representative Ray Yumul

Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-59: A Bill for an Act to amend the Northern Mariana Islands Election Law to provide for a Runoff Election; and for other purposes.

Offered by: Representative Manuel A. Tenorio

Referred to: Committee on Judiciary and Governmental Operations

H. L. B. NO. 15-7: A Local Appropriation Bill for an Act for the Third Senatorial District to appropriate \$245,400 from the Third Senatorial District Developers Infrastructure Tax Fund for the paving shortfall of the Sihek and Papago Roads in Capitol Hill, to upgrade the power poles and lines in the remote areas in Capitol Hill, to hook up the lighting system at the Dandan Baseball Field, to install pedestrian crossings at all school bus shelters/stops in Saipan, and to pave the Dandan Elementary School parking area; and for other purposes. [First Appearance]

Offered by: Representative Justo S. Quitugua

H. L. B. NO. 15-8: A Local Appropriation Bill for an Act for the Third Senatorial District to appropriate \$310,000 from the Managaha Landing Fees for the construction and repairs of the pavilions at Paupau Beach; Youth Indigenous Cultures, Arts, and Language Proms; the Flame Tree Festival; and public sculptures; and for other purposes. [First Appearance]

Offered by: Representative Justo S. Quitugua

H. L. B. NO. 15-9: A Local Appropriation Bill for an Act for the Third Senatorial District to appropriate \$12,296.00 from Resident Identification Card Fund pursuant to Saipan Local Law 13-16 for the Office of the Mayor of Saipan to pay for heavy equipment maintenance and operations; and for other purposes. [First Appearance]

Offered by: Representative Justo S. Quitugua

H. L. B. NO. 15-11: A Local Bill for an Act for the Third Senatorial District to prioritize the disbursement of the funds collected pursuant to 10 CMC § 3821 to the Saipan Higher Education Financial Assistance established by Saipan Local Law No. 13-21; and for other purposes. [First Appearance]

Offered by: Representative Justo S. Quitugua

H. L. B. NO. 15-12: A Local Appropriation Bill for an Act for the Third Senatorial District to repeal and reenact Section 4(3) of Saipan Local Law 14-23; and for other purposes. [First Appearance]

Offered by: Representative Manuel A. Tenorio and five others

H. L. B. NO. 15-13 A Local Appropriation Bill for an Act for the First Senatorial District to appropriate \$90,000.00 from the local license fees collected for pachinko slot machines and poker machines in the first Senatorial District; and for other purposes. [First Appearance]

Offered by: Representative Crispin M. Ogo

H. L. B. NO. 15-14: A Local Bill for an Act for the Third Senatorial District to designate that the Kagman Community (Kagman I, Kagman II, Kagman III) is a residential community only in accordance with the village Homesteading Act of 1979 and the village homestead rules and regulations; and for other purposes. [First Appearance]

Offered by: Representative Manuel A. Tenorio

Vice Speaker Quitugua: If any member would like to co-sponsor any of the bills I introduced, the original is with the Clerk.

Speaker Babauta: For the benefit of the members, starting today the committees will be engaging in various committee meetings. I believe the Committee on Judiciary and Governmental Operations will be having a meeting this afternoon at 1:30 p.m. and I respectfully request each and every standing committee chair to meet frequently so that we produce the legislations out of the committees. Legislation that do not necessarily have to go through public hearings or solicitation comments from departments and agencies can be addressed immediately such as those legislation amending or adding provisions to present statutes. Once again, the Committee on Judiciary and Governmental Operations will be meeting this afternoon to dispose of several bills in that committee.

Rep. Yumul: Mr. Speaker, the front page of House Bill No. 15-53 was passed out earlier. I need clarification from the author whether we have to follow the handout or the one that was prefiled.

Rep. Tenorio: Just replace the first page; there is a minor change on line 18 to include 100%. That is the only change.

Speaker Babauta: If there is no objection from the members, we will allow Representative Yumul and Representative Tenorio to work with the Clerk to exchange the pages.

Rep. Yumul: Mr. Speaker, all the members got the amendment, I am just making a point of clarification.

Speaker Babauta: So if everyone has a copy, please detach and attach the new one.

## **PREFILED AND INTRODUCTION OF RESOLUTIONS**

H. R. NO. 15-06: Recognizing and commending Mr. Charles V. Cepeda for his appointment to serve as the President of the Saipan Chamber of Commerce.

Offered by: Representative Ray N. Yumul and seventeen others

Rep. Yumul: If there is no objection, Mr. Speaker, I would like request to place this on today's Resolution Calendar and also offer this to be sponsored by the Committee of the Whole. Thank you.

Speaker Babauta: So ordered.

H. R. NO. 15-07: Requesting the Honorable Pedro A. Tenorio, CNMI Washington Representative, to seek assistance for CNMI to be included in the Medicare's foreign inclusion policy so that the same benefit extended to the Guam patients be accorded to CNMI's Medicare patients in the Republic of the Philippines; and to seek the same benefit for Medicaid patients.

Offered by: Representative Crispin M. Ogo and seventeen others

Rep. Ogo: If there is no objection, Mr. Speaker, I would like to offer this as a Committee of the Whole and at the same time request to place it on the Resolution Calendar for action. Thank you.

Speaker Babauta: So ordered.

H. R. NO. 15-8: To recognize and congratulate Mr. William E. Dewitt for being selected as the Saipan Southern High School 2006 Teacher of the Year.

Offered by: Representative Justo S. Quitugua and seventeen others

H. R. NO. 15-9: To recognize and congratulate Ms. Divinia C. Dela Cruz for being selected as the William S. Reyes Elementary School 2006 Teacher of the Year.

Offered by: Representative Justo S. Quitugua and seventeen others

H. R. NO. 15-10: To recognize and congratulate Ms. Better Miller for being selected as the San Vicente Elementary School 2006 Teacher of the Year.

Offered by: Representative Justo S. Quitugua and seventeen others

H. R. NO. 15-11: To recognize and congratulate Ms. Hilda V. Rios for being selected as the San Antonio Elementary School 2006 Teacher of the Year.

Offered by: Representative Justo S. Quitugua and seventeen others

H. R. NO. 15-12: To recognize and congratulate Ms. Yolanda Dela Cruz-Benavente for being selected as the Chacha Oceanview Junior High School 2006 Teacher of the Year.

Offered by: Representative Justo S. Quitugua and seventeen others

H. R. NO. 15-13: To recognize and congratulate Mr. Joe J. Eptison for being selected as the Koblerville Elementary School 2006 Teacher of the Year.

Offered by: Representative Justo S. Quitugua and seventeen others

H. R. NO. 15-14: To recognize and congratulate Ms. Johanna Lee D. Taimanao for being selected as the Kagman Elementary School 2006 Teacher of the Year.

Offered by: Representative Justo S. Quitugua and seventeen others

H. R. NO. 15-15: To recognize and congratulate Ms. Enterina A. Calvo for being selected as the Sinapalo Elementary School 2006 Teacher of the Year.

Offered by: Representative Justo S. Quitugua and seventeen others

H. R. NO. 15-16: To recognize and congratulate Ms. Paulette M. Tomokane for being selected as the Garapan Elementary School 2006 Teacher of the Year.

Offered by: Representative Justo S. Quitugua and seventeen others

H. R. NO. 15-17: To recognize and congratulate Ms. Teresita A. Reyes for being selected as the Oleai Elementary School 2006 Teacher of the Year.

Offered by: Representative Justo S. Quitugua and seventeen others

H. R. NO. 15-18: To recognize and congratulate Ms. Linda Anastacio for being selected as the Tanapag Elementary School 2006 Teacher of the Year.

Offered by: Representative Justo S. Quitugua and seventeen others

H. R. NO. 15-19: To recognize and congratulate Mr. Melvin M. Finona for being selected as the Rota Junior High School 2006 Teacher of the Year.

Offered by: Representative Justo S. Quitugua and seventeen others

H. R. NO. 15-20: To recognize and congratulate Ms. Christine F. Halloran for being selected as the Hopwood Junior High School 2006 Teacher of the Year.

Offered by: Representative Justo S. Quitugua and seventeen others

H. R. NO. 15-21: To recognize and congratulate Ms. Mercedes Q. Deleon Guerrero for being selected as the Dandan Elementary School 2006 Teacher of the Year.

Offered by: Representative Justo S. Quitugua and seventeen others

H. R. NO. 15-22: To recognize and congratulate Ms. Therese F. Acosta for being selected as the Tinian Elementary School 2006 Teacher of the Year.

Offered by: Representative Justo S. Quitugua and seventeen others

Vice Speaker Quitugua: If there is no objection from the members, I would like to introduce H. R. NO. 15-8 thru H. R. NO. 16-22 as a Committee of the Whole. Further, Mr. Speaker, I would like to request that these resolutions are placed on today's Resolution Calendar.

There was no objection.

Speaker Babauta: So ordered.

### MESSAGES FROM THE GOVERNOR

GOV. COMM. 15-1 – [1/20/06] – Informing the House that he signed H. B. NO. 15-33, HD1 (Reprogramming Authority) into **Public Law No. 15-1**.

GOV. COMM. 15-2 – [1/25/06] – Transmitting a special budget message with regard to the change in revenue estimate decreasing to \$198.505M. (Exhibits distributed with Speaker's memo of 1/27/06)

GOV. COMM. 15-3 – [1/27/06] – Copy of Reorganization Plan No. 1 of 2006 (Allocating CUC to DPW). *Referred to House Committee on PUTC*

GOV. COMM. 15-4 – [1/24/06] – Information request protocol to ensure prompt delivery of request.

GOV. COMM. 15-5 – [1/27/06] – Certifying the vacant position of Executive Secretary at the Division of Park and Recreation, DLNR.

GOV. COMM. 15-6 – [1/27/06] - Certifying the vacant position of Administrative Officer at the Office of the Governor.

GOV. COMM. 15-7 – [1/17/06] – Certifying the vacant positions of Deputy Special Assistant for Administration, Supervisor, Special Assistant for Public Liaison, ad Personal Assistant to the Governor and Lt. Governor.

GOV. COMM. 15-8 – [1/27/06] – Certifying the vacant positions of Secretary of Lands and Natural Resources, Secretary of Commerce, Secretary of Finance, Secretary of Public Health, Secretary of Labor, Commissioner of Public Safety, Secretary of Corrections, Secretary of Public Works, Secretary of Community and Cultural Affairs, and Attorney General.

GOV. COMM. 15-9 - [1/27/06] - Certifying the vacant positions of Press Secretary, Special Assistant for Administration, Special Assistant for Management and Budget, Governor's Legal Counsel, Director of Emergency Management Office, Special Assistant for Homeland Security, Chief of Parole Officer, Senior Policy Advisor and Resident Executive for Indigenous Affairs.

GOV. COMM. 15-10 – [1/27/06] – Certifying the vacant positions of Lt. Governor's Legal Counsel, Executive Assistant to the Lt. Governor, Administrative Assistant, Executive Secretary and four Community Workers.

GOV. COMM. 15-11 – [1/27/06] – Certifying the vacant positions of Receptionist, Community Development Coordinator, three Community Workers, Senior Policy Advisor, Administrative Specialist, Administrative Assistant, Special Assistant for Special Projects, Community Service Officer I, and Computer Specialist at the Office of the Governor.

GOV. COMM. 15-12 – [1/27/06] – Certifying the vacant positions of two Accountants, Budget Officer, Chief Building and Community Services, Community Worker Supervisor, Community Worker, Community Worker II, Equipment Operator, six Heavy Equipment Operators, Mechanic I, Mechanic III, Public Building Maintenance Supervisor, Supply Technician, and Webmaster at the Office of the Mayor of Saipan.

GOV. COMM. 15-13 – [1/30/06] – Certifying the vacant positions of Community Worker I, Special Assistant for Youth Affairs, Special Assistant for Programs and Legislative Review, Special Assistant for Military-Veterans Affairs, Executive Assistant for Carolinian Affairs, Director of Personnel and CRM Administrator.

GOV. COMM. 15-14 – [1/30/06] – Certifying the vacant position of Director of Customs at the Department of Finance.

GOV. COMM. 15-15 – [2/1/06] – Certifying the vacant position of Executive Secretary at the Department of Lands and Natural Resources.

GOV. COMM. 15-16 – [2/1/06] – Certifying the vacant positions of Scholarship Administrator, Marianas/Hawaii Liaison Officer and Marianas/Guam Liaison Officer.

The Chair recognized Representative Palacios.

Rep. Palacios: Thank you, Mr. Speaker. Mr. Speaker, I would like to call the attention of the members to Governor's Communication 15-2 transmitting a special budget message with regards to the changes and revenue estimate decrease. I certainly agree, Mr. Speaker, that the Governor has to impose a proportionate decrease across the board because of the new projections. By law he has that authority, but mind you that the law that authorizes the governor to do that calls that such decrease or new allocation decrease should be proportionate on all branches of government, and that is all branches of government. In looking at the proposal, Mr. Speaker, I believe that the proposal spares the Department of Public Health, Department of Public Safety, and the Public School System and I have no problem with that personally. We need to spare these, but the Planning and Budgeting Act calls that all agencies must be cut proportionally, that is one point I like to make. The second point, Mr. Speaker, is that proposal went beyond the proportionate decrease in revenue and in fact reprogrammed funds, additional funds from all branches of government including the Judicial Branch, Legislative Branch, boards and commissions, and other independent programs inclusive of the Mayors of the First, Second and Third Senatorial Districts. Now, my question, Mr. Speaker, is can this be done legally? I want to be very clear about this. We know that there is a decrease in revenue, we know that Department of Public Health, Department of Public Safety and the Public School System are programs that must come first and that we must reprogram funds to accommodate these agencies; but I think that under the provisions cited in this communication that the cuts of all the different programs went beyond the authority of Public Law 3-68. I stand to be corrected, Mr. Speaker, but I think that is my interpretation.

Speaker Babauta: Let me just clarify a little bit of your comment, Minority Leader. The administration has not officially executed those cuts as a result of certain provisions of the newly signed law which is P.L. 15-1. We are continually meeting primarily with the Secretary of Finance and there is also a proposal by the joint branches of our government with respect to -- even to the extent of passing a concurrent resolution adjusting the resources that reflect the realistic collection of revenue as you said, One Hundred Ninety Eight Million. And on top of that Concurrent Resolution there is also a proposal of enacting the remaining portion of the Fiscal Year 2006 Budget, which in a sense would be too drastic of a reduction and therefore with that issue on the table, I continue to discuss revenue matters with the Secretary of Finance and the Office of Management and Budget whether or not can we control this to within the authority granted to each expenditure authority being the Executive Branch and the Legislative Branch? Personally, I would say yes, I think we could. It is with that reason when this communication arrived in my office I immediately executed Memo to each and every member of the House to exercise fiscal discipline so that we may finally have a concrete level of spending for the duration of the fiscal year. Any new information will respect to the adjustment of our remaining balance of Fiscal Year 2006 definitely would be shared with all of you because all of us are concern with the declining collections primarily in the revenue portion of our government. I recognize Representative Guerrero.

Rep. Deleon Guerrero: Thank you, Mr. Speaker. If I may add on to what Representative Palacios has just said, we understand that the Governor is trying to deal with the changes in the estimated revenue and based on the Secretary of Finance's report or rather letter to the Governor it requires that about 15 million or 15.221 or approximately 7.1% be adjusted. He has transmitted a special message to the Legislature and we do not have problem with that 7.1%. The issue at hand that we are questioning is applying the CUC, the 24 million needed for CUC and adjusting the cuts also proportionately. The 15.1 we do not have a problem with. That is going to be done across the board, it applies to the Legislature, all branches. The reduction for CUC, in our opinion, seems to be a reprogramming activity and even P.L. 15-1, which was signed into law by the Governor does not give him the authority to reprogram outside the Executive Branch. It does not allow him to include the Legislative Branch, Judicial Branch, the Resident Representative, the mayors, or the municipal councils. So this seems to be a mixing -- reduction or budget based on projective revenue is alright but including CUC, and this would drive up the reduction roughly to 18% appears to be mingling two different issues, Mr. Speaker. That is what we question and we wanted to ask you if we can ask the legal counsel if that is the case, if it is allowable or not.

Speaker Babauta: Are you referring to Public Law 15-1 or GOV. COMM. 15-1 also?

Rep. J. Deleon Guerrero: Yes, for the reprogramming for CUC of \$24 Million, and applying that to the different branches. That is the question we have.

Speaker Babauta: If there is no objection we continue recording and we will allow the counsel to respond to Representative Joseph Guerrero. No objection. Counsel, please proceed.

Legal Counsel Antonette Villagomez: What is the question again?

Speaker Babauta: The question is the authority granted to the Chief Executive under Public Law 15-1 as it pertains to reprogramming other than those stipulated in those provisions -- for clarify purposes. There are exemptions under Public Law 15-1 that is granted.

Legal Counsel Antonette Villagomez: Yes, under Public Law 15-1 Section 2 subsections (c) and (d), (c) says the Governor's authority to reprogram shall not include trust funds invested by Marianas Public Land Trust and Northern Marianas Islands Retirement Funds and local laws, Subsection (d) says the Governor's authority to reprogram under the Section shall not include funds from the Legislative Branch, Judicial Branch, Resident Representative, mayors or municipal councils. So, technically the reprogramming for CUC should not include the budgets of Legislative Branch, Judicial Branch, Resident Representative, mayors or municipal councils.

Rep. J. Deleon Guerrero: In effect your saying that the Governor can basically decrease our allotment for the anticipated change in revenue estimate which equals to 7.1% or approximately 15 million, but he cannot reduce it for the various agencies you mentioned for the CUC that needed 24 million ... (end of tape) (beginning of tape)... I am a bit concerned when the expenditure authority does not lie with the Executive Director, how CUC can deal with the needed costs for many things including repair, maintenance, and other things that they need to do at CUC, how that maybe affected when the department head has the reprogramming authority of there funds. I just wanted to register this complain. We have seen CUC lately having problems with many of their engines. Fortunately, some of the engines have already been repaired and overhauled and I just wanted to make sure, Mr. Speaker, that they be given consideration for maintenance. I mean, this

island depends on the health of the utility and putting it under another agency may affect their ability to properly manage their business. Thank you.

Speaker Babauta: Thank you, Representative Joe Deleon Guerrero. It is a well-noted concern. The Chair would take the lead in clarifying certain provisions of that Executive Order and hopefully clarify your concern with respect to who would be the expenditure authority. As I understand from reading the Executive Order, it is putting CUC under the auspices for that matter, under the Department of Public Works and there would be an Executive Officer so to speak level as the Executive Director as we call it. I am sure that the responsibility of that particularly agency shall and will remain under the supervision of the Executive Director of CUC or the Chief Executive Officer.

Rep. Yumul: Thank you, Mr. Speaker. Just to mention also that the Executive Order does not have full effect until sixty days after the signature of the Executive Order and my understanding is we, the House and the Senate, can act on this Executive Order should we choose to. If we have certain concerns I am pretty sure the chair of Public, Utilities, Transportation, and Communications and the members will go through this very carefully and make sure that we have a good understanding of what the intent is. I know the Governor is not, how do you say, shooting by the hips, with this type of an Executive Order since it is his first one. I believe he did put in a lot of consideration also. I do not have a copy, I did not notice it in the Governor's communication, but I read through the media that he has declared the State of Emergency on CUC so he still has the full control over CUC. And once the Executive Order kicks in the Department of Public Works in my understanding, my believe is they will be acting more of as a role of receivership just like how the Bank of Saipan went into a receivership. The whole structure of CUC would still be in place. Like the Speaker said, the Executive Director will still have the lead. I believe they have put in Velma Camacho, I believe, as the Executive Director. She was a former board member so I think she is more qualified to bring CUC back on track. Thank you, Mr. Speaker.

Speaker Babauta: Thank you, Representative Yumul. With that matter, I would refer this Communication to Chairman on Public Utilities, Transportation and the Committee and, Mr. Chairman, if I may ask to provide the members clarity on the concerns raised by Representative Guerrero on the components of the Executive Order primarily on the expenditure side. Thank you.

Rep. Dela Cruz: Thank you Mr. Speaker. First part of next week, we will be sitting down with not just the Administration, but also the Department of Public Works and CUC. Next week on Friday, I have a scheduled meeting with the PUTC Committee Members to brief them on that meeting also. So we will have more information as to the composition now between CUC and the Department of Public Works.

Speaker Babauta: Very good, thank you. Be mindful on the subject also -- I just want to remind the members that Wednesday, February 8, 2006 is a schedule, as requested by some of the members, for the appearance of CUC just to brief the members on the state of our Commonwealth utility. Again, that will take place on February 8, 2006, Mr. Chairman? Am I correct?

Rep. Dela Cruz: That is correct.

Speaker Babauta: At nine o'clock in the morning?

Rep. Dela Cruz: At nine o'clock.

Speaker Babauta: All those who have ample time, please join the Chairman so that all us are briefed on the state of CUC's affairs now-a-days. Please take note. I recognize the Minority Leader.

Rep. Arnold Palacios: Thank you, Mr. Speaker. Mr. Speaker, since this is basically reorganization in a very critical autonomous agency into the Executive Branch, perhaps I would like to recommend that this also be assigned to the Judiciary and Governmental Operations Committee, maybe a joint assignment of the two committees, to take a look at the Reorganization Plan or the Executive Order that was submitted.

Speaker Babauta: The Chair would take that under advisement, thank you.

Speaker Babauta: Anymore nice things to say? Representative Manny Tenorio.

Rep. Tenorio: Thank you Mr. Speaker. It is just a concern with the reorganization whether there is going to be a fiscal impact, negative fiscal impact on the government by removing people or how would this affect the current employees of CUC. Perhaps this is one issue that would be explained by the CUC executive when they come in on Wednesday.

Speaker Babauta: Chair, please make a note on that. Representative Tenorio and I have been through this experience with Executive Order 94-3. Okay, let us move on to Item 6, Senate Communications.

## SENATE COMMUNICATIONS

The Chair recognized the Floor Leader.

Floor Leader F. Deleon Guerrero: Mr. Speaker, I move to accept the Senate Communications and also place S. J. R. NO. 15-1 reference SEN. COMM. 15-5 on today's Resolution Calendar.

The motion was seconded.

SEN. COMM. 15-1: (1/19/06) Return of H. B. NO. 15-33, HD1 (Reprogramming Authority), which was passed by the Senate on First and Final Reading on January 19, 2006. [For info]

SEN. COMM. 15-2: (1/20/06) Transmittal of S. B. NO. 15-1, entitled, "To forgive educational financial assistance liability of returning college students who cannot find employment with the Commonwealth due to budgetary limitations or because a position is filled by a non-resident worker; and for other purposes," which the Senate passed on Final Reading on January 19, 2006. [Referred to House Committee on HEW]

SEN. COMM. 15-3: (1/20/06) Transmittal of S. B. NO. 15-23, SD1, To combine Commonwealth Day and Covenant Day as one Holiday and to proclaim Dr. Martin Luther King Day as an Official Holiday for the CNMI; and for other purposes," which the Senate passed on Final Reading on January 19, 2006. [*Referred to House Committee on JGO*]

SEN. COMM. 15-4: (1/20/06) Transmittal of S. B. NO. 15-27, entitled, "To establish a Civilian Volunteer Police Reserve Unit to assist the Department of Public Safety in the exercise of

its duties and responsibilities; and for other purposes,” which the Senate passed on Final Reading on January 19, 2006. [*Referred to House Committee on JGO*]

SEN. COMM. 15-5: (1/20/06) Transmittal of S. J. R. NO. 15-1, “To respectfully request the United States House of Representatives to convey non-voting delegate status to the Commonwealth of the Northern Mariana Islands,” which the Senate adopted on January 19, 2006. [*Calendared for consideration*]

SEN. COMM. 15-6: (1/13/06) Transmittal of a certified copy of S. R. NO. 15-3 (Conveying the sincere condolences and sympathy of the Senate of the Fifteenth Northern Marianas Commonwealth Legislature to the bereaved family of the late Honorable Justice Ramon Garrido Villagomez on the occasion of his untimely passing and paying tribute to his fond memory) which was adopted by the Senate on January 19, 2006. [For info]

SEN. COMM. 15-7: (1/23/06) Transmittal of a certified copy of S. R. NO. 15-6 (Conveying the sincere condolences and sympathy of the Senate of the Fifteenth Northern Marianas Commonwealth Legislature to the bereaved family of the late Honorable Ponciano “Ponce” Cruz Rasa on the occasion of his untimely passing and paying tribute to his fond memory) which was adopted by the Senate on January 19, 2006. [For info]

Speaker Babauta: The motion to accept the Senate Communications appearing on today’s Order of Business has been seconded.

The motion to accept SEN. COMM. 15-1 thru SEN. COMM. 15-7 was carried by voice vote.

Speaker Babauta: Any objection to place S. J. R. NO. 15-1 on today’s Resolution Calendar? So ordered; the rest of the Senate Communications will be disposed of by the Chair to the respective committees.

There was no objection and S. J. R. NO. 15-1 was placed on the Calendar.

At this time the Chair declared the House recessed at 11:00 a.m.

## RECESS

The House reconvened at 11:18. a.m.

Speaker Babauta: We are back in session. At the request of Representative Taman, we go back to Item 3, Introduction of Bills.

## INTRODUCTION OF BILLS

The Chair recognized Rep. Taman to introduce his prefiled House Local Bill.

H. L. B. NO. 15-10: To repeal and reenact Section 2(a) of Saipan Local Law 14-31; and for other purposes.

Offered by: Representative Candido B. Taman and four others

The Chair recognized Rep. Tenorio who introduced the following:

H. L. B. NO. 15-15 A Local Appropriation Bill for an Act for the Third Senatorial District to appropriate funds for the design, construction, and paving of various roads in Precinct I; and for other purposes.

Offered by: Representative Manuel A. Tenorio

Speaker Babauta: If there is no objection, we will now go to Item 15, Resolution Calendar.

There was no objection from the members.

### **HOUSE COMMUNICATIONS**

HSE. COMM. 15-2: (1/27/06) From the Speaker encouraging all members to exercise fiscal discipline in light of the projection of decrease in revenue collections. (See Gov. Comm. 15-2)

There was no discussion on the House communication.

### **COMMUNICATIONS FROM THE JUDICIAL BRANCH**

None

### **COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE**

None

### **COMMUNICATIONS FROM DEPARTMENTS & AGENCIES**

None

### **OTHER COMMUNICATIONS**

None

### **REPORTS OF STANDING COMMITTEES**

None

### **REPORTS OF SPECIAL AND CONFERENCE COMMITTEES**

None

### **UNFINISHED BUSINESS**

None

### **RESOLUTION CALENDAR**

Speaker Babauta: I recognize the Floor Leader.

Floor Leader F. Deleon Guerrero: Thank you, Mr. Speaker. I have two motions: first to suspend pertinent Rules; the second motion is to adopt all resolutions on today's Resolution Calendar, H. R. NO. 15-6 thru 15-22 and S. J. R. NO. 15-1.

Speaker Babauta: Floor Leader, can we dispose of the first motion on the suspension of the Rule?

Floor Leader F. Deleon Guerrero: I so moved, Mr. Speaker.

The motion to suspend pertinent Rules for the placement and adoption H. R. NO. 15-6 thru H. R. NO. 15-22, and S. J. R. NO. 15-1 was seconded and carried by voice vote.

Speaker Babauta: Adoption motion, Floor Leader.

Floor Leader F. Deleon Guerrero: I move for the adoption of H. R. NO. 15-6 thru H. R. NO. 15-22 and S. J. R. NO. 15-1.

The motion was seconded.

H. R. NO. 15-6: A HOUSE RESOLUTION RECOGNIZING AND COMMENDING MR. CHARLES V. CEPEDA FOR HIS APPOINTMENT TO SERVE AS THE PRESIDENT OF THE SAIPAN CHAMBER OF COMMERCE.

H. R. NO. 15-7: A HOUSE RESOLUTION REQUESTING THE HONORABLE PEDRO A. TENORIO, CNMI WASHINGTON REPRESENTATIVE, TO SEEK ASSISTANCE FOR CNMI TO BE INCLUDED IN THE MEDICARE'S FOREIGN INCLUSION POLICY SO THAT THE SAME BENEFIT EXTENDED TO THE GUAM PATIENTS BE ACCORDED TO CNMI'S MEDICARE PATIENTS IN THE REPUBLIC OF THE PHILIPPINES; AND TO SEEK THE SAME BENEFIT FOR MEDICAID PATIENTS. (

H. R. NO. 15-8: A HOUSE RESOLUTION TO RECOGNIZE AND CONGRATULATE MR. WILLIAM E. DEWITT FOR BEING SELECTED AS THE SAIPAN SOUTHERN HIGH SCHOOL 2006 TEACHER OF THE YEAR.

H. R. NO. 15-9: A HOUSE RESOLUTION TO RECOGNIZE AND CONGRATULATE MS. DIVINIA C. DELA CRUZ FOR BEING SELECTED AS THE WILLIAM S. REYES ELEMENTARY SCHOOL 2006 TEACHER OF THE YEAR.

H. R. NO. 15-10: A HOUSE RESOLUTION TO RECOGNIZE AND CONGRATULATE MS. BETTER MILLER FOR BEING SELECTED AS THE SAN VICENTE ELEMENTARY SCHOOL 2006 TEACHER OF THE YEAR.

H. R. NO. 15-11: A HOUSE RESOLUTION TO RECOGNIZE AND CONGRATULATE MS. HILDA V. RIOS FOR BEING SELECTED AS THE SAN ANTONIO ELEMENTARY SCHOOL 2006 TEACHER OF THE YEAR.

H. R. NO. 15-12: A HOUSE RESOLUTION TO RECOGNIZE AND CONGRATULATE MS. YOLANDA DELA CRUZ-BENAVENTE FOR BEING SELECTED AS THE CHACHA OCEANVIEW JUNIOR HIGH SCHOOL 2006 TEACHER OF THE YEAR.

H. R. NO. 15-13: A HOUSE RESOLUTION TO RECOGNIZE AND CONGRATULATE MR. JOE J. EPTISON FOR BEING SELECTED AS THE KOBLERVILLE ELEMENTARY SCHOOL 2006 TEACHER OF THE YEAR.

H. R. NO. 15-14: TO RECOGNIZE AND CONGRATULATE MS. JOHANNA LEE D. TAIMANAO FOR BEING SELECTED AS THE KAGMAN ELEMENTARY SCHOOL 2006 TEACHER OF THE YEAR.

H. R. NO. 15-15: A HOUSE RESOLUTION TO RECOGNIZE AND CONGRATULATE MS. ENTERINA A. CALVO FOR BEING SELECTED AS THE SINAPALO ELEMENTARY SCHOOL 2006 TEACHER OF THE YEAR.

H. R. NO. 15-16: A HOUSE RESOLUTION TO RECOGNIZE AND CONGRATULATE MS. PAULETTE M. TOMOKANE FOR BEING SELECTED AS THE GARAPAN ELEMENTARY SCHOOL 2006 TEACHER OF THE YEAR.

H. R. NO. 15-17: A HOUSE RESOLUTION TO RECOGNIZE AND CONGRATULATE MS. TERESITA A. REYES FOR BEING SELECTED AS THE OLEAI ELEMENTARY SCHOOL 2006 TEACHER OF THE YEAR.

H. R. NO. 15-18: A HOUSE RESOLUTION TO RECOGNIZE AND CONGRATULATE MS. LINDA ANASTACIO FOR BEING SELECTED AS THE TANAPAG ELEMENTARY SCHOOL 2006 TEACHER OF THE YEAR.

H. R. NO. 15-19: A HOUSE RESOLUTION TO RECOGNIZE AND CONGRATULATE MR. MELVIN M. FINONA FOR BEING SELECTED AS THE ROTA JUNIOR HIGH SCHOOL 2006 TEACHER OF THE YEAR

H. R. NO. 15-20: A HOUSE RESOLUTION TO RECOGNIZE AND CONGRATULATE MS. CHRISTINE F. HALLORAN FOR BEING SELECTED AS THE HOPWOOD JUNIOR HIGH SCHOOL 2006 TEACHER OF THE YEAR.

H. R. NO. 15-21: A HOUSE RESOLUTION TO RECOGNIZE AND CONGRATULATE MS. MERCEDES Q. DELEON GUERRERO FOR BEING SELECTED AS THE DANDAN ELEMENTARY SCHOOL 2006 TEACHER OF THE YEAR

H. R. NO. 15-22: A HOUSE RESOLUTION TO RECOGNIZE AND CONGRATULATE MS. THERESE F. ACOSTA FOR BEING SELECTED AS THE TINIAN ELEMENTARY SCHOOL 2006 TEACHER OF THE YEAR.

S. J. R. NO. 15-1: A SENATE JOINT RESOLUTION TO RESPECTFULLY REQUEST THE UNITED STATES HOUSE OF REPRESENTATIVES TO CONVEY NON-VOTING DELEGATE STATUS TO THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.

There was no discussion; the motion to adopt H. R. NO. 15-6, H. R. NO. 15-7, H. R. NO. 15-8, H. R. NO. 15-9, H. R. NO. 15-10, H. R. NO. 15-11, H. R. NO. 15-12, H. R. NO. 15-13, H. R. NO. 15-14, H. R. NO. 15-15, H. R. NO. 15-16, H. R. NO. 15-17, H. R. NO. 15-18, H. R. NO. 15-19, H. R. NO. 15-20, H. R. NO. 15-21, H. R. NO. 15-22 and S. J. R. NO. 15-1 was carried by voice vote.

Speaker Babauta: Motion carries. The Resolutions stated are duly adopted.

## **BILL CALENDAR**

None

Speaker Babauta: Once again, I would like to see bills reported out on the next session so that the members can have something to deliberate on. I would like to repeat that the bill that was introduced this morning, H. B. NO. 15-57 to abolish the Marianas Public Lands Authority (MPLA) will have its time both in the Chamber and in the community next Friday. I have tasked the Committee on Natural Resources to conduct a public hearing. I will be meeting with the Senate President this afternoon to request for a joint public hearing so that we speed up the process of the bill without having to waste additional time with respect to the eventual enactment of this particular bill. So, Mr. Chairman, please note and work with the legal counsels of the House and the Senate. I will be issuing a joint memorandum together with the Senate President indicating the joint effort of both houses.

## **MISCELLANEOUS BUSINESS**

Speaker Babauta: Under Miscellaneous Business, any thoughts for this Friday? Representative Arnold Palacios, recognized.

Minority Leader Palacios: Thank you, Mr. Speaker. I certainly appreciate the instructions to the Committee on Natural Resources relative to H. B. NO. 15-57 which proposes to abolish MPLA and realign it with the Executive Branch. One recommendation, Mr. Speaker, is that the Committee on Judiciary and Governmental Operations is also assigned to review this legislation. I believe that the realignment of a major instrumentality of the Commonwealth should also be looked at by our JGO Committee. Further, Mr. Speaker, this legislation is the third attempt to align or to reorganize the Authority, who should have authority over public lands. Land is a very scarce resource of the Commonwealth, it is valuable. So any proposal affecting our public lands should be given full and serious consideration not just by ourselves as elected leaders, but we should have our citizens participate in such a proposal. There is no question that the proposal to abolish MPLA has been out there in the media, particularly the serious allegations of corruptions. Today, we have four audits being conducted on this agency. We owe it to our people to protect our public lands. That is our duty. Let us also be mindful that this House has the responsibility to ensure that this agency functions in a responsible manner. With that, Mr. Speaker, I urge the Chair as well as the Committees on Natural Resources and Judiciary and Governmental Operations to conduct an oversight hearing on some of these very serious allegations. We can not just sit back and watch other branches of our government take a lead on this. We have to take the lead as legislators, as elected officials. Also, I would urge the governor to invoke his powers and ask for the resignations of all board members of MPLA if these allegations come out true. They are subject to the same code of ethics as every one in government – every employee, every director, and every elected official. They are also subjected to criminal charges, if necessary. With that, Mr. Speaker, I acknowledge your call to take this issue to the public. We have to seriously consider our action. Again, we must take this reorganization of MPLA or the abolishment of the Marianas Public Lands Authority very seriously and try to foresee the ramifications of our actions in this Fifteenth Legislature. Thank you.

Speaker Babauta: Thank you, Minority Leader. For your information, the Chair of JGO Committee is also a member the Committee on Natural Resources, so she will be there to participate and assist the committee as we deliberate on this important measure. On the same note, I request that every member partake in the discussion in the abolition of this agency so that we clear the dark clouds surrounding such misgivings. We need to impress upon every responsible officer of this government and its employees that we need to take real good care of what we are entrusted today. Thank you very much, Minority Leader, for your concern and since you are also a member of the Committee on Natural Resources – are you a member?

Minority Leader Palacios: Yes.

Speaker Babauta: Thank you. I recognize Representative Ray Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker, along the lines of what was offered by Representative Palacios, I do understand that we have a proposed hearing next Friday?

Speaker Babauta: I proposed that to the Chair so that we have ample time.

Rep. Tebuteb: I would recommend that we move extra cautious, very, very cautiously this issue is very sensitive and we all know that. Representative Kaipat has also introduced a very sensitive piece of legislation, we should also consider that. We know that there is an ongoing investigation, and if I may, *auditing* more than and *investigation*, on MPLA I would recommend that maybe the Committee if time permits from the reports or investigations that are ongoing that we should also bring that to the table for public discussion. So I am not sure whether those four audits or works will be finished by next Friday. I am not sure, but I just recommending that we also consider those things so that everything is in perspective before we really sit down with the public in general.

Speaker Babauta: Thank you, I recognize Representative Cinta Kaipat.

Chairwoman Kaipat: Thank you, Mr. Speaker. It is precisely this reason that you articulated so well that there are many problems at MPLA that calls for this particular bill, H. B. NO. 15-56 to be passed immediately. All this bill does is to call for the creation of the task force and to halt any mining whatsoever until a comprehensive study(ies) is conducted. I appreciate the sentiments express by the honorable colleague, Representative Palacios, concerning his request that JGO Committee be involved in the public hearing in scrutinizing the actions of MPLA. I do welcome that and yes, you are correct, I am a member of the Natural Resources Committee as Vice Chair and as you know I am the Chair of JGO. So I believe that both of these committees are involved. And to that extent, Mr. Speaker, I wish to request that not only should H. B. NO. 16-56 be considered by only the Committee on Natural Resources, but by JGO as well. I thank you.

Speaker Babauta: So ordered. I recognize my humble colleague from Election District 1, Representative Tenorio.

Rep. Tenorio: *Si Yu'us Ma'ase*, Mr. Speaker. Mr. Speaker, *atman hit nai gi Legislature ta a'atan este siha i chetnot estaki man dangkulo ha' ni ta keke-patch*. But I think it is incumbent upon every single legislature, especially the chair of a committee to look at their various areas and responsibilities and get these people in maybe not necessarily ... an oversight has a very bad connotation, but bring them in so that we can discuss what needs to be done and what is our role as

legislators. We do not have to wait until all these problems come in. Although each member of the board has his own fiduciary obligation, now we are jumping to changing the system that was established by a bunch of legislators like us many years ago. Sometimes you wonder whether you have to burn the house to kill the rat in there, or take poison and try to get the rat out. Essentially what we are doing here is just that, we are rushing in and saying let us change everything but we try to work with the governor, the new governor because this is how he sees things now. But I have served for four terms in the legislature and many times I have to retrospect and look back and say maybe we are not doing our job here. So let us work in this Fifteenth Legislature and if you are chairing any committee to please call in the people that you work with and ask them if there is anything that we need to do to help them out instead of waiting *estaki sala' nai i chetnot. Estigi ta padedesi nai pa'go*, Mr. Speaker. *Estigi prublema, parehu ha' i CUC, i public land*, maybe other things will come out. *Ahe' agon, guaha na biahe ni kulan debi ha' di ta atan hafa chechocho-ta guine. Man responsible hit gimagahit na man ma bota-hit guine ni para ta atan i prubleman i publiku, hafa siña ta ayuda. Man manhula' hit todou* to protect the best interest of the people, our people in the community. Like I said, I hate to be repetitive, but now that you have a strong majority on one side, we are offering our help, our cooperation from the minority to work with you people and let us try to prevent this kind of thing from happening by working with the various agencies and the people in our community. That is all, Mr. Speaker, thank you.

Speaker Babauta: Are you also a member of the Committee on Natural Resources, Representative Tenorio?

Rep. Tenorio: Yes, Mr. Speaker, and the gracious Chairman invited me. For your information, I chair the Natural Resources Committee for the Saipan and Northern Islands Legislative Delegation, so I wish to they call me in to join them. Thank you.

Speaker Babauta: Well, Mr. Chairman, with your experience and knowledge in natural resources, I think your thoughts are very commendable and could assist the standing committee accomplish its mission and you are part of it, not as a minority but as a member representing the people and the people's interest. I recognize the Vice Speaker.

Vice Speaker Quitugua: The situations that are facing us with CUC, MPLA I think is a hard lesson learned for all elected officials that when creating an autonomous agency, we need to really, really examine what are we putting in that bill. On the other hand, we are also to be mindful who are we putting in those autonomous agencies to provide direction to the agency. So this situation is a lesson for all of us, for those elected officials that were here before and for all of us who are new in the legislature. With that, Mr. Speaker, I see this Fifteenth Legislature as wanting to correct the misgivings and the actions taken that are now right to protect the interest of our citizens here in the Commonwealth, thank you.

Speaker Babauta: Well in now that we are in this decade – we used to operate with x-rays – now we have the MRI in this legislature, so every member has the opportunity to examine the result of that reading. I continue to impress upon you to participate so that as we see problems, we will fix it, enhance it for the benefit of our people that we serve. Representative Taman, recognized.

Rep. Taman: Thank you very much, Mr. Speaker. I would like to extend my very sincere appreciation to my good colleague here, Representative Waki who is chairing the Committee on

Federal and Foreign Relations accepting my membership in his committee. I am very much willing to work with him and the rest of the members. Thank you very much.

Speaker Babauta: Chairman Aldan?

Chairman Aldan: Yes, Mr. Speaker. First of all, I want to thank the members that are putting inputs to the Committee. Rest assured that your inputs will be taken into consideration. The Committee will (end of tape)...

Speaker Babauta: (beginning of tape) ...so that you and them would have the same page as we begin this deliberation and also I never questioned your investigative technique having been a law enforcement officer having to select our Representative Palacios and Representative Tenorio and a good gesture on your part, Mr. Chairman, thank you very much.

Rep. J. Deleon Guerrero: Mr. Speaker, I am very happy to hear all this wonderful words of cooperation and working together between the two blocks. I just wanted to ask Representative Ada why he decided to close the door to the minority section.

Speaker Babauta: May I answer that ... no need to answer. The good Representative will have the answer after the session. Camaraderie, thank you. Anymore under Miscellaneous Business? Distinguish Representative from Precinct 3.

Rep. Tebuteb: Mr. Speaker, Representative Ada did make a hole between our rooms. So I really, really appreciate that.

Speaker Babauta: I was hoping you do not bring that up...just to have a sense of humor here, it was the request of Chairman Ogo to make sure that they see you everyday. Announcements.

### ANNOUNCEMENT

Speaker Babauta: Chairman Ada.

Rep. Ada: Let us not lie to each other that Monday is the Super Bowl, so the 10:00 a.m. meeting should be moved to 9:00 a.m. for the Commerce and Tourism meeting.

Speaker Babauta: What time is the Super Bowl?

Rep. Ada: I heard it is at 11:00 a.m., so I do not think anybody is going to come for an hour meeting. Let us make it at 9:00 a.m. so we catch couple of hours for the Committee, please.

Speaker Babauta: Well, we have a TV here in the Conference Room so you can have your Super Bowl also in the Conference Room, there is also a softball. Representative Cinta Kaipat.

Rep. Kaipat: Excuse me, Mr. Speaker, I just wanted to point out that the Ways and Means Committee was originally scheduled to meet at 9:00 a.m. on Friday and I believe that CUC is coming in on that same day and same time.

Speaker Babauta: CUC would be conducting a presentation of its state of affairs, present condition, at the request of certain members primarily from Representative Manny Tenorio. But I continue to

add that everybody is invited to this presentation and members are invited. So be here so that we have first-hand knowledge from people that work within our corporation. Yesterday, I understand that the presentation was a good one, so those are very informative for all of us so that we may have that information to guide us as we deliberate on issues with respect to those agencies that are affected. We will adjourn and come back next week Thursday at 10:00 a.m. Again, the committee will start meeting this afternoon at 1:30 and other committees will be tackling issues on Monday, Tuesday, so we will have something to deliberate on the Calendar. Okay? Since it is Friday, I wish each and every one of you a happy weekend and come back safely on Monday from the Super Bowl, of course, sober.

### **ADJOURNMENT**

Speaker Babauta: Floor Leader, motion for adjournment.

Floor Leader F. Deleon Guerrero: So moved, Mr. Speaker, for adjournment subject to your call.

The motion was seconded and carried by voice vote.

The House adjourned at 11:42 a.m.

Respectfully submitted,

Sheila Herwin, Journal Clerk  
House of Representatives

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### **APPEARANCE OF LOCAL BILLS**

#### **SECOND APPEARANCE**

H. L. B. NO. 15-1: To appropriate the sum of \$17,269.00 from the fees collected from the bingo and cockfighting; and for other purposes.

H. L. B. NO. 15-2: To appropriate \$1.5 Million from Saipan Local Law 11-2; and for other purposes.

H. L. B. NO. 15-3: To appropriate Two Million Two Hundred Forty-Five Thousand Dollars (\$2,245,000.00) from Saipan Local Law 11-2; and for purposes.

H. L. B. NO. 15-4: To rename the Garapan Street to the "Jesus T. Attao Road" in honor of Jesus T. Attao, distinguished congressman

H. L. B. NO. 15-5: To appropriate \$50,000 from the fees collected pursuant to Saipan Local Law 11-2, as amended by Saipan Local Law 13-8, for the construction and equipment of a Kannat Tabla Basketball Court Facility.

H. L. B. NO. 15-6: To appropriate One Million Dollars (\$1,000,000.00) from Saipan Local Law 11-2; and for other purposes.





# House Journal

## FIRST REGULAR SESSION, 2006

**Fourth Day**

**Thursday, February 9, 2006**

The House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature convened its Fourth Day, First Regular Session on Thursday, February 9, 2006, at 10:16 a.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Oscar M. Babauta, Speaker of the House, presided.

A moment of silent prayer was observed.

The Clerk called the roll; fifteen members were present. Representatives Jesus SN. Lizama, and Stanley T. McGinnis Torres were excused. Representative Ramon A. Tebuteb came in late.

Speaker Babauta: A quorum is duly constituted for today's session. For the record, all members absent are duly excused for this morning's session.

### **ADOPTION OF JOURNALS**

**None**

### **PREFILED AND INTRODUCTION OF BILLS**

H. B. NO. 15-60: A Bill for an Act to establish a special account to enhance fire safety in the CNMI.

Offered by: Representative Jacinta M. Kaipat

Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-61: A Bill for an Act to amend 1 CMC § 1617, created by Section 3 of Public Law No. 12-43, to give the Speaker of the Youth Congress the authority to appoint individual members of the Youth Congress to serve as non-voting honorary members of each Commonwealth board and commission; and for other purposes.

Offered by: Representative Manuel A. Tenorio

Referred to: Committee on Health, Education, and Welfare

H. B. NO. 15-62: A Bill for an Act to prohibit government employment contracts buyouts for executive directors or the top administrative officers of a public corporation, board, commission or other autonomous agency of the Commonwealth government; and for other purposes.

Offered by: Representative Arnold I. Palacios and four others

Referred to: Committee on Ways and Means

H. B. NO. 15-63: A Bill for an Act to amend 1 CMC § 7204(e); and for other purposes.

Offered by: Representative Crispin M. Ogo

Referred to: Committee on Ways and Means

H. B. NO. 15-64: A Bill for an Act to authorize the Commonwealth Development Authority (CDA) to write off the principal sum and interest due to it, from loans extended to the Commonwealth Utilities Corporation referenced in the amended Memorandum of Agreement between CUC and CDA executed on January 13, 2004 and January 17, 2004, by each respective public corporation; and for other purposes.

Offered by: Representative Absalon V. Waki, Jr.

Referred to: Committee on Ways and Means, and  
Committee on Public Utilities, Transportation, and Communications

H. B. NO. 15-65: A Bill for an Act to amend 3 CMC § 4343 to enable the Attorney General to impose penalties and conditions on those aliens who are offered an opportunity to voluntarily depart the Commonwealth in lieu of facing deportation proceedings; and for other purposes.

Offered by: Representative Ramon A. Tebuteb and four others

Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-66: A Bill for an Act to amend Public Law 14-44 to allow the construction of restroom/shower and beach pavilion facilities within 300 feet of the high water mark in the First Senatorial District; and for other purposes.

Offered by: Representative Crispin M. Ogo

Referred to: Committee on Natural Resources

H. B. NO. 15-67: A Bill for an Act to mandate the Department of Lands and Natural Resources, Division of Fish and Wildlife to establish a Commonwealth Aquaculture Development Program; and for other purposes.

Offered by: Representative Martin B. Ada and nine others

Referred to: Committee on Natural Resources

H. B. NO. 15-68: A Bill for an Act to grant hybrid-electric vehicle dealers and consumers tax relief.

Offered by: Representative Ray N. Yumul

Referred to: Committee on Commerce and Tourism

H. B. NO. 15-069: A Bill for an Act to criminalize theft of utility services by adding a new Section 1609 to Chapter 1, Part 2, Division 1, Title 6 of the Commonwealth Code; and for other purposes.

Offered by: Representative Ray N. Yumul

Referred to: Committee on Judiciary and Governmental Operations, and  
Committee on Public Utilities, Transportation, and Communications

H. B. NO. 15-70: A Bill for an Act to establish a Recycling Deposit Fee and Payout Program; and for other purposes.

Offered by: Representative Manuel A. Tenorio

Referred to: Committee on Ways and Means

H. B. NO. 15-71: A Bill for an Act to repeal and reenact Section 2(c)(2) of Public Law 13-7; and for other purposes.

Offered by: Representative Arnold I. Palacios and four others  
Referred to: Committee on Ways and Means

H. B. NO. 15-72: A Bill for an Act to repeal and reenact Article 1, Chapter 5, Part 2, Division 8, Title 1 of the Commonwealth Code, specifically 1 CMC § 8261 *et seq.*; and for other purposes.

Offered by: Representative Joseph P. Deleon Guerrero and two others  
Referred to: Committee on Health, Education, and Welfare

Speaker Babauta: Let the record show that Representative Tebuteb is now present in the Chamber.

Rep. Tebuteb took his seat in the Chamber at 10:18 a.m.

H. B. NO. 15-73: A Bill for an Act to define conduct which constitutes identity theft and provide appropriate punishment.

Offered by: Representative Oscar M. Babauta  
Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-74: A Bill for an Act to amend Section 2301 of 9 CMC Division 2; and for other purposes.

Offered by: Representative Oscar M. Babauta  
Referred to: Committee on Commerce and Tourism

H. B. NO. 15-75: A Bill for an Act to require the appropriate government agency extracting natural resources from private lands to compensate the rightful owner; and for other purposes.

Offered by: Representative Oscar M. Babauta  
Referred to: Committee on Natural Resources

H. B. NO. 15-76: A Bill for an Act to amend Title 4, Division 5, Chapter 5, by adding a new Article 6 to ensure that alcoholic beverages bottled or imported for sale in the Commonwealth contain health warnings on their containers in compliance with federal laws and regulations and to ensure that the Commonwealth Department of Commerce, Division of Alcohol Beverage and Tobacco Control has the power to enforce the requirement for such labeling; and for other purposes.

Offered by: Representative Oscar M. Babauta  
Referred to: Committee on Commerce and Tourism

Speaker Babauta: The originals are with the Clerk, everyone is welcome to co-sponsor.

H. L. B. NO. 15-16: A Local Appropriation Bill for an Act for the Third Senatorial District to appropriate \$2,000,000.00 from Saipan Local Law 11-2 for the design and construction of the Saipan Southern High School Gymnasium; and for other purposes.

Offered by: Representative Martin B. Ada  
[First Appearance]

Rep. Ada: I invite my colleagues, especially from Precinct 1 to join in and sign the original bill. Thank you. All members are welcome also.

H. L. B. NO. 15-17: A Local Appropriation Bill for an Act for the Third Senatorial District to appropriate \$280,000.00 from the revenue collected pursuant to Saipan Local Law 11-2; and for other purposes.

Offered by: Representative Justo S. Quitugua  
[First Appearance]

H. L. B. NO. 15-18: A Local Bill for an Act for the Third Senatorial District to repeal and reenact Saipan Local Law No. 13-21 which established the Saipan Higher Education Financial Assistance Board; and for other purposes.

Offered by: Representative Justo S. Quitugua  
[First Appearance]

Speaker Babauta: Representative Ada.

Rep. Ada: This is a request to place the aquaculture bill on today's calendar.

Speaker Babauta: Representative Ada, I ask that you give ample time to our receiving agency, the Department of Lands and Natural Resources. Solicit their comment or whoever the committee chair that is charged with that bill to see whether or not it is feasible for them to absorb the program. If not, then we will probably put it with the Cooperative Research, Extension, and Education Services (CREES) with the Northern Marianas College.

Rep. Ada: I agree with the CREES portion, Mr. Speaker.

Speaker Babauta: If there is no objection, we will refer that to the proper committee.

Rep. Ada: I withdraw my motion.

Speaker Babauta: For clarification, it was a suggestion; it was not a motion but a suggestion that you made. So there being no objection, we will allow the affected agency to partake in that deliberation. We thank you for your cooperation.

### **PREFILED AND INTRODUCTION OF RESOLUTIONS**

Rep. Palacios: Mr. Speaker, may I request for a one-minute recess. I need to clarify something.

Speaker Babauta: Short recess.

The House recessed at 10:27 a.m.

RECESS

The House reconvened at 10:31 a.m.

Speaker Babauta: We are back in our session. I recognize Representative Arnold Palacios.

Rep. Palacios: Mr. Speaker, I have the honor and privilege on behalf of Representative Stanley Torres to introduce H. R. NO. 15-23. And without objection, Mr. Speaker, I would like to offer this to be introduced by the Committee of the Whole and ask that this be placed on today's Order of Business for disposition.

There was no objection.

H. R. NO. 15-23: A House Resolution to honor and commend the gallant CNMI members of the Echo 100<sup>th</sup> Battalion 442<sup>nd</sup> Infantry, and give special remembrance to the 442's fallen comrades Derence W. Jack and Wilgene T. Lieto.

Offered by: Rep. Arnold I. Palacios and seventeen others

Speaker Babauta: So ordered. We will take another short recess for copies of the resolution so that everybody has one to go through. Short recess.

The House recessed at 10:33 a.m.

RECESS

The House reconvened at 10:45 a.m.

Speaker Babauta: We are back in session. H. R. NO. 15-23 was officially introduced by the Minority Leader. There was no objection on the Floor placing it on today's Order of Business for action. That being said and without objection, we go down to Item 15, Resolution Calendar.

#### **MESSAGES FROM THE GOVERNOR**

None

#### **SENATE COMMUNICATIONS**

None

#### **HOUSE COMMUNICATIONS**

None

#### **COMMUNICATIONS FROM THE JUDICIAL BRANCH**

None

#### **COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE**

None

#### **COMMUNICATIONS FROM DEPARTMENTS & AGENCIES**

None

#### **OTHER COMMUNICATIONS**

None

## REPORTS OF STANDING COMMITTEES

None

## REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

None

## UNFINISHED BUSINESS

None

## RESOLUTION CALENDAR

Speaker Babauta: I recognize the Floor Leader for the suspension of Rules.

Floor Leader F. Deleon Guerrero: I so moved, Mr. Speaker, to suspend pertinent Rules for the adoption of this House Resolution.

The motion was seconded and carried by voice vote.

Floor Leader F. Deleon Guerrero: Adoption motion, Floor Leader.

Floor Leader F. Deleon Guerrero: I so moved, Mr. Speaker, to adopt H. R. NO. 15-23.

The motion was seconded.

H. R. NO. 15-23: A HOUSE RESOLUTION TO HONOR AND COMMEND THE GALLANT CNMI MEMBERS OF THE ECHO COMPANY, 100<sup>th</sup> BATTALION 442<sup>nd</sup> INFANTRY, AND GIVE SPECIAL REMEMBRANCE TO THE 442<sup>nd</sup>'S FALLEN COMRADES DERENCE W. JACK AND WILGENE T. LIETO.

Speaker Babauta: Discussion on the motion? I recognize Representative Ray Yumul.

Rep. Yumul: Thank you, Mr. Speaker. I have a suggestion here under “442”, to add a floor amendment to change that to “442<sup>nd</sup> Infantry” as it appears on the Resolution because “442” is a number in and of itself does not mean anything.

Speaker Babauta: We will consider this a technical ...

Rep. Yumul: Secondly, Mr. Speaker, if we can include the names of the two deceased and put in parenthesis “deceased” on the roster of names of the members of the CNMI’s 442<sup>nd</sup>.

Speaker Babauta: Since this is a resolution honoring our members of our 100<sup>th</sup> Battalion, if there is no objection from the members we will allow the House Clerk to take corrective measures on other grammatical and technical corrections. I recognize Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. This is a very, very important resolution. I was just looking at page 5 on the “BE IT RESOLVED” and the honorable members that will be accorded a copy of this resolution – is that intent, besides the two late soldiers or do we include all the members?

Speaker Babauta: I assume from reading the title it is a general resolution honoring in its entirety the members of our 100<sup>th</sup> Battalion, Echo Company.

Rep. Tebuteb: I do not any problem with that, I am just looking at ...

Speaker Babauta: I understand where you are coming from and that is with respect to the copies to be made.

Rep. Tebuteb: ...the honorable members that we should accord this resolution to.

Speaker Babauta: Okay, and your concern is giving a copy to each member. Since this is a resolution dedicated to the entire group and their names would be of course in the resolution, the resolution is to be displayed at their central office. All those names would appear and the members of the Echo Company will continue to have their names to be displayed in the building. I recognize the Vice Speaker.

Vice Speaker Quitugua: If there is no objection from the members, Mr. Speaker, if we could add on to the listing that would be receiving the resolution the headquarters command of the 442<sup>nd</sup> Battalion. I do not know who, but if we can ...

Speaker Babauta: Let me ... I ask everybody to yield to Representative Ray Yumul. He is more fluent to with the military scenario.

Rep. Yumul: What is the question?

Speaker Babauta: The question is on the chain of command.

Rep. Yumul: Thank you, Mr. Speaker. During mobilization we fell under the 29<sup>th</sup> Infantry, which is the Hawaiian National Guard, Brigadier General Joseph Chavez was the Commander. During peace time, we fall under 9<sup>th</sup> RRC, which I believe General Ma is the Commanding Officer. The chain of command for the 100<sup>th</sup> Battalion is Lt. Colonel Herbert Low, Commander of the 100<sup>th</sup> Battalion, 442<sup>nd</sup>, the Executive Officer – I forgot his first name, but his last name is Peeters, and then Command Sergeant Major Harold Estabrooks is the Command Sergeant Major for the 100<sup>th</sup> Battalion, and then the respective company commanders, such as Major Franklin Babauta is the Commanding Officer for Echo Company.

Speaker Babauta: So what is your diplomatic recommendation?

Rep. Yumul: At least to the battalion commander.

Speaker Babauta: General Ma?

Rep. Yumul: Negative, the Lieutenant Colonel which is the Commander of the 100<sup>th</sup> Battalion, Lieutenant Colonel Low.

Speaker Babauta: And that is in Hawaii.

Rep. Yumul: 100<sup>th</sup> Battalion is based in Hawaii, we are a Detachment.

Speaker Babauta: Okay, so that is the Vice Speaker's concern, the headquarters of the 100<sup>th</sup> Battalion. I recognize the Minority Leader.

Minority Leader Palacios: Can we go ahead and ask Representative Yumul to get together with the Clerk to insert the necessary wording and insert these names.

Speaker Babauta: I agree, without objection from the members.

There was no objection.

The Chair recognized Rep. Taman.

Rep. Taman: Mr. Speaker, I know that this piece of documentation is going to be very historical and in the future our children will be looking at this documentation in our archives. I was just wondering, if there is no objection, if we could also attach the rank of each of these individual soldiers.

Speaker Babauta: Let me refer that to Representative Joe Deleon Guerrero. He is also a veteran.

Rep. J. Deleon Guerrero: Mr. Speaker, I was also pursuing doing a resolution and I was informed by the Commanding Officer that the reason the rank is not in there is because it is subject to change and that is why they only give the names and not the ranks of the individuals. I agree with you, but that is company policy, I guess.

Speaker Babauta: Okay, clarified. Representative Cinta Kaipat.

Rep. Kaipat: I just want to also make this suggestion, I do not know if it is appropriate but certainly the men of the Echo Company depend on their families also and the community to support them. So I would make this suggestion that that be noted in here also, that their support, the community support be incorporated somewhere in this language.

Speaker Babauta: Short recess.

The Chair declared the House recessed at 10:54 a.m.

RECESS

The House reconvened at 11:00 a.m.

Speaker Babauta: The session shall reconvene, and as a result of our discussion during recess we agreed to allow the Counsel, the House Clerk, and Representative Ray Yumul to tidy up the details of the resolution and without objection, of course. At the same time, I humbly request our Clerk to expedite with the engrossment of this Resolution for tomorrow's presentation to Sergeant Ray Yumul and his group and primarily to the Commanding Officer. Okay, so we left off with that discussion on the Floor, any more discussion? For clarification purposes and for the record, the House Resolution that will be adopting this morning will be in the form of House Draft 1 (HD1) with all the comments to be incorporated. Anymore discussion?

Several members voiced “ready”.

The motion to adopt H. R. NO. 15-23 in the form of House Draft 1 was carried by voice vote.

Speaker Babauta: H. R. NO. 15-23 is hereby adopted in the form of House Draft 1 and to be presented tomorrow evening. Nothing on the Bill Calendar, we go to Miscellaneous Business.

## **BILL CALENDAR**

None

## **MISCELLANEOUS BUSINESS**

Speaker Babauta: I would, once again, impress upon the committees to continue working on bills and expedite those that are not very controversial, primarily those on technical amendments to existing laws. Also the public hearing on the MPLA abolition under H. B. NO. 15-57 will be conducted tomorrow at 9:00 a.m. at the multi-purpose building strictly for the government agencies participating in the public hearing that has to do, or at one time or another have been working with public land, similarly the Commonwealth Development Authority, the Department of Public Works, the Department of Lands and Natural Resources, and the Department of Finance. The Joint Committee will continue its public hearing in the evening at 6:00 p.m. for the general public so that we do not have anything in between the agencies of our government and the general public. The Senate President and I have executed a Joint Memorandum appointing the Standing Committee Chair of the House Natural Resources Committee and the Chairwoman of the Senate Resources, Economic Development, and Programs Committee to jointly conduct a public hearing on this issue. I understand from the Committee of the House that they have tentatively scheduled to have one in Rota and in Tinian. Chairman Aldan.

Chairman Aldan: Yes, Mr. Speaker. The Committee has decided to have one on Rota on Monday, 6:00 p.m. at the Rota Court House, Judicial Complex in Sinapalo and one for Tinian scheduled for Wednesday, 6:00 p.m. at the court house.

Speaker Babauta: Again, I caution the members on this joint effort. I understand the flight schedules are pretty much tied-up now-a-days inter-island, and not only are the flight schedules tied-up but the government’s financial status is also pretty much tied-up. So anybody who has excess fund may join, only committee members of that particular committee. I beg to request that those who are not members to please refrain from joining and allow your funds to carry you to the end of the fiscal year. Any other Miscellaneous Business? If none, Representative Ada, under Announcement.

## **ANNOUNCEMENT**

The Chair recognized Rep. Ada.

Chairman Ada: Saturday is the Santa Lourdes Fiesta at 4:00 p.m. The families are inviting everyone along with Vice Speaker to join in their celebration. Thank you.

Speaker Babauta: What time is the Mass?

Chairman Ada: 4:00 p.m. at Santa Lourdes this coming Saturday. The families of the Borja are inviting everyone. It is going to be four families that are going to be sponsoring the after Mass refreshments. Thank you.

Speaker Babauta: Very good, any one who has water or juices, please contribute to the Office of Congressman Ada. Anymore Announcement? If none, Floor Leader, a motion for recess subject to the Call of the Chair.

### ADJOURNMENT

Floor Leader F. Deleon Guerrero: I so moved, Mr. Speaker, to adjourn subject to the Call of the Chair.

The motion to adjourn subject to the Call of the Chair was seconded and carried by voice vote.

The House adjourned at 11:06 a.m.

Respectfully submitted,

Sheila Herwin, Journal Clerk  
House of Representatives

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### APPEARANCE OF LOCAL BILLS

#### SECOND APPEARANCE

H. L. B. NO. 15-7: To appropriate \$245,400 from the Third Senatorial District Developers Infrastructure Tax Fund for the paving shortfall of the Sihok and Papago Roads in Capitol Hill, to upgrade the power poles and lines in the remote areas in Capitol Hill, to hook up the lighting system at the Dandan Baseball Field, to install pedestrian crossings at all school bus shelters/stops in Saipan, and to pave the Dandan Elementary School parking area; and for other purposes.

H. L. B. NO. 15-8: To appropriate \$310,000 from the Managaha Landing Fees for the construction and repairs of the pavilions at Paupau Beach; Youth Indigenous Cultures, Arts, and Language Proms; the Flame Tree Festival; and public sculptures; and for other purposes.

H. L. B. NO. 15-9: To appropriate \$12,296.00 from Resident Identification Card Fund pursuant to Saipan Local Law 13-16 for the Office of the Mayor of Saipan to pay for heavy equipment maintenance and operations; and for other purposes.

H. L. B. NO. 15-10: To repeal and reenact Section 2(a) of Saipan Local Law 14-31; and for other purposes.

H. L. B. NO. 15-11: To prioritize the disbursement of the funds collected pursuant to 10 CMC § 3821 to the Saipan Higher Education Financial Assistance established by Saipan Local Law No. 13-21; and for other purposes.

H. L. B. NO. 15-12: To repeal and reenact Section 4(3) of Saipan Local Law 14-23; and for other purposes.

H. L. B. NO. 15-13: To appropriate \$90,000.00 from the local license fees collected for pachinko slot machines and poker machines in the First Senatorial District; and for other purposes.

H. L. B. NO. 15-14: To designate that the Kagman Community (Kagman I, Kagman II, Kagman III) as a residential community only in accordance with the Village Homestead Act of 1979 and the Village Homestead Rules and Regulations; and for other purposes.

H. L. B. NO. 15-15: To appropriate funds for the design, construction, and paving of various roads in Precinct I; and for other purposes.

#### THIRD APPEARANCE:

H. L. B. NO. 15-1: To appropriate the sum of \$17,269.00 from the fees collected from the bingo and cockfighting; and for other purposes.

H. L. B. NO. 15-2: To appropriate \$1.5 Million from Saipan Local Law 11-2; and for other purposes.

H. L. B. NO. 15-3: To appropriate Two Million Two Hundred Forty-Five Thousand Dollars (\$2,245,000.00) from Saipan Local Law 11-2; and for purposes.

H. L. B. NO. 15-4: To rename the Garapan Street to the "Jesus T. Attao Road" in honor of Jesus T. Attao, distinguished congressman

H. L. B. NO. 15-5: To appropriate \$50,000 from the fees collected pursuant to Saipan Local Law 11-2, as amended by Saipan Local Law 13-8, for the construction and equipment of a Kannat Tabla Basketball Court Facility.

H. L. B. NO. 15-6: To appropriate One Million Dollars (\$1,000,000.00) from Saipan Local Law 11-2; and for other purposes.



# House Journal

## FIRST REGULAR SESSION, 2006

**Fifth Day**

**February 22, 2006**

The House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature convened its Fifth Day, First Regular Session, on Wednesday, February 22, 2006, at 12:27 p.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Oscar M. Babauta, Speaker of the House, presided.

A moment of silence was observed.

The Clerk called the roll and seventeen members were present. Representative Stanley T. Torres was excused.

Speaker Babauta: Thank you. A quorum has been duly established for the conduct of this session this afternoon. Representative Stanley T. Torres is excused.

### ADOPTION OF JOURNALS

None

### PREFILED AND INTRODUCTION OF BILLS

H. B. NO. 15-77: A Bill for an Act to impose a privilege fee of \$300 on initial and renewal employment contract application of a nonresident worker to be paid by the employee; and for other purposes.

Offered by: Rep. Justo S. Quitugua  
Referred to: Committee on Commerce and Tourism

H. B. NO. 15-78: A Bill for an Act to amend 1 CMC §§ 2546(b) and (c); and for other purposes.

Offered by: Rep. Crispin M. Ogo  
Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-79: A Bill for an Act to require refunds for security deposits to be issued in a timely manner; and for other purposes.

Offered by: Rep. Manuel A. Tenorio and four others  
Referred to: Committee on Commerce and Tourism

H. B. NO. 15-80: A Bill for an Act to reappropriate the sum of Fifty-One Thousand Seven Hundred Eighty-Six Dollars (\$51,786) from the un-obligated fund balance(s) of Public Laws 11-79 and 11-89; and for other purposes.

Offered by: Rep. Manuel A. Tenorio and three others  
Referred to: Committee on Ways and Means

H. B. NO. 15-81: A Bill for an Act to amend 4 CMC § 9503 and 9504.

Offered by: Rep. Manuel A. Tenorio and Rep. Joseph Deleon Guerrero  
Referred to: Committee on Commerce and Tourism

H. L. B. NO. 15-19: A Bill for an Act to appropriate the sum of \$2,000,000.00 from fees collected under Saipan Local Law No. 11-2 for the construction of drainage and road paving for the Laulau Bay Drive and the Obyan Beach access road; and for other purposes.

Offered by: Rep. Joseph P. Deleon Guerrero and three others

H. L. I. NO. 15-1: A House Legislative Initiative to amend Article XV, Section 2(a) of the Constitution of the Northern Mariana Islands.

Offered by: Rep. Justo S. Quitugua

H. L. I. NO. 15-2: A House Legislative Initiative to permit the Legislature to provide by law that government retirees may be reemployed without losing retirement benefits for an unrestricted period of time by amending Article III, Section 20(b) of the Constitution of the Northern Mariana Islands.

Offered by: Rep. Justo S. Quitugua

### **PREFILED AND INTRODUCTION OF RESOLUTIONS**

H. R. NO. 15-25: A House Resolution to urgently request the Honorable Benigno R. Fitial, Governor of the Commonwealth of the Northern Mariana Islands and Mr. Jose S. Demapan, Acting Secretary of the Department of Public Works to prioritize federal funding to expedite the construction and installation of guardrails and other safety barrier devices at Sadog Tasi.

Offered by: Rep. Ray N. Yumul and seventeen members.

Speaker Babauta: I understand that the Floor Leader requested that his resolutions be officially introduced and calendared for the next session. Is that an affirmation, Floor Leader?

Floor Leader Deleon Guerrero: That is correct, Mr. Speaker.

Speaker Babauta: Thank you, Floor Leader. With the consensus of the members, may I ask that we just suspend discussion on all the communications in the Order of Business, including the Senate Communications, so that we may go to the heart of the session?

There was no objection.

Speaker Babauta: So ordered.

### **MESSAGES FROM THE GOVERNOR**

GOV. COMM. 15-17 – [2/6/06] – Certification of vacant positions for Director, Economic Development; Director, Central Statistics Division; Computer Operator III, and Computer Operator II at the Department of Commerce.

GOV. COMM. 15-18 – [2/10/06] – Certification of vacant positions for Special Assistant to DPW, Special Projects Coordinator, Director, Operation and Maintenance Division and Building Inspector Supervisor at the Department of Public Works.

GOV. COMM. 15-19 – [undated] – Certification of vacant positions for Mayor, Mayor's Special Assistant, Agricultural & Economic Consultant, and Veterans Affairs Officer at the Tinian Municipal Council.

GOV. COMM. 15-20 – [2/14/06] – Certification of vacant position for an Executive Director at the Northern Marianas Islands Museum of History and Culture.

GOV. COMM. 15-21 – [2/14/06] – Waiver of Salary Ceiling for the Senior Policy Advisor.

GOV. COMM. 15-22 – [2/15/06] – Certification of vacant position for an Accountant at the Criminal Justice Planning Agency.

GOV. COMM. 15-23 – [2/15/06] – Certification of vacant position for Manager at the Administrative Services, Department of Labor.

GOV. COMM. 15-24 – [2/16/06] – Certification for vacant positions of Computer Specialist II and Commerce Enforcement & Compliance Technician II at the Department of Commerce.

GOV. COMM. 15-25 – [2/17/06] – Certification for vacant position of Physician (Internal Medicine) for the Department of Public Health.

GOV. COMM. 15-26 – [2/27/06] – Waiver of Salary Ceiling for Dr. Joel Reed Smith, Physician (Internal Medicine).

### **SENATE COMMUNICATIONS**

SEN. COMM. 15-8: (2/9/06) Transmittal of a certified copy of S. R. NO. 15-7, entitled: "Conveying the sincere condolences and sympathy of the Senate of the Fifteenth Northern Marianas Commonwealth Legislature to the bereaved family of the late and Honorable Hilario F. Diaz on the occasion of his untimely passing and paying tribute to his fond memory," which was adopted by the Senate on February 9, 2006. [For info]

SEN. COMM. 15-9: (2/9/06) Transmittal of S. J. R. NO. 15-2, SD1, entitled: "Respectfully requesting the Honorable Pedro A. Tenorio, CNMI Resident Representative to the United States, to seek the assistance of the Honorable Madeleine Z. Bordallo, Guam Congresswoman, and Dr. McClellan, CMS Administrator, Center for Medicaid and Medicare services, to include the CNMI in the Medicare Program utilizing qualified Philippines medical facilities for medical referral patients," which was adopted by the Senate on February 9, 2006. [For action]

SEN. COMM. 15-10: (2/10/06) Transmittal of S. B. NO. 15-2, SD1, entitled: To amend the Commonwealth Code to permit the issuance of Temporary Work Authorizations only under circumstances; and for other purposes,” which was passed by the Senate on February 9, 2006. [For action]

SEN. COMM. 15-11: (2/10/06) Transmittal of S. B. NO. 15-3, entitled: “To amend the Commonwealth Code to require the Office of the Attorney General to state on the record its reasons for dismissing charges of Operating While Intoxicated, and for other purposes,” which was passed by the Senate on February 9, 2006. [For action]

SEN. COMM. 15-12: (2/10/06) Transmittal of S. B. NO. 16-6, SD1, entitled: “To give a CNMI Government Retiree who is subsequently re-employed with the government the option to waive their salary and instead continue receiving their retirement benefits; and for other purposes,” which was passed by the Senate on February 9, 2006. [For action]

SEN. COMM. 15-13: (2/10/06) Transmittal of S. B. NO. 15-28, entitled: “To amend the Commonwealth Code to criminalize the making of false statements in any matter within the jurisdiction of the Executive Branch and to provide penalties therefore; and for other purposes,” which was passed by the Senate on February 9, 2006. [For action]

#### **HOUSE COMMUNICATIONS**

None

#### **COMMUNICATIONS FROM THE JUDICIAL BRANCH**

None

#### **COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE**

None

#### **HOUSE COMMUNICATIONS**

None

#### **COMMUNICATIONS FROM DEPARTMENTS & AGENCIES**

DEPT. & AGENCY COMM. 15-1: (2/9/06) From Ms. Linda T. Cabrera, Special Assistant for Programs and Legislative Review, acknowledging receipt of H. R. NO. 15-6 thru H. R. NO. 15-22.

DEPT. & AGENCY COMM. 15-2: (2/16/06) From Ms. Linda T. Cabrera, Special Assistant for Programs and Legislative Review, acknowledging receipt of H. R. NO. 15-23, HD1.

#### **OTHER COMMUNICATIONS**

None

**REPORTS OF SPECIAL AND CONFERENCE COMMITTEES**

None

**UNFINISHED BUSINESS**

None

**RESOLUTION CALENDAR**

Floor Leader Deleon Guerrero: I move, Mr. Speaker, to place H. R. NO. 15-25 on today's Calendar.

The motion was seconded and carried by voice vote.

Speaker Babauta: The motion is carried.

Floor Leader Babauta: I now move, Mr. Speaker, for the adoption of the H. R. NO. 15-25.

The motion was seconded.

Speaker Babauta: Discussion. Representative Ada, recognized.

Rep. Ada: Mr. Speaker, I would like to make an oral floor amendment on the Resolution right after Sadog Tasi, insert, "Kagman at Piola's Store intersection and the road leading up from Laulau Bay, Papago Road up to Kagman."

The Chair called for a short recess.

The House recessed at 12:35 p.m.

**RECESS**

The House reconvened at 12:36 p.m.

Speaker Babauta: We are back in session. Floor Leader, would you consider a motion to withdraw your motion?

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, to withdraw my motion for adoption.

The motion to withdraw the adoption of H. R. NO. 15-25 was seconded and carried by voice vote.

Speaker Babauta: House Resolution No. 15-25 remains on the Calendar. Without objection, Floor Leader motion on item number 12, Standing Committee Report.

**REPORTS OF STANDING COMMITTEES**

Floor Leader Deleon Guerrero: Mr. Speaker, if there is no objection from the members, I move for the placement of S. C. R. No. 15-1 on the Calendar for action.

The motion to place S. C. R. No. 15-1 was seconded and carried by voice vote.

Speaker Babauta: The motion carries. S. C. R. No. 15-1 is now on the Calendar. Floor Leader, I now recognize a motion for the adoption of S. C. R. No. 15-1.

Floor Leader Deleon Guerrero: Mr. Speaker, I move for the adoption of S. C. R. No. 15-1.

**S. C. R. NO. 15-1**: Reporting on H. B. NO. 15-57, entitled, “A Bill for an Act to repeal Executive Order 94-3 as codified, Public Laws 10-57, 10-76, 12-33, and 12-71 to the extent they are applicable to public lands; to abolish the Marianas Public Lands Authority; and to create the Department of Public Lands within the Executive Branch; and for other purposes.” *Your Committee on Natural Resources recommends passage of the bill in the form of a substitute.*

Speaker Babauta: Discussion. I recognize the Minority Leader.

Rep. Palacios: I will yield, Mr. Speaker, to my senior.

The Chair recognized Representative Tenorio.

Rep. Tenorio: Mr. Speaker, *nanga fan. Hafã para ta discuss esti i* S. C. R. No. 15-1. Mr. Speaker, *parafã ta puni pago ha' manmanana'i hit ni esti ya* I am not a fast reader. I cannot go through this very quickly. So if we are going to discuss it better based on the comments...

Speaker Babauta: Okay, short recess.

The House recessed at 12:38 p.m.

## RECESS

The House reconvened at 12:50 p.m.

Speaker Babauta: We are to our plenary session. We are now discussing S. C. R. NO. 15-1. Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. I am just looking at the committee action on (b) and I am trying to set this on my frame of mind to go about this. The Committee recommended that this respective substitute, the introduced legislation, so we are going ahead with the committee findings and in part of the committee finding, there are some questions that I have on Section (c), but yet I do not know what is the substitute. Or do we not have any on substitute, have we adopted that.

Speaker Babauta: Are you referring to the bill, Representative Tebuteb?

Rep. Tebuteb: Yes, I am referring to the Committee Report. The Committee Report is saying what the committee recommends, which is the substitute of the bill, but we have not looked at the committee substitute yet we are adopting the Committee Report.

Speaker Babauta: Right, the Committee Report in itself.

Rep. Tebuteb: In subsection (c) on the changes, it alludes to the Committee Substitute.

Speaker Babauta: Which by now you should have a copy of the substitute....

Rep. Tebuteb: I have not had the chance to even go through the substitute, but let me just go specifically to Section 2. This section was also amended and it goes down further to say on the first line of the conclusion that by the majority members of the committee that MPLA has presently constituted as an autonomous agency fails to comply with Section 4(f) of the NMI Constitution. And then it further goes on that MPLC shall be transferred to the Executive Branch of the government after its dissolution. I think the NMI Constitution is very specific and I am trying to get what the committee meant when they said that MPLA in its presently constituted as an autonomous agency fails on what MPLC is all about.

Speaker Babauta: Let me clarify. As a result of Executive Order 94-3, MPLC then in 1994 was abolished by that particular Executive Order and transferred its function under the Department of Lands and Natural Resources. MPLA was reconstructed by the Legislature through Public Law 10-57 as amended by Public Law 12-33 and lastly by Public Law 12-71. Now, the Committee Report is just alluding to the sections of that particular bill where it changes the findings as the Joint Committee of the House and the Senate recommended.

Rep. Tebuteb: The Committee Report states that MPLA as an autonomous agency fails to comply with Article XI, Section 4(f). What it should be referring to is MPLC.

Speaker Babauta: Well, MPLC was already MPLA. I see what you mean because the Constitution explicitly made mentioned of a corporation instead of authority. So as a result of the dissolution in Executive Order 94-3, the Legislature see fits that the (c) should be changed to (a) and instead of corporation, it should authority. So this is the scenario here and I assumed that you are trying to insert, instead of authority, corporation.

Rep. Tebuteb: I am looking at the committee recommendation so that we go into the Substitute over the sections that need to be changed and part of that is where the transfer of functions which is stated in this subsection(c)(2).

Speaker Babauta: Let me recognize the Vice Speaker who is very privy to the Joint Committee meetings.

Vice Speaker Quitugua: Mr. Speaker, this section that Representative Tebuteb is raising, in reference to the existence of MPLA is not consistent with Article XI, Section (f) which states that the MPLC which is now MPLA shall be dissolved after 12 years of existence and return to an Executive Branch. That was done by Executive Order 94-3 and then the Legislature created MPLA. So what this part is saying is that, MPLA is not in compliance with Article XI, Section (f) that is why we are taking this action to return MPLA to the Executive Branch.

Rep. Tebuteb: And it is not only through the Executive Order that necessarily transfers those functions of MPLC. It is very clear in Section (4) that the word shall be dissolved. It is already there.

Speaker Babauta: Better yet, without objection, I will like to request the legal counsel to work with the bill and the Committee Report along with the Joint Committee, if no objection from the members.

There was no objection from the members.

Speaker Babauta: Mr. Bermudes, you may clarify that with Representative tebuteb.

*Legal Counsel Jose Bermudes: What Representative Quitugua stated is exactly the point. Based on the Constitution, it says that upon the dissolution of the MPLC, shall be transferred to the Executive Branch but through legislation, somehow it created an autonomous agency. So the finding of the bill rather than deleting all those from the original bills, like 13, 15 findings and the change course and just apply the finding of the provision of the Constitution that it shall be transferred to the Executive Branch.*

The Chair recognized Representative Joseph Deleon Guerrero.

Rep. Deleon Guerrero: Thank you, Mr. Speaker. This decision we are going to make is perhaps one of the most monumental decision we are going to make during the 15<sup>th</sup> Legislature. I have listened to the people that spoke at the public hearings; even they felt that this thing is just moving too fast. If you recalled those members that were there, even the public has asked that we slow down and give them a chance to digest and submit recommendations. We just got the Standing Committee Report a few minutes ago and the Committee Substitute 1. I am sorry, I am trying to be a fast reader but this is just too little time to digest what has been given out right now and as much as I would like to expedite the process, I do not think I will be asking too much if I ask for perhaps a few hours to go over this completely. There are other information that I just got that I need to read in order to carefully analyze what is being proposed in the Committee Substitute, and I just feel that we are rushing. I do not what the impending room is that compels us to have to act on this right now. I am sure it can wait maybe two hours for those of us who at least who have not gotten an opportunity to review the committee report or not subject to the deliberations in the committee. Please, I appeal to you to give us some time to digest the information and to make reasonable or reason decision. Please, call for recess and give us maybe lunch break so we can also digest some food as well, Mr. Speaker before we act on this very important bill. I am not asking for a week or couple of days but just an hour or two to give careful consideration to what is being proposed.

Speaker Babauta: Let me recognized the Minority Leader.

Rep. Palacios: Thank you, Mr. Speaker. I want to just comment on the report. First of all, it is one of the most monumental decisions that we will be making, I have no question about that. It is going to be one of the most important decision that I will be making in the 15<sup>th</sup> Legislature. I want to credit the committee, Mr. Speaker, for the Senate and House for conducting what I believe under the circumstances a fully extensive public hearing given the time that we have. So I congratulate him for taking the leadership role of a Chairman of a legislation taking it to the public and getting inputs from the public. Having said that, Mr. Speaker, I also noticed that there are several very important issues that were discussed in the committee that were really not incorporated into the substitute. In effect, some of those that were eliminated have to deal with the fundamental policies, particularly in Section 108 and the Committee Report alluded to it that some members raised concerns about it but it was decided that it should be taken out because of the economic conditions. One of the issues is how to appraise, how to charge rentals on public lands...those were taken out. I believe that those

should be and should continue to be in Law, in statute and should govern whoever is going to manage Public Lands. I thought that in the Committee meetings, we agreed that...and even the legal counsel thought that those specific provisions which were in the original fundamental policies be put back because it is very important. It says here, Fair Market Value...should be assessed; all rentals should be assessed at a Fair Market Value. So what is the standard? After you look at the Fair Market Value then what, 8%, 1%, 3%? That policy that was in existence in the previous legislations and even when MPLA was in the executive branch had those fundamental policies that are now absent in the substitute legislation. That is a concern that I want to raise, Mr. Speaker. There are other issues that I wanted to raise and hopefully it would be addressed but because we are having the session to pass this legislation, I will not be able to question about the funds. The legislation is very quite on how the funds are going to be used other than for operations of this agency which will be created under this statute. It says, it should be appropriated to a department and it would probably be less than what is now being spent by MPLA. The legislation is very quite on how those remaining funds are going to be treated and where that money would go, and who has jurisdictions over them. Throughout the deliberations that we had, Mr. Speaker, and even in the public hearing, there is no question of the need to reform Public Lands Authority and even people that came out and testify or in accord that if indeed allegations which are rampant out there are true, then the Governor should invoke his executive power and terminate these board members for cause. I tried to ask our Clerk whether she was able to transcribe some of the public comments from these extensive public hearings that we had at least on Rota and Tinian but because of the limited amount of time that she had, she had just about to finish the Saipan testimonies. I believed that when we went through the motion of holding public hearings, we should have at least the transcription of those public hearings so that we can incorporate some of those comments and consider some of those comments into the legislations that we eventually submit to the floor for passage. I am afraid that we failed in the sense and this Committee Report will probably not incorporate those comments. So those are the two areas of concerns that I have on the Standing Committee Report, Mr. Speaker. Thank you.

The Chair recognized Representative Tenorio.

Rep. Tenorio: Thank you, Mr. Speaker. I do not know whether I should speak in the vernacular but for the benefit of those who do not...

Speaker Babauta: No objection, Representative Tenorio.

Rep. Tenorio: Actually, i rules ha allow ha yu para bai hu kuentos fino Chamorro. I punto guini, Mr. Speaker, ya yahu esti muna klaru. Guaha siha public hearing manma conducta giya Saipan, Rota yan Tinian. Pues i Committee gi magahit checho-na para ufan matachong ya uma evaluate eyu siha i public hearing ya ufan ma atan hafa sina ta incorporate guini gi bill. I committee man meting guini gi Holiday, we met on Monday and the purpose was for us to get together and come up with the Committee Substitute and then report back to the committee or at least give the Committee the opportunity to read what was proposed for the actual action for today. As you should probably know, Mr. Speaker, this session was supposed to be held Thursday and we have not had the chance amongst ourselves, the minority group to actually get together and get a position on this bill. We are supposed to come up with a position paper per our meeting. At the same time, the other discussion that we had during that meeting, because one of the questions of constitutionality relative to Public Law 10-57, we requested the legal counsel to come up with a legal opinion on this and submit that legal opinion to the committee. I have not seen that legal opinion, Mr. Speaker, and that is very fundamental because nobody ever challenges the constitutionality of Public Law 10-57 since its

becoming law which was back in the 10<sup>th</sup> Legislature. So this is one area that we need to really address as both of my colleagues mentioned. This is not an easy task. We are not lawyers here. We are trying to carve a new milestone to our history by changing a very substantive law. We have already changed from MPLC to Department of Public Lands by the Executive Order 94-3, and we gave that opportunity to the Executive Branch to implement public land prices and administer the distribution of public land but when that did not work we created MPLA and gave the Board the power to administer public lands. Now we are back to square one with H. B. NO. 15-57. We should learn from our history that a matter as important as the disposition and management of our public lands should never be placed under a line agency. Our lands is safer in the hands of a trusted Board.

Speaker Babauta: With an oversight of the Legislature of course.

Rep. Tenorio: You know, Mr. Speaker, that is true but at the same time, the Secretary have no power. He is an appointed individual and he answers only to the Governor. I am not questioning the Governor, perhaps our Governor is trying to consolidate everything and put it under his wing but this matter of Public Land is so dear to everybody here. It is a sacred thing and that is why when they started MPLC, they have a board of directors to manage the public land. So you have more people involved in the disposition of public land. We have scarcity of land here in the CNMI and that is the very purpose of why the founding fathers of the Constitution created MPLC. So the time given, Mr. Speaker, even with the three public hearings that I have attended, only in Saipan where the government agencies came and testify where maybe two out of ten voted to abolish it. Why? Because they work for the administration, but the result of the working people is different. My record tells me that out of fourteen in Rota, four voted, “yes” and ten voted, “no.” In Saipan and Tinian the response is the same. Why do we have to change? And I agree with them. There are some maladies happening in the agency but like they say, please get rid of those people but let them have to have their day in court. Let the court decide what to do with them. We took off all the accusations in our findings. If you notice, all those findings of irresponsibility and wrongdoings are all gone. You wonder why. Some of the findings as you know are not true. For instance, the findings on the exorbitant compensation and the per diem rate, they are statutory, P. L. No. 12-71, and you are a part of it. You authorized the board and give them broad powers to manage Public Land and the 12<sup>th</sup> Legislature there is probably a reason for doing so at this time. The current Governor was the Speaker. I know that we all make mistakes but why do we have to continue. Why can we not give ourselves an opportunity, give us more time to really study this bill and the committee report. I would like to ask any of the members who can actually come up and tell me what is happening in this particular report. I do not recall all of these changes. We all agreed, Mr. Speaker, that we have to fix the problem. Taya nai. Todu ha hit tumungo na dankulu na problema I tafafana lau ti eyu ha lokue. Bula lokue otro deparamento man problema ayu nai incumbent upon this legislature to do an oversight on MPLA and get this things straighten out. Nesisita ha, Mr. Speaker, sa sigi ha hit ta gasta tiempota nu este ya mampos nu accusatory esti iyota findings ya eyu nai na mana fan suha. Eyi gui na guaha siha pago duru man mumun newspaper pago kulan ni ti man nesesario. Sometimes I wonder what is going on. Why the rush? Will this fix our financial problem? Maybe the Governor should just stop all travel and other excessive spending. I know that there are problems with salaries and wages also with MPLA. We are seeing these things just now. What we can do here is try to correct these problems and I know that this is a difficult process but the thing that we are doing now by rushing decisions is something that I disagree. I am in the opinion that we did the right thing with P. L. 10-57 when we took the power from the Governor and give it back to the Board because I believe, Mr. Speaker, that an issue important as public lands so sacred and dear to all of us the decision making on those issues should be place in the hands of a

Board, a trusted group people that represents the community. They have made mistakes in the past but who does not make mistakes, but we have to correct those mistakes and learn from them or we progress. Is what we are doing the right way to correct it? Do you have to abolish the system? I question whether the system is the problem. There are definitely some changes that need to be addressed but there is no need to abolish and replace it with a new system? I did not sign the Committee Report because number one, I never get a chance to read the report. Secondly, I also just received a copy of the substitute bill and never get a chance to read it. In principle, Mr. Speaker, I do not believe that the power to administer our public lands our most important asset is better served by a single person on the contrary a Board composed of trusted members of these community should be entrusted with the management and disposition of our scarce resources, our indigenous lands. I thank you, Mr. Speaker.

The Chair recognized Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. I guess I was a little bit specific on the Section by Section changes and there are about fourteen changes in the Section by Section that the committee had recommended along with the intent of the substitute bill. I have had the opportunity to go over the original bill and I have not had the opportunity to really scrutinize the committee substitute. In the original bill, one of the questions that I had in mind was if the intent was to abolish the MPLA, does the bill also intent to abolish the Department of Lands and Natural Resources? I guess one of the recommendation that I am going to recommend or allude to is that we need to be very cautious and careful in the deliberation of the changes that the committee has submitted. I believe that even with these new changes, they have not had the opportunity to go to through the public for scrutiny. The Legislature should also, and we should also wait and try to see the completion of the Public Auditor's on their auditing or investigation if that may be the case. If the alleged abuses and that is also in part of the committee report that the MPLA has failed to comply to Article XI, then we should also be very cautious and examine more and be focus on the merits of changing our land management and the policy. For that matter, even the long-term effect of ramification of vesting one individual with the ultimate authority of our scarce public lands. I just ask for caution even on the discussion of this committee report. Thank you, Mr. Speaker.

Speaker Babauta: Let me just clarify some of the issues that were raised by the members. For one, the impending looming effect that if no actions taken by the Legislature immediately, one is the closure of the main road in Chalan Pale Arnold leading to Aqua Resort, Plumeria Hotel, Nikko Hotel. That is one. Number two, the impending proposed increase of deficit for the remainder of Fiscal Year 2006 for the agency in itself. Number three, is the scarce resource but when we see a legal counsel of the authority putting his name as a priority under the land compensation program, would you call that scarce? What about those ladies and gentlemen that were waiting for the past fifteen years. The owners of the Achugao road, the owners of the various road here in Chalan Pale Arnold, Monsignor Guerrero, this is what we are trying to solve my colleagues. We need to rectify this. Yes, I personally admit that we made a mistake when we reconstitute Marianas Public Lands Authority under P.L. 10-57 as amended by P.L. 12-33 and of course giving a board power under P.L. 12-71. We realized that if we are to regain the required strict fiduciary responsibility of the board, we thought then that Public Law 12-71 is the answer, but I guess all of us are contained that it is up to the individual board members whether or not how lengthy are those extended authority granted to them. So I wish you all understand the rationale behind the implementation of a new executive department. Any more concerns? Representative Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. I too was present at these public hearings along with my colleagues in the Natural Resources Committee. Representative Tenorio was there as well as the Minority Leader. I must make an observation that we share your concerns, your deep concerns about the protection of scarce land resources. We do not take this lightly at all and you are right to bring up those concerns but I do not want to give the impression that the committee did not take those concerns seriously. We did. As you mentioned, we came in during the Holiday, we sat down, we debated, talked about these issues. The public hearing in Saipan, there were quite a few family members of MPLA Chairwoman Ana Demapan-Castro who came in and testified and they all said that if they used the analogy that if arm was broken, you do not cut of the arm but it was interesting that not a single one of them asked the board to step down and resign if they thought they were not performing and meeting their fiduciary responsibilities. I understand the need to move cautiously and I do not feel that we are moving quickly at all. There were people that were upset at the Tinian public hearing because they wanted MPLA to come and face them. So it is not like we have not been aware that there are problems. This is an emergency situation. On the contrary, there were a lot of people who are wondering why the Governor has not taken steps to fire these people. What I want to emphasize here is this emphasis on giving authority to one individual. This bill is not intended to deny us or deprive us legislators of our responsibilities...to also how the board or how the responsible people in...and question them...but how they are going about their business of disposing of our scarce valuable lands. We still have that responsibility and we will exercise that responsibility but when you pick up the paper and you read that \$600,000.00 is being spend on legal fees alone and you said, people have been waiting for years for land compensation, it boggles my mind and that is what the public cannot understand. My colleagues, I ask you, the public demands that we take action on this bill now. Not a day later and not a few hours later. I urge you. Amendments can be made. They are good amendments that are good Honorable Palacios had mentioned that should be incorporated into this bill. I agree with you but we need to stop the bleeding. This is an emergency situation and we need to do it now and I respectfully humbly ask each and everyone of you to please let us all take action on this bill now. Thank you.

The Chair recognized the Vice Speaker.

Vice Speaker Quitugua: Thank you, Mr. Speaker. I think we have heard enough of the debate and I move to end debate.

Rep. Joseph Deleon Guerrero: I object to that.

Speaker Babauta: Order please. There is a motion on the floor offered by the Vice Speaker to end debate...undebatable.

The chair called for a division on the floor for the motion to end debate and ask for a roll call.

The roll called on the motion to end debate on S. C. R. NO. 15-1 is as follows:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	no
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes

Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	no
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	no
Rep. Candido B. Taman	no
Rep. Ramon A. Tebuteb	no
Rep. Manuel A. Tenorio	no
Mr. Speaker, this issue is so important to us. I would like to hear each and every member to speak on this issue and my answer is no.	
Rep. Stanley T. Torres	absent
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: The motion to end debate carries.

The chair again called for a division on the floor for the motion to adopt S. C. R. NO. 15-1 and ask for a roll call.

The roll called on the motion to adopt S. C. R. NO. 15-1 is as follows:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	no
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	no
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	no
Rep. Candido B. Taman	no
Rep. Ramon A. Tebuteb	no
Rep. Manuel A. Tenorio	no
Mr. Speaker, again for the record, I hope that more time will be given to the members to review the report.	
Rep. Stanley T. Torres	absent
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 11-6, S. C. R. NO. 15-1 recommending passage of H. B. NO. 15-57 is hereby adopted. Representative Yumul.

Rep. Yumul: Mr. Speaker, may we recognized the presence of the Governor and the Lieutenant Governor. Thank you?

Speaker Babauta: Governor and Lieutenant Governor, welcome to the Chamber. Floor Leader.

## BILL CALENDAR

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, to suspend pertinent House Rules for the suspension of H. B. NO. 15-57 on the Bill Calendar for First and Final Reading.

The suspension motion was seconded and carried by voice vote.

Speaker Babauta: Motion carries. H. B. NO. 15-57 is hereby placed on today's Order of Business for passage. Floor Leader.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker for the passage of H. B. NO. 15-57, CS1.

The motion was seconded.

H. B. NO. 15-57, CS1: A BILL FOR AN ACT TO REPEAL EXECUTIVE ORDER 94-3 AS CODIFIED, PUBLIC LAWS 10-57, 12-33, AND 12-71 TO THE EXTENT THEY ARE APPLICABLE TO PUBLIC LANDS; TO CREATE THE DEPARTMENT OF PUBLIC LANDS WITHIN THE EXECUTIVE BRANCH; TO TRANSFER THE OBLIGATIONS AND RESPONSIBILITIES OF THE MARIANAS PUBLIC LANDS AUTHORITY TO THE DEPARTMENT OF PUBLIC LANDS, AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. Representative Arnold Palacios.

Rep. Palacios: Are we on discussion?

Speaker Babauta: Let me clarify this Floor Leader. The initial motion was for the suspension of Rules for the placement. So I ask that you restate your motion to suspend Pertinent Rules for the passage on First and Final Reading. The next motion would be passage motion. So the second motion should be suspension of Pertinent Rules for the passage on First and Final Reading only.

Floor Leader Deleon Guerrero: I understand that we put H. B. NO. 15-57, CS1 on today's Calendar and now we move for the suspension of Rules for passage on First and Final Reading.

The motion was seconded.

Speaker Babauta: So clarified now. The motion is for the suspension of Rule IX, Section 9 and 10 for the passage on First and Final Reading, H. B. NO. 15-57, CS1.

The suspension motion was carried by voice vote.

Speaker Babauta: Motion carries. Passage on First and Final Reading, Floor Leader.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, for the passage of H. B. NO. 15-57, CS1.

Speaker Babauta: Discussion. Representative Palacios.

Rep. Palacios: Thank you, Mr. Speaker. After we debate on this issue. I hope that every one of us will partake in giving your opinions and your positions. We will be voting on probably one of the most important piece of legislation and that is where we are going to place and how we are going to place the management and disposition of Public Lands in the Commonwealth. Whether we put it in

the Executive Branch as proposed in H. B. NO. 15-57, CS1 versus what is now Public Law 12-71. When I first read this proposal, the initial legislation that was put before us had about a dozen allegations of mismanagement by the agency that we have empowered to manage our lands. I was just as every one of us, I was uphold by the allegations. I also want to ensure that if these allegations are true then we should prosecute, we should terminate and we should kick out the members of the board of Public Lands and take them to court. That is our obligation as officials elected or not. That is what the public demands and that is to take this people to court if those allegations are true. But today, we do not know what the Public Auditor's report will be. So I do not want to jump the gun and tell them to do that. When then, Governor Froilan Tenorio executed Executive Order 94-3, and put the management of Public Lands under the Executive Branch, there were accusations and allegations of abuses also within an Executive Branch. What I am trying to say is really...if you have a history where you put it in the Executive Branch and there were abuses, and you do not have a strict guidelines when you changed it back, which was done in the 10<sup>th</sup> Legislature and subsequently amended in the 12<sup>th</sup> Legislature, you will continue to have abuses. I ask you, does H. B. NO. 15-57, CS1 provide for the strict guidelines, statutory guidelines? In looking at these versions, I failed to see any of these guidelines. As it has been said, this is a scarce resources. I talked to the Speaker that we do have urgent needs to pass this legislation. We all have to decide whether that is the case. When it was under MPLC, there were people that were prosecuted after the Office of the Public Auditor's found abuses. We hope that when everything is said and done whether we put this in an executive branch or keep it as an autonomous agency that we do not revisit the issue of abuses again. It is a big concern. We changed the original legislation in the findings in order to avoid abuses in the management and disposition of public lands, we are proposing it to be put under the executive branch as a line agency. Then we changed it and we came up with another findings and used these findings and that there a questions of constitutionality. I was bothered by that because if that was the case then the 10<sup>th</sup> and the 12<sup>th</sup> Legislature had failed to see the potential constitutional conflicts in establishing MPLA. You know, I have also got advice from other legal counsels outside our legal here in the Legislature and there seems to be a very lively debate as to who and what or whether this is constitutional or not and I told the counsels, believe me I do not have no vested interest in MPLA today. So that to me is still questionable whether MPLA as it is today being autonomous as it is, is constitutional. You have line agencies under the Executive Branch with board members and seemingly have certain degree of autonomy and function well within the Executive Branch. You have for example, CRM has a board that approves or disapproves permits and they are under the Executive Branch. The question is how much autonomy can we give or should we give to an agency? How much autonomy should we give one person? Our substitute bill does not provide those guidelines. I share everyone's concern about the scarcity of land and it is very scarce now. Some of them were squandered by MPLC and some of them were squandered while it was under the Executive Branch. And yes, some of them were squandered under the present Public Lands Authority. The question is where do we go from here to make sure that we protect our scarce public land? That is the question. Without a strict guidelines and provisions in our present legislation that we have, I think we failed again to do that. Thank you, Mr. Speaker.

Speaker Babauta: Before I recognized any one, without objection from the members, resolve into Committee of the Whole so that we may invite our counterparts from the Senate.

The House dissolved into Committee of the Whole at 1:50 p.m.

## COMMITTEE OF THE WHOLE

The House returned to plenary session at 3:01 p.m.

Speaker Babauta: We are back to our plenary session from Committee of the Whole. We are still discussing H. B. NO. 15-57, CS1. I recognized the Vice Speaker.

Vice Speaker Quitugua: Just some computer errors, Mr. Speaker. On the First line on the title after Public Law 10-57, delete, “10-7,” and also on page 5 under Section 105, line 24, after homestead period (.) delete, “Upon approval by the board” and put a Capital (A). This phrase is inconsistent with the other provision on the advisory board. On page 7, there is a repeated words, on line 6, there are two (2) “consult with” so strike out the first consult with.

Speaker Babauta: Without objection from the members, the Vice Speaker requested computer error so if no objection, we consider that as technical.

There was no objection.

Speaker Babauta: Please take note of the computer error. We are still discussing H. B. NO. 15-57, CS1 and I recognized Representative Tenorio.

Rep. Tenorio: Thank you, Mr. Speaker. Esti public comment nai guini gi the past several nights giya Rota, Tinian yan Saipan. Guaha esti mu mention ya man dinanche. Meggai-na public comments against the bill. Ya hita taya, we did not consider any of that public comments. Ti ha reflect gi i Committee Report which is important. That is number one. Number two, the Mayor’s of Rota and Tinian actually wanted the centralization. They want more decision making at the local level. This bill does not have that and I recalled back the issue that was brought up by Senator Manglona. What we have created here is a something like is between a dog and a cat. It is not an animal. This creature now that we are creating is not an autonomous agency. It is not a semi-autonomous agency. It is a department but it has no directors but a secretary run by an advisory board. What kind of...not even run by an advisory board...a power less advisory board...no function at all? Seriously, what are we creating here? I understand the problem, the basis of the problem why people are so concerned about taking action because of the inequities and allegations. All the allegations are gone now with the exemption of one or two. Because of these allegations, Mr. Speaker, the Public Auditor went full force and are doing four different audits at one time to find out what is wrong and where can we plug the loopholes. We have not had that opportunity to get a full report of the audit. Here we are making decision already. For us to make decent decision, you have to have those data’s or findings from the Public Auditor supporting or otherwise not supporting those allegations...I do not know what we are rushing. The problem here, Mr. Speaker, I do not know what kind of creature we are creating right now. Is this a department? What happen to the Department of Lands and Natural Resources? What happen to the Land Registration Division? Where does it go to? It remains in the Natural Resources or it goes to this new animal or whatever you call it. Where do we put the people? These are serious things. We are carving something that I do not think that we fully understood the final impact of what we are doing here. Part of this bill are actually written from the fundamental policies of the Marianas Public Lands Corporation with some exemption that were thrown out. But it goes to show, Mr. Speaker, that there was actually nothing wrong with the system created when we had MPLC. MPLA tends to mimic MPLC but without the constitutional backing because it is the legislative creation and place under the Executive Branch. Still the question remains. There are legal opinions interpreting one that is not under the executive branch. There is another legal opinion that says it is. We have not even come to a conclusion. Who

do we listen to, the people or party that says that this is wrong, this is unconstitutional? We are only asking for a legal opinion in writing and even perhaps our legal counsel...I do not know what he thinks about this but my concern is there is not enough information. There are so many questions unanswered and in principle, I agree with the Public Lands in the hands of a board. I was part of the First Constitutional Convention and this is one issue that we tackle. You cannot tackle this lightly here and say, let us just move it from one place to another not having a true picture of what we are creating. We are creating something here, we are creating a Department of Lands and I do not know if any one can answer me as to what will happen to the Land Registration? Where will it go? Who do they answer to? You have a Department of Lands with a Secretary and no Deputy. Someone mentioned that from Rota. Shall we have a resident representative, resident secretary or a resident director? It is not addressed in this bill. Those are the issues that are still in the air and here we are today with so little time given to even sit down and have some other people look at this bill and go item by item and try to figure out what we are trying to create. I do not know if really time is of the essence that we have to act now or we go broke...maybe some roads are going to be closed and some businesses will close down...I do not know. But to compromise the principle at an issue as such which must be protected by the Constitution will be just rush out so lightly. The framers of the Constitution maybe at one time...when they decide that they want to move this over to executive branch in twelve years, they probably think that in twelve years, the government will mature and we will probably have a system that is good but obviously, it did not work that way. We are only how many years now about thirty years...this government is very young. United States is over two hundred years and they are still making mistakes. We start blaming people...we have to blame ourselves too sometimes. The point that I am trying to drive at, Mr. Speaker, confuse yu nai, Mr. Speaker, lao kao necessario na debi ha na tafan act on this issue today. We are going to act on this bill despite the fact na tatungo ha na bula kumontra gi san hiyong. Guaha dankulon issue pago pot i allegations. Ti tatungo para ufan malak mano siha i empleao i MPLA. We have the mechanism at hand so let us put it into practice. Yangin guaha magahit para ufan ma kondona and we do not condom the kind of misbehavior that have been reported to exist from any public official, for this reason stated, Mr. Speaker, I am voting against the bill. I am against the bill not because of the intention of the bill but because of the way it was written. I think it is an half ass bill. Taya esti nifena na bill. Kulan ti klaru hafa na klasen gaga ta create. We are creating or have created something that I think will haunt us in the future. Eno ha, Mr. Speaker. Thank you.

Speaker Babauta: Amen. Si yu'us ma'ase. Let me recognized Representative Ogo.

Rep. Ogo: Thank you, Mr. Speaker. While everyone are arguing, I was reading the bill. I know that they just gave us this bill earlier. I was reading the bill and this is how I see this. If you think about representation for each island of Rota and Tinian, there are five members. If you look at Section 104 which is the Advisory Board, one from Rota appointed by the Mayor approved by the Municipal Council, one from Tinian, three from Saipan and one of them is appointed by the Governor. So each Mayor's have the opportunity to appoint a single individual to represent the Municipality of Rota, Tinian and three from Saipan. The nice thing about this bill is there is a Section also in 104 where it mentioned about monthly meeting and members of this advisory board will be receiving per diems from the Department of Finance...prescribed per diems not honorary. So that is cut off esta. If we go down and you are saying that this board does not have authority, believe me, Section 105 (b) and Section 105 (f)...if you look at the strength of this board, even though the Secretary of Public Land have this idea, he cannot continue with his idea himself without the approval of this Advisory Board. So clearly it states on Section 105 (b) that any homestead that the Secretary of Department of Lands and Natural Resources decides to have for the CNMI, the

board must approve that. It clearly says there. Now, let us go to Section 105 (f) after this bill becomes law then the Secretary is supposed to promulgate rules and the board has to approve that. So clearly, the strength is there. So, Mr. Speaker, just those sections, I clearly believe that the board have the authority. Ready for the question, Mr. Speaker.

Speaker Babauta: Before I do that...for the last speaker this afternoon, I would recognize the humble Chairman of the Natural Resources.

Rep. Aldan: Thank you, Mr. Speaker. I hope that I would be the last one speaking regarding this very controversial bill. Yes, the Committee did conduct the public hearings in Saipan, Tinian and Rota. I have sorted out the comments that were submitted to the committee. I have sorted out the comments that were submitted to the committee. I have all the comments in my office and it is a very big stack of opposition and support of the bill. I understand that the members are concerned about how we are fast tracking this bill but I hope that my colleagues understand the situation that we are in regarding MPLA. They are conducting themselves thinking that this Legislature is not going to do anything to stop them from whatever they are doing. So I question my colleagues that, are we going to stand idle and let MPLA continue to plunder that funding supposedly to go to projects for land compensation and projects for our homestead farming. I beg you to consider the bill. I understand those sections that have to be amended down the line but that is for us to work as we go down as we move on. But now we have to take action. We cannot let MPLA board continue to deny our indigenous, those land owners. I am happy to say that I thank the two senior members in the Committee and also to the Vice Speaker for consulting and discussing the issues. I know that on several of the issues, we disagree but it is democracy, you say what you want, say your peace and we have to move on. Thank you, Mr. Speaker.

The Chair recognized Representative Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. I move to end debate.

The motion to end debate was seconded.

Speaker Babauta: Before I do that, let me just recognized the member that have not yet spoken, Representative Taman.

Rep. Taman: Thank you, Mr. Speaker. I believe that Executive Order 94-3 fulfill the constitutional mandate of putting back Public Land into the Executive Branch and then subsequently, the Legislature created the agency again, and while we were discussing this matter, I heard one senior member of the House and two senior members of the Senate admitting to the fact that they did make mistakes when they recreated the agency. I am pretty sure that this administration and most of us do agree that we need to do something about MPLA, but in the course of doing this, we must be careful and we must be prudent. Let us not come back again and say that we made a mistake in 2006. Thank you very much.

Speaker Babauta: For the last time, I want to recognize Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. I know that everybody is anxious to end the debate and it is a very important issue and that we should all have something to say. We already know the results of this and it reflects on the discussions that has happened but for the record, Mr. Speaker, there are

only three branches of government and MPLA is definitely not under Legislative and it definitely also is not under the Judicial Branch. Article XI is very specific and I think the key word was that, after twelve years, the corporation and the word is, "shall be dissolved and its functions shall be transferred" as it also states in the bill itself in the substitute. However, the subsequent sentence on MPLA changed that. The contention is that in its current function or structure, they are not complying with the constitutional provisions. Public Law 12-57 also states that, and was eluded by Representative Joseph Deleon Guerrero, and that MPLA is within the third branch or within the Executive Branch. To further amplify that, it is under the Executive Branch. Section 21 of Article III also recognizes the power that is given to the Governor to change the board and I think that is what we are all afraid of. I ask this body that maybe one of the things that we should do is to have an oversight because of the things that are mentioned in the bill that they failed to comply with the constitutional provisions and even to the original bill. Someone stated that if the allegations are true, if they are plundering the money that they are constitutionally mandated to or supposed to do then we should bring them in for an oversight. Thank you, Mr. Speaker.

Speaker Babauta: The Chair now recognized the motion to end debate which is undebatable. We are now voting on the main motion to pass H. B. NO. 15-57, CS1. Clerk, call the roll.

The roll called on the motion to pass H. B. NO. 15-57, HD1 on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	no
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	no
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	no
Rep. Candido B. Taman	no
Rep. Ramon A. Tebuteb	no
Rep. Manuel A. Tenorio	no
Rep. Stanley T. Torres	absent
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: H. B. NO. 15-57, HD1 passes the House on First and Final Reading, 11-6. Let us take a short recess, there is one companion bill that needs to be addressed with this bill and it will be recalled by the Chairman on Committee on Ways and Means. This is the bill that is sponsored by the Minority Leader to stop payment on any executive officer of the government to be compensated for termination of contract services.

The House recessed at 3:25 p.m.

## RECESS

The House reconvened at 3:27 p.m.

Speaker Babauta: The House shall reconvene. I would like to recognized Representative Ogo.

Rep. Ogo: Thank you, Mr. Speaker. By the request from our good Minority Leader, as the Chairman of Ways and Means I hereby recall H. B. NO. 15-62 for action on today's Calendar.

There was no objection.

Speaker Babauta: Without any objection, I now recognized the Floor Leader for placement of H. B. No. 15-62 on the Calendar and passage on First and Final Reading. Lump sum motion, Floor Leader.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, to suspend all pertinent rules to place H. B. No. 15-62 on today's Calendar for passage on First and Final Reading.

The motion to place and pass H. B. NO. 15-62 was seconded and carried by voice vote.

H. B. NO. 15-62: A BILL FOR AN ACT TO PROHIBIT GOVERNMENT EMPLOYMENT CONTRACTS BUYOUTS FOR EXECUTIVE DIRECTORS OR THE TOP ADMINISTRATIVE OFFICER OF A PUBLIC CORPORATIONS, BOARD, COMMISSION OR OTHER AUTONOMOUS AGENCY OF THE COMMONWEALTH GOVERNMENT; AND FOR OTHER PURPOSES.

Speaker Babauta: Passage motion.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, for the passage of H. B. NO. 15-62 on First and Final Reading.

The motion was seconded.

Speaker Babauta: Discussion. Roll call.

The roll called on the motion to pass H. B. NO. 15-62 on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	yes
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	absent
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes

Rep. Oscar M. Babauta

yes

Speaker Babauta: H. B. No. 15-62 hereby passes the House on First and Final Reading, 17-0. I ask the Clerk to expedite transmittal of the same bill including H. B. No. 15-57 to the Senate for action. With that, the Chair would like to a recess until Tuesday morning instead of tomorrow morning. The Committees are finalizing a lot of committee reports to be reported to the House. The House stands recess until Tuesday morning at 10:00 a.m.

### MISCELLANEOUS BUSINESS

None

### ANNOUNCEMENTS

The House recessed at 3:30 p.m.

Respectfully submitted,

/s/

Victoria T. Guerrero,  
Assistant House Clerk  
House of Representatives

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### APPEARANCE OF LOCAL BILLS

#### SECOND APPEARANCE

H. L. B. NO. 15-16: To appropriate \$2,000,000.00 from Saipan Local Law 11-2 for the design and construction of the Saipan Southern High School Gymnasium; and for other purposes.

H. L. B. NO. 15-17: To appropriate \$280,000.00 from the revenue collected pursuant to Saipan Local Law 11-2; and for other purposes.

H. L. B. NO. 15-18: To repeal and reenact Saipan Local Law No. 13-21 which established the Saipan Higher Education Financial Assistance Board; and for other purposes.

#### THIRD APPEARANCE:

H. L. B. NO. 15-7: To appropriate \$245,400 from the Third Senatorial District Developers Infrastructure Tax Fund for the paving shortfall of the Sihek and Papago Roads in Capitol Hill, to upgrade the power poles and lines in the remote areas in Capitol Hill, to hook up the lighting system at the Dandan Baseball Field, to install pedestrian crossings at all school bus shelters/stops in Saipan, and to pave the Dandan Elementary School parking area; and for other purposes.

H. L. B. NO. 15-8: To appropriate \$310,000 from the Managaha Landing Fees for the construction and repairs of the pavilions at Paupau Beach; Youth Indigenous Cultures, Arts, and Language Proms; the Flame Tree Festival; and public sculptures; and for other purposes.

H. L. B. NO. 15-9: To appropriate \$12,296.00 from Resident Identification Card Fund pursuant to Saipan Local Law 13-16 for the Office of the Mayor of Saipan to pay for heavy equipment maintenance and operations; and for other purposes.

H. L. B. NO. 15-10: To repeal and reenact Section 2(a) of Saipan Local Law 14-31; and for other purposes.

H. L. B. NO. 15-11: To prioritize the disbursement of the funds collected pursuant to 10 CMC § 3821 to the Saipan Higher Education Financial Assistance established by Saipan Local Law No. 13-21; and for other purposes.

H. L. B. NO. 15-12: To repeal and reenact Section 4(3) of Saipan Local Law 14-23; and for other purposes.

H. L. B. NO. 15-13: To appropriate \$90,000.00 from the local license fees collected for pachinko slot machines and poker machines in the First Senatorial District; and for other purposes.

H. L. B. NO. 15-14: To designate that the Kagman Community (Kagman I, Kagman II, Kagman III) as a residential community only in accordance with the Village Homestead Act of 1979 and the Village Homestead Rules and Regulations; and for other purposes.

H. L. B. NO. 15-15: To appropriate funds for the design, construction, and paving of various roads in Precinct I; and for other purposes.



# House Journal

## FIRST REGULAR SESSION, 2006

**Fifth Day**

**February 22, 2006**

The House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature convened its Fifth Day, First Regular Session, on Wednesday, February 22, 2006, at 12:27 p.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Oscar M. Babauta, Speaker of the House, presided.

A moment of silence was observed.

The Clerk called the roll and seventeen members were present. Representative Stanley T. Torres was excused.

Speaker Babauta: Thank you. A quorum has been duly established for the conduct of this session this afternoon. Representative Stanley T. Torres is excused.

### ADOPTION OF JOURNALS

None

### PREFILED AND INTRODUCTION OF BILLS

H. B. NO. 15-77: A Bill for an Act to impose a privilege fee of \$300 on initial and renewal employment contract application of a nonresident worker to be paid by the employee; and for other purposes.

Offered by: Rep. Justo S. Quitugua  
Referred to: Committee on Commerce and Tourism

H. B. NO. 15-78: A Bill for an Act to amend 1 CMC §§ 2546(b) and (c); and for other purposes.

Offered by: Rep. Crispin M. Ogo  
Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-79: A Bill for an Act to require refunds for security deposits to be issued in a timely manner; and for other purposes.

Offered by: Rep. Manuel A. Tenorio and four others  
Referred to: Committee on Commerce and Tourism

H. B. NO. 15-80: A Bill for an Act to reappropriate the sum of Fifty-One Thousand Seven Hundred Eighty-Six Dollars (\$51,786) from the un-obligated fund balance(s) of Public Laws 11-79 and 11-89; and for other purposes.

Offered by: Rep. Manuel A. Tenorio and three others  
Referred to: Committee on Ways and Means

H. B. NO. 15-81: A Bill for an Act to amend 4 CMC § 9503 and 9504.

Offered by: Rep. Manuel A. Tenorio and Rep. Joseph Deleon Guerrero  
Referred to: Committee on Commerce and Tourism

H. L. B. NO. 15-19: A Bill for an Act to appropriate the sum of \$2,000,000.00 from fees collected under Saipan Local Law No. 11-2 for the construction of drainage and road paving for the Laulau Bay Drive and the Obyan Beach access road; and for other purposes.

Offered by: Rep. Joseph P. Deleon Guerrero and three others

H. L. I. NO. 15-1: A House Legislative Initiative to amend Article XV, Section 2(a) of the Constitution of the Northern Mariana Islands.

Offered by: Rep. Justo S. Quitugua

H. L. I. NO. 15-2: A House Legislative Initiative to permit the Legislature to provide by law that government retirees may be reemployed without losing retirement benefits for an unrestricted period of time by amending Article III, Section 20(b) of the Constitution of the Northern Mariana Islands.

Offered by: Rep. Justo S. Quitugua

### **PREFILED AND INTRODUCTION OF RESOLUTIONS**

H. R. NO. 15-25: A House Resolution to urgently request the Honorable Benigno R. Fitial, Governor of the Commonwealth of the Northern Mariana Islands and Mr. Jose S. Demapan, Acting Secretary of the Department of Public Works to prioritize federal funding to expedite the construction and installation of guardrails and other safety barrier devices at Sadog Tasi.

Offered by: Rep. Ray N. Yumul and seventeen members.

Speaker Babauta: I understand that the Floor Leader requested that his resolutions be officially introduced and calendared for the next session. Is that an affirmation, Floor Leader?

Floor Leader Deleon Guerrero: That is correct, Mr. Speaker.

Speaker Babauta: Thank you, Floor Leader. With the consensus of the members, may I ask that we just suspend discussion on all the communications in the Order of Business, including the Senate Communications, so that we may go to the heart of the session?

There was no objection.

Speaker Babauta: So ordered.

### **MESSAGES FROM THE GOVERNOR**

GOV. COMM. 15-17 – [2/6/06] – Certification of vacant positions for Director, Economic Development; Director, Central Statistics Division; Computer Operator III, and Computer Operator II at the Department of Commerce.

GOV. COMM. 15-18 – [2/10/06] – Certification of vacant positions for Special Assistant to DPW, Special Projects Coordinator, Director, Operation and Maintenance Division and Building Inspector Supervisor at the Department of Public Works.

GOV. COMM. 15-19 – [undated] – Certification of vacant positions for Mayor, Mayor's Special Assistant, Agricultural & Economic Consultant, and Veterans Affairs Officer at the Tinian Municipal Council.

GOV. COMM. 15-20 – [2/14/06] – Certification of vacant position for an Executive Director at the Northern Marianas Islands Museum of History and Culture.

GOV. COMM. 15-21 – [2/14/06] – Waiver of Salary Ceiling for the Senior Policy Advisor.

GOV. COMM. 15-22 – [2/15/06] – Certification of vacant position for an Accountant at the Criminal Justice Planning Agency.

GOV. COMM. 15-23 – [2/15/06] – Certification of vacant position for Manager at the Administrative Services, Department of Labor.

GOV. COMM. 15-24 – [2/16/06] – Certification for vacant positions of Computer Specialist II and Commerce Enforcement & Compliance Technician II at the Department of Commerce.

GOV. COMM. 15-25 – [2/17/06] – Certification for vacant position of Physician (Internal Medicine) for the Department of Public Health.

GOV. COMM. 15-26 – [2/27/06] – Waiver of Salary Ceiling for Dr. Joel Reed Smith, Physician (Internal Medicine).

### **SENATE COMMUNICATIONS**

SEN. COMM. 15-8: (2/9/06) Transmittal of a certified copy of S. R. NO. 15-7, entitled: "Conveying the sincere condolences and sympathy of the Senate of the Fifteenth Northern Marianas Commonwealth Legislature to the bereaved family of the late and Honorable Hilario F. Diaz on the occasion of his untimely passing and paying tribute to his fond memory," which was adopted by the Senate on February 9, 2006. [For info]

SEN. COMM. 15-9: (2/9/06) Transmittal of S. J. R. NO. 15-2, SD1, entitled: "Respectfully requesting the Honorable Pedro A. Tenorio, CNMI Resident Representative to the United States, to seek the assistance of the Honorable Madeleine Z. Bordallo, Guam Congresswoman, and Dr. McClellan, CMS Administrator, Center for Medicaid and Medicare services, to include the CNMI in the Medicare Program utilizing qualified Philippines medical facilities for medical referral patients," which was adopted by the Senate on February 9, 2006. [For action]

SEN. COMM. 15-10: (2/10/06) Transmittal of S. B. NO. 15-2, SD1, entitled: To amend the Commonwealth Code to permit the issuance of Temporary Work Authorizations only under circumstances; and for other purposes,” which was passed by the Senate on February 9, 2006. [For action]

SEN. COMM. 15-11: (2/10/06) Transmittal of S. B. NO. 15-3, entitled: “To amend the Commonwealth Code to require the Office of the Attorney General to state on the record its reasons for dismissing charges of Operating While Intoxicated, and for other purposes,” which was passed by the Senate on February 9, 2006. [For action]

SEN. COMM. 15-12: (2/10/06) Transmittal of S. B. NO. 16-6, SD1, entitled: “To give a CNMI Government Retiree who is subsequently re-employed with the government the option to waive their salary and instead continue receiving their retirement benefits; and for other purposes,” which was passed by the Senate on February 9, 2006. [For action]

SEN. COMM. 15-13: (2/10/06) Transmittal of S. B. NO. 15-28, entitled: “To amend the Commonwealth Code to criminalize the making of false statements in any matter within the jurisdiction of the Executive Branch and to provide penalties therefore; and for other purposes,” which was passed by the Senate on February 9, 2006. [For action]

**HOUSE COMMUNICATIONS**

None

**COMMUNICATIONS FROM THE JUDICIAL BRANCH**

None

**COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE**

None

**HOUSE COMMUNICATIONS**

None

**COMMUNICATIONS FROM DEPARTMENTS & AGENCIES**

DEPT. & AGENCY COMM. 15-1: (2/9/06) From Ms. Linda T. Cabrera, Special Assistant for Programs and Legislative Review, acknowledging receipt of H. R. NO. 15-6 thru H. R. NO. 15-22.

DEPT. & AGENCY COMM. 15-2: (2/16/06) From Ms. Linda T. Cabrera, Special Assistant for Programs and Legislative Review, acknowledging receipt of H. R. NO. 15-23, HD1.

**OTHER COMMUNICATIONS**

None

**REPORTS OF SPECIAL AND CONFERENCE COMMITTEES**

None

**UNFINISHED BUSINESS**

None

**RESOLUTION CALENDAR**

Floor Leader Deleon Guerrero: I move, Mr. Speaker, to place H. R. NO. 15-25 on today's Calendar.

The motion was seconded and carried by voice vote.

Speaker Babauta: The motion is carried.

Floor Leader Babauta: I now move, Mr. Speaker, for the adoption of the H. R. NO. 15-25.

The motion was seconded.

Speaker Babauta: Discussion. Representative Ada, recognized.

Rep. Ada: Mr. Speaker, I would like to make an oral floor amendment on the Resolution right after Sadog Tasi, insert, "Kagman at Piola's Store intersection and the road leading up from Laulau Bay, Papago Road up to Kagman."

The Chair called for a short recess.

The House recessed at 12:35 p.m.

**RECESS**

The House reconvened at 12:36 p.m.

Speaker Babauta: We are back in session. Floor Leader, would you consider a motion to withdraw your motion?

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, to withdraw my motion for adoption.

The motion to withdraw the adoption of H. R. NO. 15-25 was seconded and carried by voice vote.

Speaker Babauta: House Resolution No. 15-25 remains on the Calendar. Without objection, Floor Leader motion on item number 12, Standing Committee Report.

**REPORTS OF STANDING COMMITTEES**

Floor Leader Deleon Guerrero: Mr. Speaker, if there is no objection from the members, I move for the placement of S. C. R. No. 15-1 on the Calendar for action.

The motion to place S. C. R. No. 15-1 was seconded and carried by voice vote.

Speaker Babauta: The motion carries. S. C. R. No. 15-1 is now on the Calendar. Floor Leader, I now recognize a motion for the adoption of S. C. R. No. 15-1.

Floor Leader Deleon Guerrero: Mr. Speaker, I move for the adoption of S. C. R. No. 15-1.

**S. C. R. NO. 15-1**: Reporting on H. B. NO. 15-57, entitled, “A Bill for an Act to repeal Executive Order 94-3 as codified, Public Laws 10-57, 10-76, 12-33, and 12-71 to the extent they are applicable to public lands; to abolish the Marianas Public Lands Authority; and to create the Department of Public Lands within the Executive Branch; and for other purposes.” *Your Committee on Natural Resources recommends passage of the bill in the form of a substitute.*

Speaker Babauta: Discussion. I recognize the Minority Leader.

Rep. Palacios: I will yield, Mr. Speaker, to my senior.

The Chair recognized Representative Tenorio.

Rep. Tenorio: Mr. Speaker, *nanga fan. Hafã para ta discuss esti i* S. C. R. No. 15-1. Mr. Speaker, *parafã ta puni pago ha’ manmanana’i hit ni esti ya* I am not a fast reader. I cannot go through this very quickly. So if we are going to discuss it better based on the comments...

Speaker Babauta: Okay, short recess.

The House recessed at 12:38 p.m.

## RECESS

The House reconvened at 12:50 p.m.

Speaker Babauta: We are to our plenary session. We are now discussing S. C. R. NO. 15-1. Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. I am just looking at the committee action on (b) and I am trying to set this on my frame of mind to go about this. The Committee recommended that this respective substitute, the introduced legislation, so we are going ahead with the committee findings and in part of the committee finding, there are some questions that I have on Section (c), but yet I do not know what is the substitute. Or do we not have any on substitute, have we adopted that.

Speaker Babauta: Are you referring to the bill, Representative Tebuteb?

Rep. Tebuteb: Yes, I am referring to the Committee Report. The Committee Report is saying what the committee recommends, which is the substitute of the bill, but we have not looked at the committee substitute yet we are adopting the Committee Report.

Speaker Babauta: Right, the Committee Report in itself.

Rep. Tebuteb: In subsection (c) on the changes, it alludes to the Committee Substitute.

Speaker Babauta: Which by now you should have a copy of the substitute....

Rep. Tebuteb: I have not had the chance to even go through the substitute, but let me just go specifically to Section 2. This section was also amended and it goes down further to say on the first line of the conclusion that by the majority members of the committee that MPLA has presently constituted as an autonomous agency fails to comply with Section 4(f) of the NMI Constitution. And then it further goes on that MPLC shall be transferred to the Executive Branch of the government after its dissolution. I think the NMI Constitution is very specific and I am trying to get what the committee meant when they said that MPLA in its presently constituted as an autonomous agency fails on what MPLC is all about.

Speaker Babauta: Let me clarify. As a result of Executive Order 94-3, MPLC then in 1994 was abolished by that particular Executive Order and transferred its function under the Department of Lands and Natural Resources. MPLA was reconstructed by the Legislature through Public Law 10-57 as amended by Public Law 12-33 and lastly by Public Law 12-71. Now, the Committee Report is just alluding to the sections of that particular bill where it changes the findings as the Joint Committee of the House and the Senate recommended.

Rep. Tebuteb: The Committee Report states that MPLA as an autonomous agency fails to comply with Article XI, Section 4(f). What it should be referring to is MPLC.

Speaker Babauta: Well, MPLC was already MPLA. I see what you mean because the Constitution explicitly made mentioned of a corporation instead of authority. So as a result of the dissolution in Executive Order 94-3, the Legislature see fits that the (c) should be changed to (a) and instead of corporation, it should authority. So this is the scenario here and I assumed that you are trying to insert, instead of authority, corporation.

Rep. Tebuteb: I am looking at the committee recommendation so that we go into the Substitute over the sections that need to be changed and part of that is where the transfer of functions which is stated in this subsection(c)(2).

Speaker Babauta: Let me recognize the Vice Speaker who is very privy to the Joint Committee meetings.

Vice Speaker Quitugua: Mr. Speaker, this section that Representative Tebuteb is raising, in reference to the existence of MPLA is not consistent with Article XI, Section (f) which states that the MPLC which is now MPLA shall be dissolved after 12 years of existence and return to an Executive Branch. That was done by Executive Order 94-3 and then the Legislature created MPLA. So what this part is saying is that, MPLA is not in compliance with Article XI, Section (f) that is why we are taking this action to return MPLA to the Executive Branch.

Rep. Tebuteb: And it is not only through the Executive Order that necessarily transfers those functions of MPLC. It is very clear in Section (4) that the word shall be dissolved. It is already there.

Speaker Babauta: Better yet, without objection, I will like to request the legal counsel to work with the bill and the Committee Report along with the Joint Committee, if no objection from the members.

There was no objection from the members.

Speaker Babauta: Mr. Bermudes, you may clarify that with Representative tebuteb.

*Legal Counsel Jose Bermudes: What Representative Quitugua stated is exactly the point. Based on the Constitution, it says that upon the dissolution of the MPLC, shall be transferred to the Executive Branch but through legislation, somehow it created an autonomous agency. So the finding of the bill rather than deleting all those from the original bills, like 13, 15 findings and the change course and just apply the finding of the provision of the Constitution that it shall be transferred to the Executive Branch.*

The Chair recognized Representative Joseph Deleon Guerrero.

Rep. Deleon Guerrero: Thank you, Mr. Speaker. This decision we are going to make is perhaps one of the most monumental decision we are going to make during the 15<sup>th</sup> Legislature. I have listened to the people that spoke at the public hearings; even they felt that this thing is just moving too fast. If you recalled those members that were there, even the public has asked that we slow down and give them a chance to digest and submit recommendations. We just got the Standing Committee Report a few minutes ago and the Committee Substitute 1. I am sorry, I am trying to be a fast reader but this is just too little time to digest what has been given out right now and as much as I would like to expedite the process, I do not think I will be asking too much if I ask for perhaps a few hours to go over this completely. There are other information that I just got that I need to read in order to carefully analyze what is being proposed in the Committee Substitute, and I just feel that we are rushing. I do not what the impending room is that compels us to have to act on this right now. I am sure it can wait maybe two hours for those of us who at least who have not gotten an opportunity to review the committee report or not subject to the deliberations in the committee. Please, I appeal to you to give us some time to digest the information and to make reasonable or reason decision. Please, call for recess and give us maybe lunch break so we can also digest some food as well, Mr. Speaker before we act on this very important bill. I am not asking for a week or couple of days but just an hour or two to give careful consideration to what is being proposed.

Speaker Babauta: Let me recognized the Minority Leader.

Rep. Palacios: Thank you, Mr. Speaker. I want to just comment on the report. First of all, it is one of the most monumental decisions that we will be making, I have no question about that. It is going to be one of the most important decision that I will be making in the 15<sup>th</sup> Legislature. I want to credit the committee, Mr. Speaker, for the Senate and House for conducting what I believe under the circumstances a fully extensive public hearing given the time that we have. So I congratulate him for taking the leadership role of a Chairman of a legislation taking it to the public and getting inputs from the public. Having said that, Mr. Speaker, I also noticed that there are several very important issues that were discussed in the committee that were really not incorporated into the substitute. In effect, some of those that were eliminated have to deal with the fundamental policies, particularly in Section 108 and the Committee Report alluded to it that some members raised concerns about it but it was decided that it should be taken out because of the economic conditions. One of the issues is how to appraise, how to charge rentals on public lands...those were taken out. I believe that those

should be and should continue to be in Law, in statute and should govern whoever is going to manage Public Lands. I thought that in the Committee meetings, we agreed that...and even the legal counsel thought that those specific provisions which were in the original fundamental policies be put back because it is very important. It says here, Fair Market Value...should be assessed; all rentals should be assessed at a Fair Market Value. So what is the standard? After you look at the Fair Market Value then what, 8%, 1%, 3%? That policy that was in existence in the previous legislations and even when MPLA was in the executive branch had those fundamental policies that are now absent in the substitute legislation. That is a concern that I want to raise, Mr. Speaker. There are other issues that I wanted to raise and hopefully it would be addressed but because we are having the session to pass this legislation, I will not be able to question about the funds. The legislation is very quite on how the funds are going to be used other than for operations of this agency which will be created under this statute. It says, it should be appropriated to a department and it would probably be less than what is now being spent by MPLA. The legislation is very quite on how those remaining funds are going to be treated and where that money would go, and who has jurisdictions over them. Throughout the deliberations that we had, Mr. Speaker, and even in the public hearing, there is no question of the need to reform Public Lands Authority and even people that came out and testify or in accord that if indeed allegations which are rampant out there are true, then the Governor should invoke his executive power and terminate these board members for cause. I tried to ask our Clerk whether she was able to transcribe some of the public comments from these extensive public hearings that we had at least on Rota and Tinian but because of the limited amount of time that she had, she had just about to finish the Saipan testimonies. I believed that when we went through the motion of holding public hearings, we should have at least the transcription of those public hearings so that we can incorporate some of those comments and consider some of those comments into the legislations that we eventually submit to the floor for passage. I am afraid that we failed in the sense and this Committee Report will probably not incorporate those comments. So those are the two areas of concerns that I have on the Standing Committee Report, Mr. Speaker. Thank you.

The Chair recognized Representative Tenorio.

Rep. Tenorio: Thank you, Mr. Speaker. I do not know whether I should speak in the vernacular but for the benefit of those who do not...

Speaker Babauta: No objection, Representative Tenorio.

Rep. Tenorio: Actually, i rules ha allow ha yu para bai hu kuentos fino Chamorro. I punto guini, Mr. Speaker, ya yahu esti muna klaru. Guaha siha public hearing manma conducta giya Saipan, Rota yan Tinian. Pues i Committee gi magahit checho-na para ufan matachong ya uma evaluate eyu siha i public hearing ya ufan ma atan hafa sina ta incorporate guini gi bill. I committee man meting guini gi Holiday, we met on Monday and the purpose was for us to get together and come up with the Committee Substitute and then report back to the committee or at least give the Committee the opportunity to read what was proposed for the actual action for today. As you should probably know, Mr. Speaker, this session was supposed to be held Thursday and we have not had the chance amongst ourselves, the minority group to actually get together and get a position on this bill. We are supposed to come up with a position paper per our meeting. At the same time, the other discussion that we had during that meeting, because one of the questions of constitutionality relative to Public Law 10-57, we requested the legal counsel to come up with a legal opinion on this and submit that legal opinion to the committee. I have not seen that legal opinion, Mr. Speaker, and that is very fundamental because nobody ever challenges the constitutionality of Public Law 10-57 since its

becoming law which was back in the 10<sup>th</sup> Legislature. So this is one area that we need to really address as both of my colleagues mentioned. This is not an easy task. We are not lawyers here. We are trying to carve a new milestone to our history by changing a very substantive law. We have already changed from MPLC to Department of Public Lands by the Executive Order 94-3, and we gave that opportunity to the Executive Branch to implement public land prices and administer the distribution of public land but when that did not work we created MPLA and gave the Board the power to administer public lands. Now we are back to square one with H. B. NO. 15-57. We should learn from our history that a matter as important as the disposition and management of our public lands should never be placed under a line agency. Our lands is safer in the hands of a trusted Board.

Speaker Babauta: With an oversight of the Legislature of course.

Rep. Tenorio: You know, Mr. Speaker, that is true but at the same time, the Secretary have no power. He is an appointed individual and he answers only to the Governor. I am not questioning the Governor, perhaps our Governor is trying to consolidate everything and put it under his wing but this matter of Public Land is so dear to everybody here. It is a sacred thing and that is why when they started MPLC, they have a board of directors to manage the public land. So you have more people involved in the disposition of public land. We have scarcity of land here in the CNMI and that is the very purpose of why the founding fathers of the Constitution created MPLC. So the time given, Mr. Speaker, even with the three public hearings that I have attended, only in Saipan where the government agencies came and testify where maybe two out of ten voted to abolish it. Why? Because they work for the administration, but the result of the working people is different. My record tells me that out of fourteen in Rota, four voted, “yes” and ten voted, “no.” In Saipan and Tinian the response is the same. Why do we have to change? And I agree with them. There are some maladies happening in the agency but like they say, please get rid of those people but let them have to have their day in court. Let the court decide what to do with them. We took off all the accusations in our findings. If you notice, all those findings of irresponsibility and wrongdoings are all gone. You wonder why. Some of the findings as you know are not true. For instance, the findings on the exorbitant compensation and the per diem rate, they are statutory, P. L. No. 12-71, and you are a part of it. You authorized the board and give them broad powers to manage Public Land and the 12<sup>th</sup> Legislature there is probably a reason for doing so at this time. The current Governor was the Speaker. I know that we all make mistakes but why do we have to continue. Why can we not give ourselves an opportunity, give us more time to really study this bill and the committee report. I would like to ask any of the members who can actually come up and tell me what is happening in this particular report. I do not recall all of these changes. We all agreed, Mr. Speaker, that we have to fix the problem. Taya nai. Todu ha hit tumungo na dankulu na problema I tafafana lau ti eyu ha lokue. Bula lokue otro deparamento man problema ayu nai incumbent upon this legislature to do an oversight on MPLA and get this things straighten out. Nesisita ha, Mr. Speaker, sa sigi ha hit ta gasta tiempota nu este ya mampos nu accusatory esti iyota findings ya eyu nai na mana fan suha. Eyi gui na guaha siha pago duru man mumun newspaper pago kulan ni ti man nesesario. Sometimes I wonder what is going on. Why the rush? Will this fix our financial problem? Maybe the Governor should just stop all travel and other excessive spending. I know that there are problems with salaries and wages also with MPLA. We are seeing these things just now. What we can do here is try to correct these problems and I know that this is a difficult process but the thing that we are doing now by rushing decisions is something that I disagree. I am in the opinion that we did the right thing with P. L. 10-57 when we took the power from the Governor and give it back to the Board because I believe, Mr. Speaker, that an issue important as public lands so sacred and dear to all of us the decision making on those issues should be place in the hands of a

Board, a trusted group people that represents the community. They have made mistakes in the past but who does not make mistakes, but we have to correct those mistakes and learn from them or we progress. Is what we are doing the right way to correct it? Do you have to abolish the system? I question whether the system is the problem. There are definitely some changes that need to be addressed but there is no need to abolish and replace it with a new system? I did not sign the Committee Report because number one, I never get a chance to read the report. Secondly, I also just received a copy of the substitute bill and never get a chance to read it. In principle, Mr. Speaker, I do not believe that the power to administer our public lands our most important asset is better served by a single person on the contrary a Board composed of trusted members of these community should be entrusted with the management and disposition of our scarce resources, our indigenous lands. I thank you, Mr. Speaker.

The Chair recognized Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. I guess I was a little bit specific on the Section by Section changes and there are about fourteen changes in the Section by Section that the committee had recommended along with the intent of the substitute bill. I have had the opportunity to go over the original bill and I have not had the opportunity to really scrutinize the committee substitute. In the original bill, one of the questions that I had in mind was if the intent was to abolish the MPLA, does the bill also intent to abolish the Department of Lands and Natural Resources? I guess one of the recommendation that I am going to recommend or allude to is that we need to be very cautious and careful in the deliberation of the changes that the committee has submitted. I believe that even with these new changes, they have not had the opportunity to go to through the public for scrutiny. The Legislature should also, and we should also wait and try to see the completion of the Public Auditor's on their auditing or investigation if that may be the case. If the alleged abuses and that is also in part of the committee report that the MPLA has failed to comply to Article XI, then we should also be very cautious and examine more and be focus on the merits of changing our land management and the policy. For that matter, even the long-term effect of ramification of vesting one individual with the ultimate authority of our scarce public lands. I just ask for caution even on the discussion of this committee report. Thank you, Mr. Speaker.

Speaker Babauta: Let me just clarify some of the issues that were raised by the members. For one, the impending looming effect that if no actions taken by the Legislature immediately, one is the closure of the main road in Chalan Pale Arnold leading to Aqua Resort, Plumeria Hotel, Nikko Hotel. That is one. Number two, the impending proposed increase of deficit for the remainder of Fiscal Year 2006 for the agency in itself. Number three, is the scarce resource but when we see a legal counsel of the authority putting his name as a priority under the land compensation program, would you call that scarce? What about those ladies and gentlemen that were waiting for the past fifteen years. The owners of the Achugao road, the owners of the various road here in Chalan Pale Arnold, Monsignor Guerrero, this is what we are trying to solve my colleagues. We need to rectify this. Yes, I personally admit that we made a mistake when we reconstitute Marianas Public Lands Authority under P.L. 10-57 as amended by P.L. 12-33 and of course giving a board power under P.L. 12-71. We realized that if we are to regain the required strict fiduciary responsibility of the board, we thought then that Public Law 12-71 is the answer, but I guess all of us are contained that it is up to the individual board members whether or not how lengthy are those extended authority granted to them. So I wish you all understand the rationale behind the implementation of a new executive department. Any more concerns? Representative Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. I too was present at these public hearings along with my colleagues in the Natural Resources Committee. Representative Tenorio was there as well as the Minority Leader. I must make an observation that we share your concerns, your deep concerns about the protection of scarce land resources. We do not take this lightly at all and you are right to bring up those concerns but I do not want to give the impression that the committee did not take those concerns seriously. We did. As you mentioned, we came in during the Holiday, we sat down, we debated, talked about these issues. The public hearing in Saipan, there were quite a few family members of MPLA Chairwoman Ana Demapan-Castro who came in and testified and they all said that if they used the analogy that if arm was broken, you do not cut of the arm but it was interesting that not a single one of them asked the board to step down and resign if they thought they were not performing and meeting their fiduciary responsibilities. I understand the need to move cautiously and I do not feel that we are moving quickly at all. There were people that were upset at the Tinian public hearing because they wanted MPLA to come and face them. So it is not like we have not been aware that there are problems. This is an emergency situation. On the contrary, there were a lot of people who are wondering why the Governor has not taken steps to fire these people. What I want to emphasize here is this emphasis on giving authority to one individual. This bill is not intended to deny us or deprive us legislators of our responsibilities...to also how the board or how the responsible people in...and question them...but how they are going about their business of disposing of our scarce valuable lands. We still have that responsibility and we will exercise that responsibility but when you pick up the paper and you read that \$600,000.00 is being spend on legal fees alone and you said, people have been waiting for years for land compensation, it boggles my mind and that is what the public cannot understand. My colleagues, I ask you, the public demands that we take action on this bill now. Not a day later and not a few hours later. I urge you. Amendments can be made. They are good amendments that are good Honorable Palacios had mentioned that should be incorporated into this bill. I agree with you but we need to stop the bleeding. This is an emergency situation and we need to do it now and I respectfully humbly ask each and everyone of you to please let us all take action on this bill now. Thank you.

The Chair recognized the Vice Speaker.

Vice Speaker Quitugua: Thank you, Mr. Speaker. I think we have heard enough of the debate and I move to end debate.

Rep. Joseph Deleon Guerrero: I object to that.

Speaker Babauta: Order please. There is a motion on the floor offered by the Vice Speaker to end debate...undebatable.

The chair called for a division on the floor for the motion to end debate and ask for a roll call.

The roll called on the motion to end debate on S. C. R. NO. 15-1 is as follows:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	no
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes

Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	no
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	no
Rep. Candido B. Taman	no
Rep. Ramon A. Tebuteb	no
Rep. Manuel A. Tenorio	no
Mr. Speaker, this issue is so important to us. I would like to hear each and every member to speak on this issue and my answer is no.	
Rep. Stanley T. Torres	absent
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: The motion to end debate carries.

The chair again called for a division on the floor for the motion to adopt S. C. R. NO. 15-1 and ask for a roll call.

The roll called on the motion to adopt S. C. R. NO. 15-1 is as follows:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	no
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	no
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	no
Rep. Candido B. Taman	no
Rep. Ramon A. Tebuteb	no
Rep. Manuel A. Tenorio	no
Mr. Speaker, again for the record, I hope that more time will be given to the members to review the report.	
Rep. Stanley T. Torres	absent
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 11-6, S. C. R. NO. 15-1 recommending passage of H. B. NO. 15-57 is hereby adopted. Representative Yumul.

Rep. Yumul: Mr. Speaker, may we recognized the presence of the Governor and the Lieutenant Governor. Thank you?

Speaker Babauta: Governor and Lieutenant Governor, welcome to the Chamber. Floor Leader.

## BILL CALENDAR

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, to suspend pertinent House Rules for the suspension of H. B. NO. 15-57 on the Bill Calendar for First and Final Reading.

The suspension motion was seconded and carried by voice vote.

Speaker Babauta: Motion carries. H. B. NO. 15-57 is hereby placed on today's Order of Business for passage. Floor Leader.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker for the passage of H. B. NO. 15-57, CS1.

The motion was seconded.

H. B. NO. 15-57, CS1: A BILL FOR AN ACT TO REPEAL EXECUTIVE ORDER 94-3 AS CODIFIED, PUBLIC LAWS 10-57, 12-33, AND 12-71 TO THE EXTENT THEY ARE APPLICABLE TO PUBLIC LANDS; TO CREATE THE DEPARTMENT OF PUBLIC LANDS WITHIN THE EXECUTIVE BRANCH; TO TRANSFER THE OBLIGATIONS AND RESPONSIBILITIES OF THE MARIANAS PUBLIC LANDS AUTHORITY TO THE DEPARTMENT OF PUBLIC LANDS, AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. Representative Arnold Palacios.

Rep. Palacios: Are we on discussion?

Speaker Babauta: Let me clarify this Floor Leader. The initial motion was for the suspension of Rules for the placement. So I ask that you restate your motion to suspend Pertinent Rules for the passage on First and Final Reading. The next motion would be passage motion. So the second motion should be suspension of Pertinent Rules for the passage on First and Final Reading only.

Floor Leader Deleon Guerrero: I understand that we put H. B. NO. 15-57, CS1 on today's Calendar and now we move for the suspension of Rules for passage on First and Final Reading.

The motion was seconded.

Speaker Babauta: So clarified now. The motion is for the suspension of Rule IX, Section 9 and 10 for the passage on First and Final Reading, H. B. NO. 15-57, CS1.

The suspension motion was carried by voice vote.

Speaker Babauta: Motion carries. Passage on First and Final Reading, Floor Leader.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, for the passage of H. B. NO. 15-57, CS1.

Speaker Babauta: Discussion. Representative Palacios.

Rep. Palacios: Thank you, Mr. Speaker. After we debate on this issue. I hope that every one of us will partake in giving your opinions and your positions. We will be voting on probably one of the most important piece of legislation and that is where we are going to place and how we are going to place the management and disposition of Public Lands in the Commonwealth. Whether we put it in

the Executive Branch as proposed in H. B. NO. 15-57, CS1 versus what is now Public Law 12-71. When I first read this proposal, the initial legislation that was put before us had about a dozen allegations of mismanagement by the agency that we have empowered to manage our lands. I was just as every one of us, I was uphold by the allegations. I also want to ensure that if these allegations are true then we should prosecute, we should terminate and we should kick out the members of the board of Public Lands and take them to court. That is our obligation as officials elected or not. That is what the public demands and that is to take this people to court if those allegations are true. But today, we do not know what the Public Auditor's report will be. So I do not want to jump the gun and tell them to do that. When then, Governor Froilan Tenorio executed Executive Order 94-3, and put the management of Public Lands under the Executive Branch, there were accusations and allegations of abuses also within an Executive Branch. What I am trying to say is really...if you have a history where you put it in the Executive Branch and there were abuses, and you do not have a strict guidelines when you changed it back, which was done in the 10<sup>th</sup> Legislature and subsequently amended in the 12<sup>th</sup> Legislature, you will continue to have abuses. I ask you, does H. B. NO. 15-57, CS1 provide for the strict guidelines, statutory guidelines? In looking at these versions, I failed to see any of these guidelines. As it has been said, this is a scarce resources. I talked to the Speaker that we do have urgent needs to pass this legislation. We all have to decide whether that is the case. When it was under MPLC, there were people that were prosecuted after the Office of the Public Auditor's found abuses. We hope that when everything is said and done whether we put this in an executive branch or keep it as an autonomous agency that we do not revisit the issue of abuses again. It is a big concern. We changed the original legislation in the findings in order to avoid abuses in the management and disposition of public lands, we are proposing it to be put under the executive branch as a line agency. Then we changed it and we came up with another findings and used these findings and that there a questions of constitutionality. I was bothered by that because if that was the case then the 10<sup>th</sup> and the 12<sup>th</sup> Legislature had failed to see the potential constitutional conflicts in establishing MPLA. You know, I have also got advice from other legal counsels outside our legal here in the Legislature and there seems to be a very lively debate as to who and what or whether this is constitutional or not and I told the counsels, believe me I do not have no vested interest in MPLA today. So that to me is still questionable whether MPLA as it is today being autonomous as it is, is constitutional. You have line agencies under the Executive Branch with board members and seemingly have certain degree of autonomy and function well within the Executive Branch. You have for example, CRM has a board that approves or disapproves permits and they are under the Executive Branch. The question is how much autonomy can we give or should we give to an agency? How much autonomy should we give one person? Our substitute bill does not provide those guidelines. I share everyone's concern about the scarcity of land and it is very scarce now. Some of them were squandered by MPLC and some of them were squandered while it was under the Executive Branch. And yes, some of them were squandered under the present Public Lands Authority. The question is where do we go from here to make sure that we protect our scarce public land? That is the question. Without a strict guidelines and provisions in our present legislation that we have, I think we failed again to do that. Thank you, Mr. Speaker.

Speaker Babauta: Before I recognized any one, without objection from the members, resolve into Committee of the Whole so that we may invite our counterparts from the Senate.

The House dissolved into Committee of the Whole at 1:50 p.m.

## COMMITTEE OF THE WHOLE

The House returned to plenary session at 3:01 p.m.

Speaker Babauta: We are back to our plenary session from Committee of the Whole. We are still discussing H. B. NO. 15-57, CS1. I recognized the Vice Speaker.

Vice Speaker Quitugua: Just some computer errors, Mr. Speaker. On the First line on the title after Public Law 10-57, delete, “10-7,” and also on page 5 under Section 105, line 24, after homestead period (.) delete, “Upon approval by the board” and put a Capital (A). This phrase is inconsistent with the other provision on the advisory board. On page 7, there is a repeated words, on line 6, there are two (2) “consult with” so strike out the first consult with.

Speaker Babauta: Without objection from the members, the Vice Speaker requested computer error so if no objection, we consider that as technical.

There was no objection.

Speaker Babauta: Please take note of the computer error. We are still discussing H. B. NO. 15-57, CS1 and I recognized Representative Tenorio.

Rep. Tenorio: Thank you, Mr. Speaker. Esti public comment nai guini gi the past several nights giya Rota, Tinian yan Saipan. Guaha esti mu mention ya man dinanche. Meggai-na public comments against the bill. Ya hita taya, we did not consider any of that public comments. Ti ha reflect gi i Committee Report which is important. That is number one. Number two, the Mayor’s of Rota and Tinian actually wanted the centralization. They want more decision making at the local level. This bill does not have that and I recalled back the issue that was brought up by Senator Manglona. What we have created here is a something like is between a dog and a cat. It is not an animal. This creature now that we are creating is not an autonomous agency. It is not a semi-autonomous agency. It is a department but it has no directors but a secretary run by an advisory board. What kind of...not even run by an advisory board...a power less advisory board...no function at all? Seriously, what are we creating here? I understand the problem, the basis of the problem why people are so concerned about taking action because of the inequities and allegations. All the allegations are gone now with the exemption of one or two. Because of these allegations, Mr. Speaker, the Public Auditor went full force and are doing four different audits at one time to find out what is wrong and where can we plug the loopholes. We have not had that opportunity to get a full report of the audit. Here we are making decision already. For us to make decent decision, you have to have those data’s or findings from the Public Auditor supporting or otherwise not supporting those allegations...I do not know what we are rushing. The problem here, Mr. Speaker, I do not know what kind of creature we are creating right now. Is this a department? What happen to the Department of Lands and Natural Resources? What happen to the Land Registration Division? Where does it go to? It remains in the Natural Resources or it goes to this new animal or whatever you call it. Where do we put the people? These are serious things. We are carving something that I do not think that we fully understood the final impact of what we are doing here. Part of this bill are actually written from the fundamental policies of the Marianas Public Lands Corporation with some exemption that were thrown out. But it goes to show, Mr. Speaker, that there was actually nothing wrong with the system created when we had MPLC. MPLA tends to mimic MPLC but without the constitutional backing because it is the legislative creation and place under the Executive Branch. Still the question remains. There are legal opinions interpreting one that is not under the executive branch. There is another legal opinion that says it is. We have not even come to a conclusion. Who

do we listen to, the people or party that says that this is wrong, this is unconstitutional? We are only asking for a legal opinion in writing and even perhaps our legal counsel...I do not know what he thinks about this but my concern is there is not enough information. There are so many questions unanswered and in principle, I agree with the Public Lands in the hands of a board. I was part of the First Constitutional Convention and this is one issue that we tackle. You cannot tackle this lightly here and say, let us just move it from one place to another not having a true picture of what we are creating. We are creating something here, we are creating a Department of Lands and I do not know if any one can answer me as to what will happen to the Land Registration? Where will it go? Who do they answer to? You have a Department of Lands with a Secretary and no Deputy. Someone mentioned that from Rota. Shall we have a resident representative, resident secretary or a resident director? It is not addressed in this bill. Those are the issues that are still in the air and here we are today with so little time given to even sit down and have some other people look at this bill and go item by item and try to figure out what we are trying to create. I do not know if really time is of the essence that we have to act now or we go broke...maybe some roads are going to be closed and some businesses will close down...I do not know. But to compromise the principle at an issue as such which must be protected by the Constitution will be just rush out so lightly. The framers of the Constitution maybe at one time...when they decide that they want to move this over to executive branch in twelve years, they probably think that in twelve years, the government will mature and we will probably have a system that is good but obviously, it did not work that way. We are only how many years now about thirty years...this government is very young. United States is over two hundred years and they are still making mistakes. We start blaming people...we have to blame ourselves too sometimes. The point that I am trying to drive at, Mr. Speaker, confuse yu nai, Mr. Speaker, lao kao necessario na debi ha na tafan act on this issue today. We are going to act on this bill despite the fact na tatungo ha na bula kumontra gi san hiyong. Guaha dankulon issue pago pot i allegations. Ti tatungo para ufan malak mano siha i empleao i MPLA. We have the mechanism at hand so let us put it into practice. Yangin guaha magahit para ufan ma kondona and we do not condom the kind of misbehavior that have been reported to exist from any public official, for this reason stated, Mr. Speaker, I am voting against the bill. I am against the bill not because of the intention of the bill but because of the way it was written. I think it is an half ass bill. Taya esti nifena na bill. Kulan ti klaru hafa na klasen gaga ta create. We are creating or have created something that I think will haunt us in the future. Eno ha, Mr. Speaker. Thank you.

Speaker Babauta: Amen. Si yu'us ma'ase. Let me recognized Representative Ogo.

Rep. Ogo: Thank you, Mr. Speaker. While everyone are arguing, I was reading the bill. I know that they just gave us this bill earlier. I was reading the bill and this is how I see this. If you think about representation for each island of Rota and Tinian, there are five members. If you look at Section 104 which is the Advisory Board, one from Rota appointed by the Mayor approved by the Municipal Council, one from Tinian, three from Saipan and one of them is appointed by the Governor. So each Mayor's have the opportunity to appoint a single individual to represent the Municipality of Rota, Tinian and three from Saipan. The nice thing about this bill is there is a Section also in 104 where it mentioned about monthly meeting and members of this advisory board will be receiving per diems from the Department of Finance...prescribed per diems not honorary. So that is cut off esta. If we go down and you are saying that this board does not have authority, believe me, Section 105 (b) and Section 105 (f)...if you look at the strength of this board, even though the Secretary of Public Land have this idea, he cannot continue with his idea himself without the approval of this Advisory Board. So clearly it states on Section 105 (b) that any homestead that the Secretary of Department of Lands and Natural Resources decides to have for the CNMI, the

board must approve that. It clearly says there. Now, let us go to Section 105 (f) after this bill becomes law then the Secretary is supposed to promulgate rules and the board has to approve that. So clearly, the strength is there. So, Mr. Speaker, just those sections, I clearly believe that the board have the authority. Ready for the question, Mr. Speaker.

Speaker Babauta: Before I do that...for the last speaker this afternoon, I would recognize the humble Chairman of the Natural Resources.

Rep. Aldan: Thank you, Mr. Speaker. I hope that I would be the last one speaking regarding this very controversial bill. Yes, the Committee did conduct the public hearings in Saipan, Tinian and Rota. I have sorted out the comments that were submitted to the committee. I have sorted out the comments that were submitted to the committee. I have all the comments in my office and it is a very big stack of opposition and support of the bill. I understand that the members are concerned about how we are fast tracking this bill but I hope that my colleagues understand the situation that we are in regarding MPLA. They are conducting themselves thinking that this Legislature is not going to do anything to stop them from whatever they are doing. So I question my colleagues that, are we going to stand idle and let MPLA continue to plunder that funding supposedly to go to projects for land compensation and projects for our homestead farming. I beg you to consider the bill. I understand those sections that have to be amended down the line but that is for us to work as we go down as we move on. But now we have to take action. We cannot let MPLA board continue to deny our indigenous, those land owners. I am happy to say that I thank the two senior members in the Committee and also to the Vice Speaker for consulting and discussing the issues. I know that on several of the issues, we disagree but it is democracy, you say what you want, say your peace and we have to move on. Thank you, Mr. Speaker.

The Chair recognized Representative Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. I move to end debate.

The motion to end debate was seconded.

Speaker Babauta: Before I do that, let me just recognized the member that have not yet spoken, Representative Taman.

Rep. Taman: Thank you, Mr. Speaker. I believe that Executive Order 94-3 fulfill the constitutional mandate of putting back Public Land into the Executive Branch and then subsequently, the Legislature created the agency again, and while we were discussing this matter, I heard one senior member of the House and two senior members of the Senate admitting to the fact that they did make mistakes when they recreated the agency. I am pretty sure that this administration and most of us do agree that we need to do something about MPLA, but in the course of doing this, we must be careful and we must be prudent. Let us not come back again and say that we made a mistake in 2006. Thank you very much.

Speaker Babauta: For the last time, I want to recognize Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. I know that everybody is anxious to end the debate and it is a very important issue and that we should all have something to say. We already know the results of this and it reflects on the discussions that has happened but for the record, Mr. Speaker, there are

only three branches of government and MPLA is definitely not under Legislative and it definitely also is not under the Judicial Branch. Article XI is very specific and I think the key word was that, after twelve years, the corporation and the word is, "shall be dissolved and its functions shall be transferred" as it also states in the bill itself in the substitute. However, the subsequent sentence on MPLA changed that. The contention is that in its current function or structure, they are not complying with the constitutional provisions. Public Law 12-57 also states that, and was eluded by Representative Joseph Deleon Guerrero, and that MPLA is within the third branch or within the Executive Branch. To further amplify that, it is under the Executive Branch. Section 21 of Article III also recognizes the power that is given to the Governor to change the board and I think that is what we are all afraid of. I ask this body that maybe one of the things that we should do is to have an oversight because of the things that are mentioned in the bill that they failed to comply with the constitutional provisions and even to the original bill. Someone stated that if the allegations are true, if they are plundering the money that they are constitutionally mandated to or supposed to do then we should bring them in for an oversight. Thank you, Mr. Speaker.

Speaker Babauta: The Chair now recognized the motion to end debate which is undebatable. We are now voting on the main motion to pass H. B. NO. 15-57, CS1. Clerk, call the roll.

The roll called on the motion to pass H. B. NO. 15-57, HD1 on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	no
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	no
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	no
Rep. Candido B. Taman	no
Rep. Ramon A. Tebuteb	no
Rep. Manuel A. Tenorio	no
Rep. Stanley T. Torres	absent
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: H. B. NO. 15-57, HD1 passes the House on First and Final Reading, 11-6. Let us take a short recess, there is one companion bill that needs to be addressed with this bill and it will be recalled by the Chairman on Committee on Ways and Means. This is the bill that is sponsored by the Minority Leader to stop payment on any executive officer of the government to be compensated for termination of contract services.

The House recessed at 3:25 p.m.

## RECESS

The House reconvened at 3:27 p.m.

Speaker Babauta: The House shall reconvene. I would like to recognized Representative Ogo.

Rep. Ogo: Thank you, Mr. Speaker. By the request from our good Minority Leader, as the Chairman of Ways and Means I hereby recall H. B. NO. 15-62 for action on today's Calendar.

There was no objection.

Speaker Babauta: Without any objection, I now recognized the Floor Leader for placement of H. B. No. 15-62 on the Calendar and passage on First and Final Reading. Lump sum motion, Floor Leader.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, to suspend all pertinent rules to place H. B. No. 15-62 on today's Calendar for passage on First and Final Reading.

The motion to place and pass H. B. NO. 15-62 was seconded and carried by voice vote.

H. B. NO. 15-62: A BILL FOR AN ACT TO PROHIBIT GOVERNMENT EMPLOYMENT CONTRACTS BUYOUTS FOR EXECUTIVE DIRECTORS OR THE TOP ADMINISTRATIVE OFFICER OF A PUBLIC CORPORATIONS, BOARD, COMMISSION OR OTHER AUTONOMOUS AGENCY OF THE COMMONWEALTH GOVERNMENT; AND FOR OTHER PURPOSES.

Speaker Babauta: Passage motion.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, for the passage of H. B. NO. 15-62 on First and Final Reading.

The motion was seconded.

Speaker Babauta: Discussion. Roll call.

The roll called on the motion to pass H. B. NO. 15-62 on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	yes
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	absent
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes

Rep. Oscar M. Babauta

yes

Speaker Babauta: H. B. No. 15-62 hereby passes the House on First and Final Reading, 17-0. I ask the Clerk to expedite transmittal of the same bill including H. B. No. 15-57 to the Senate for action. With that, the Chair would like to a recess until Tuesday morning instead of tomorrow morning. The Committees are finalizing a lot of committee reports to be reported to the House. The House stands recess until Tuesday morning at 10:00 a.m.

### MISCELLANEOUS BUSINESS

None

### ANNOUNCEMENTS

The House recessed at 3:30 p.m.

Respectfully submitted,

/s/

Victoria T. Guerrero,  
Assistant House Clerk  
House of Representatives

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### APPEARANCE OF LOCAL BILLS

#### SECOND APPEARANCE

H. L. B. NO. 15-16: To appropriate \$2,000,000.00 from Saipan Local Law 11-2 for the design and construction of the Saipan Southern High School Gymnasium; and for other purposes.

H. L. B. NO. 15-17: To appropriate \$280,000.00 from the revenue collected pursuant to Saipan Local Law 11-2; and for other purposes.

H. L. B. NO. 15-18: To repeal and reenact Saipan Local Law No. 13-21 which established the Saipan Higher Education Financial Assistance Board; and for other purposes.

#### THIRD APPEARANCE:

H. L. B. NO. 15-7: To appropriate \$245,400 from the Third Senatorial District Developers Infrastructure Tax Fund for the paving shortfall of the Sihek and Papago Roads in Capitol Hill, to upgrade the power poles and lines in the remote areas in Capitol Hill, to hook up the lighting system at the Dandan Baseball Field, to install pedestrian crossings at all school bus shelters/stops in Saipan, and to pave the Dandan Elementary School parking area; and for other purposes.

H. L. B. NO. 15-8: To appropriate \$310,000 from the Managaha Landing Fees for the construction and repairs of the pavilions at Paupau Beach; Youth Indigenous Cultures, Arts, and Language Proms; the Flame Tree Festival; and public sculptures; and for other purposes.

H. L. B. NO. 15-9: To appropriate \$12,296.00 from Resident Identification Card Fund pursuant to Saipan Local Law 13-16 for the Office of the Mayor of Saipan to pay for heavy equipment maintenance and operations; and for other purposes.

H. L. B. NO. 15-10: To repeal and reenact Section 2(a) of Saipan Local Law 14-31; and for other purposes.

H. L. B. NO. 15-11: To prioritize the disbursement of the funds collected pursuant to 10 CMC § 3821 to the Saipan Higher Education Financial Assistance established by Saipan Local Law No. 13-21; and for other purposes.

H. L. B. NO. 15-12: To repeal and reenact Section 4(3) of Saipan Local Law 14-23; and for other purposes.

H. L. B. NO. 15-13: To appropriate \$90,000.00 from the local license fees collected for pachinko slot machines and poker machines in the First Senatorial District; and for other purposes.

H. L. B. NO. 15-14: To designate that the Kagman Community (Kagman I, Kagman II, Kagman III) as a residential community only in accordance with the Village Homestead Act of 1979 and the Village Homestead Rules and Regulations; and for other purposes.

H. L. B. NO. 15-15: To appropriate funds for the design, construction, and paving of various roads in Precinct I; and for other purposes.



# House Journal

## FIRST REGULAR SESSION, 2006

Seventh Day

March 3, 2006

The House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature convened its Seventh Day, First Regular Session, on Friday, March 3, 2006, at 10:06 a.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Oscar M. Babauta, Speaker of the House, presided.

A moment of silence was observed.

The Clerk called the roll and thirteen members were present. Representatives Martin B. Ada, and Ray N. Yumul are excused; Representatives Benjamin B. Seman, Manuel A. Tenorio, Stanley T. Torres came in late.

Speaker Babauta: A quorum is duly established. I understand that Representative Ada is on his way from the hospital. All members absent are excused.

The Floor Leader moved for a short recess for the House to present a Resolution.

The House recessed at 10:10 a.m.

### RECESS

The House reconvened at 10:17 a.m.

### ADOPTION OF JOURNALS

None

### PREFILED AND INTRODUCTION OF BILLS

Speaker Babauta: Let the record reflect that Representatives Tenorio, Seman, and Torres are now duly present on today's session.

H. B. NO. 15-93: A Bill for an Act to provide a period of limited immunity for illegal aliens to report themselves to the Department of Labor and Division of Immigration to enable them to become lawfully employed in the Commonwealth, and to prohibit prosecution of such aliens for their prior illegal status; and for other purposes.

Offered by: Rep. Arnold I. Palacios

Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-94: A Bill for an Act to appropriate \$656,000.00 out of \$5,656,000.00 from the Saipan potable water, received from the 702 funding during fiscal year 2006 for the Puerto Rico and upper Navy Hill sewer system project (Marianas Hotel to Puerto Rico main treatment plant); and other purposes.

Offered by: Rep. Arnold I. Palacios  
Referred to: Committee on Ways and Means

H. B. NO. 15-95: A Bill for an Act to appropriate \$50,500 from the First Senatorial District Solid Waste Management Fund; and for other purposes.

Offered by: Rep. Crispin M. Ogo and one other  
Referred to: Committee on Ways and Means

H. B. NO. 15-96: A Bill for an Act requiring the Transfer of Land from the Department of Public Lands to the heirs of Felipe Fanama; and for other purposes.

Offered by: Rep. Benjamin Seman  
Referred to: Committee on Natural Resources

H. B. NO. 15-97: A Bill for an Act to appropriate \$1,000,000.00 out of \$5,000,000.00 from the Saipan potable water received from the 702 funds for Fiscal Year 2006 for the renovations, construction, and collateral equipment of the Public School System; and for other purposes.

Offered by: Rep. Manuel A. Tenorio and one other  
Referred to: Committee on Ways and Means

H. L. B. NO. 15-22: A Local Appropriation Bill for an Act to appropriate \$40,000.00 from the local license fees for pachinko slot machines and poker machines in the First Senatorial District; and for other purposes.

Offered by: Rep. Crispin M. Ogo

#### **PREFILED AND INTRODUCTION OF RESOLUTIONS**

H. R. NO. 15-27: A House Resolution to request that the Governor include the Northern Marianas College in the list of Budget Reduction Exemptions.

Offered by: Rep. Joseph P. Deleon Guerrero and four others

H. R. NO. 15-28: A House Resolution requesting the Commissioner of the Department of Public Safety to consider establishing a police substation within the fire substation in San Roque or frequently patrol the Marpi area where illegal drag racing is conducted.

Offered by: Rep. Justo S. Quitugua and seventeen others

H. J. R. NO. 15-1: A House Joint Resolution to provide for a Joint Session of the Legislature to receive the Governor's State of the Commonwealth Address and the Washington Representative to the United States report; and for other purposes.

Offered by: Rep. Oscar M. Babauta and seventeen others

Floor Leader Deleon Guerrero: Mr. Speaker, I move that we resolve into Committee of the Whole.

The motion to resolve into the Committee of the Whole was seconded and carried by voice vote.

The House dissolved into Committee of the Whole at 10:23 a.m.

### **COMMITTEE OF THE WHOLE**

The Committee of the Whole for the House of Representatives recessed at 12:01 p.m. and set to reconvene on Friday, March 6, 2006 at 1:00 p.m. in the House Chamber.

The Committee of the Whole for the House of Representatives reconvened on Friday, March 6, 2006, at 1:35 p.m. in the House Chamber.

Speaker Babauta: The continuation of the Seventh Day, First Regular Session will now come to order.

A moment of silence was observed.

The Clerk called the roll and sixteen members were present.

Speaker Babauta: Thank you. A quorum is duly established for the continuation of our Seventh Day, First Regular Session. Representatives Ada and Taman are excused. I recognize the Floor Leader for a motion to go back to our plenary session.

Floor Leader Deleon Guerrero: Mr. Speaker, I move to go back to our plenary session.

The motion to dissolve the Committee of the Whole was seconded and carried by voice vote.

### **CONTINUATION OF THE 7TH DAY, FIRST REGULAR SESSION**

The House returned to plenary session at 1:37 p.m.

Speaker Babauta: We move on to Introduction of Bills.

### **PREFILED AND INTRODUCTION OF BILLS**

H. B. NO. 15-98: A Bill for an Act to restrict the operation of poker machine establishments; and for other purposes.

Offered by: Rep. Absalon V. Waki, Jr.  
Referred to: Committee on Commerce and Tourism

H. L. B. NO. 15-23: A Local Appropriation Bill for an Act for the Second Senatorial District to appropriate \$55,500.00 from local license fees for pachinko slot machines and poker machines in the Second Senatorial District to fund the Tinian Municipal Scholarship Program; and for other purposes.

Offered by: Rep. Edwin P. Aldan

H. L. I. NO. 15-3: A House Legislative Initiative to amend Article XV, section 1(c)(e) of the Constitution of the Northern Mariana Islands.

Offered by: Rep. Justo S. Quitugua  
Referred to: Committee on Commerce and Tourism

### **PREFILED AND INTRODUCTION OF RESOLUTIONS**

H. R. NO. 15-29: A House Resolution to respectfully request the CNMI Board of Education to select and hire a Commissioner of Education from available qualified residents.

Offered by: Rep. Florencio T. Deleon Guerrero

H. R. NO. 15-30: A House Resolution recognizing and commending Mr. Jason Shankweiler and Marine Tech International's Merchant Marine Training Service & License Center that offers U.S. Coast Guard approved training courses to local CNMI residents.

Offered by: Rep. Stanley T. McGinnis Torres

### **MESSAGES FROM THE GOVERNOR**

GOV. COMM. 15-36 – [2/27/06] – Certification of vacant positions for a Physician (Pediatrician) at the Department of Public Health.

GOV. COMM. 15-37 – [2/27/06] – Certification of vacant positions for an Executive Secretary at the Department of Commerce.

GOV. COMM. 15-38 – [2/27/06] – Certification of vacant positions for Building Inspector Supervisor at the Department of Public Works.

GOV. COMM. 15-39 – [2/27/06] – Certification of annual salary in excess of \$50,000 for Dr. Seckeler (Physician).

There was no discussion.

### **SENATE COMMUNICATIONS**

None

### **HOUSE COMMUNICATIONS**

None

### **COMMUNICATIONS FROM THE JUDICIAL BRANCH**

None

### **COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE**

WASH. REP. COMM. 15-2: Copy of the Resident Representative's Testimony before the US Senate Energy and Natural Resources Committee.

There was no discussion.

### **HOUSE COMMUNICATIONS**

None

### **COMMUNICATIONS FROM DEPARTMENTS & AGENCIES**

None

### **OTHER COMMUNICATIONS**

None

## REPORTS OF STANDING COMMITTEES

S. C. R. NO. 15-9: Reporting on H. B. NO. 15-18, entitled: “To require poker license fees to be paid in full prior to the issuance of any license, to provide that the fees shall be nonrefundable; and for other purposes.” *Your Committee on Ways and Means recommends passage of the bill.*

S. C. R. NO. 15-10: Reporting on H. B. NO. 15-29, entitled: “To repeal and reenact Section 2(b) of Public Law 14-32; and for other purposes.” *Your Committee on Ways and Means recommends passage of the bill.*

S. C. R. NO. 15-11: Reporting on H. B. NO. 15-88, entitled: “To reappropriate the sum of \$259,712.00 from subsection (c)(6) of Section 4 of Public Law 11-89; and for other purposes.” *Your Committee on Ways and Means recommends passage of the bill.*

Floor Leader Deleon Guerrero: Mr. Speaker, I move for the adoption of S. C. R. No. 15-9 reporting on H. B. No. 15-18, S. C. R. No. 15-10 reporting on H. B. No. 15-29, S. C. R. No. 15-11 reporting on H. B. No. 15-88.

The motion to adopt S. C. R. No. 15-9, S. C. R. No. 15-10 and S. C. R. No. 15-11 was seconded and carried by voice vote.

Speaker Babauta: The motion carries.

## REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

None

## UNFINISHED BUSINESS

None

## RESOLUTION CALENDAR

The Chair recognized the Floor Leader.

Floor Leader Deleon Guerrero: I move, Mr. Speaker, to suspend pertinent rules for the placement of H. R. No. 15-29 and H. R. No. 15-30.

The suspension motion was seconded and carried by voice vote.

Rep. Tebuteb: Mr. Speaker, are we under discussion on H. R. NO. 15-29?

Speaker Babauta: This was only a suspension motion. Floor Leader, effectuate a motion to suspend rules for the adoption of those Resolutions that appears on today’s Order of Business.

Floor Leader Deleon Guerrero: I move, Mr. Speaker, to suspend Rule VII, Section 9, for the adoption of H. R. No. 15-27, H. R. No. 15-28, H. R. No. 15-29, H. R. No. 15-30, and H. J. R. No. 15-1.

The motion was seconded and carried by voice vote.

Speaker Babauta: I now recognize a motion for adoption.

Floor Leader Deleon Guerrero: I move for the adoption of all the Resolutions on today's Resolution Calendar.

The motion was seconded.

H. R. NO. 15-27: A HOUSE RESOLUTION TO REQUEST THAT THE GOVERNOR INCLUDE THE NORTHERN MARIANAS COLLEGE IN THE LIST OF BUDGET REDUCTION EXEMPTIONS.

H. R. NO. 15-28: A HOUSE RESOLUTION REQUESTING THE COMMISSIONER OF THE DEPARTMENT OF PUBLIC SAFETY TO CONSIDER ESTABLISHING A POLICE SUBSTATION WITHIN THE FIRE SUBSTATION IN SAN ROQUE OR FREQUENTLY PATROL THE MARPI AREA WHERE ILLEGAL DRAG RACING IS CONDUCTED.

H. R. NO. 15-29: A HOUSE RESOLUTION TO RESPECTFULLY REQUEST THE CNMI BOARD OF EDUCATION TO SELECT AND HIRE A COMMISSIONER OF EDUCATION FROM AVAILABLE QUALIFIED RESIDENTS.

H. R. NO. 15-30: A HOUSE RESOLUTION RECOGNIZING AND COMMENDING MR. JASON SHANKWEILER AND MARINE TECH INTERNATIONAL'S MERCHANT MARINE TRAINING SERVICE & LICENSE CENTER THAT OFFERS U.S. COAST GUARD APPROVED TRAINING COURSES TO LOCAL CNMI RESIDENTS.

H. J. R. NO. 15-1: A HOUSE JOINT RESOLUTION TO PROVIDE FOR A JOINT SESSION OF THE LEGISLATURE TO RECEIVE THE GOVERNOR'S STATE OF THE COMMONWEALTH ADDRESS AND THE WASHINGTON REPRESENTATIVE TO THE UNITED STATES REPORT; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker, just a very simple question to the author on H. R. No. 15-28. This is a very good Resolution and I am supporting it but very minor question so that we are clear. On line 5, regarding the illegal racing conducted in Marpi which has claimed lives of a few young drag racers. Do we have a figure to that?

Speaker Babauta: Not to my knowledge, officially, in terms of getting the actual incident that is supposed to be generated out of the Criminal Justice Information System. Recently, there are about two or three in the past three and a half years including the one recently whom was buried last Saturday. Do you have that answer, Vice Speaker?

Vice Speaker Quitugua: There are about three.

Rep. Palacios: And several very seriously injured.

Speaker Babauta: Absolutely. At one time, as I recall, there was a raid conducted about a year ago where the policemen were waiting for these dragsters and as soon as everybody was in they started motoring and they were cited for...

Rep. Tebuteb: Like I said, I am supporting the Resolution but it is just that when we talk about statistic and figures, I would rather be a little bit more specific so that the Resolution is also strong. And if there have been some raids that were conducted in that area, if those raids also could be incorporated in this Resolution because it makes it more binding.

Speaker Babauta: Thank you, Representative Tebuteb. I am sure the author's intention is strictly for deterrent purposes and I hope that would help in the future. I recognize the Vice Speaker.

Vice Speaker Quitugua: Thank you, Mr. Speaker. Just for correction of minor computer errors H. R. No. 15-29. On line 1, to place dash (-) between "Hocog" and "Inos" and then on line 12, to place a dash "-Inos". It should read, Doctor Rita Songao Hocog-Inos.

Speaker Babauta: Any objection as to taking that as a computer error? Representative Tebuteb.

Rep. Tebuteb: I do not want to be out of line but since we are on H. R. No. 15-29 and it pertains to the Public School System (PSS), there have been a lot of media reports specifically the Public School System's funding as well as the dilapidated infrastructure needs. I noticed from our communications from the government agencies that we have not received anything yet. Have you or anyone within this Chamber received anything from PSS that there is a real emergency going on?

Speaker Babauta: In terms of funding, I guess all of us in one way or another over the past several years continue to receive such requests. Recently, with respect to emergency or what nature of emergency, my office have not received any yet. If you are saying facilities...is that what you are alluding to?

Rep. Tebuteb: I am referring to the whole PSS?

Speaker Babauta: The whole PSS structure?

Rep. Tebuteb: Right now, it looks like we have an emergency on the hiring for a Commissioner of Education. What I am concerned about is that we have had a lot of published information to the public, but have we received anything from PSS that requests such funding and public information that has gone out through the media?

Speaker Babauta: No. Let me recognized Representative Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. Maybe this would address your question Representative Tebuteb. I did have a meeting that I called together the Representatives of Precinct I with PSS. We met with the Commissioner and the folks who handle the money and Representatives Deleon Guerrero and Ada were there. This was around the time that we saw that commotion with the MPLA meetings and so forth. So we did meet with them and they gave us a packet and they did ask

the Legislature for assistance in helping them to get the Compact-Impact Funding which I have spoken to OMB about, and they have been also in communication with PSS. As it turns out most of the schools I guess are in Precinct I and that is something that we are working together to see if we can help PSS. I am sure that we are not the only ones meeting with PSS. We are aware of that and I am happy to share with anyone here any information that they have provided to us.

The Chair recognized the Vice Speaker.

Vice Speaker Quitugua: Mr. Speaker, in terms of emergency, I have not received anything, but what I have is an oral communication that one of the reasons why the Board of Education is not in an urgent position to hire a new Commissioner is that the project that they are working on is very large and that they would like to see the retired Commissioner complete these projects by the end of the school year. And I believe that the Board is going to extend the retention of Dr. Inos for free--that is what I learned--until the end of the school year.

Speaker Babauta: If no objection, I would urged the Standing Committee on Health, Education and Welfare to find just that and what is the issue on the PSS as a whole, not necessarily just the Commissioner but including the facilities that are being addressed through the media. Is that fine with you, Representative Tebuteb? I would ask the Committee to report back. Representative Tenorio.

Rep. Tenorio: Mr. Speaker, I have discussed to this to some extent with my colleague, Congressman Tebuteb. I think he is referring to the MCV news reporting on a lot of the schools that are coming out now and telling the public about the schools around the island being in a bad situation from termite infestation to classrooms being too small. I guess he is trying to say is if they (PSS) have communicated these needs and what types of needs do they have. Are they talking about the \$40,000.00 operational budget for PSS, which is hardly enough to buy toilet tissue, and we do not want the kids to be having problems with these kinds of daily necessities. I guess that is what he is trying to say. Have we receive those complaints officially or requests for budget to alleviate the situation? And perhaps this is a good time as you suggested for the Chairman of Health, Education, and Welfare Committee to perhaps call in PSS and find out exactly what is going on and where we can assist them. I watch the news also and it bothers me that the Kagman High School that was on fire last year has not been addressed and the population continues to increase. So where are we in terms of policies as far as how are we going to address the issues. I saw the legislative initiative that requests for a change in the Constitutional funding of 15% for PSS to 25%. We probably have to discuss that too but can we bring these people in and find out what is going on before the take over takes place or...

Speaker Babauta: So noted, Representative Tenorio. As I mentioned earlier, I have asked the committee to look into that. I understand that the Minority Leader met with these officials sometime last week and I was hoping that he would share his initial findings with us. Representative Palacios.

Rep. Palacios: Thank you, Mr. Speaker. First let me say that in the Fourteenth Legislature, we passed the \$50 Million budget for PSS and it got stuck in the Senate. PSS was asking for a \$50 Million for operations and the House of Representatives of the Fourteenth Legislature acted on that request but died in the Senate. Secondly, regarding these infrastructures, I believe the Vice Speaker has a legislation that he just introduced on bonds to address the classroom issues. The meeting we

had with PSS, along with Representatives Tebuteb, Dela Cruz and Waki, is in regards to...in fact, it is Calendared for today's action, Mr. Speaker.

Speaker Babauta: It regards to Precinct III schools only.

Rep. Palacios: H. B. No. 15-88...we are shifting funds to accommodate our elementary schools from within the district. So that is what we are doing and we are acting on that.

Speaker Babauta: Is this the fund that comes from the leftover of Kagman Junior High School?

Rep. Palacios: Oh no. There is no such fund.

Speaker Babauta: It is just that I noticed that the reprogramming of the funds came from Public Law 11-...

Rep. Palacios: It is specifically coming from the funds appropriated for the Northern Islands Elementary School.

The Chair recognized Representative Seman.

Rep. Seman: Thank you, Mr. Speaker. I also had the opportunity to meet briefly with the CIP Coordinator for PSS who had mentioned to me that what prompted the program that has been on air for several weeks regarding the various school problems is basically to kind of educate the public, the administration and the legislature on the much needed help for the schools. It hopes that we can consider the issues that they aired when we identify funding for the schools. So basically, it is for educational purposes hoping to get the Compact-Impact Funds but I guess the Governor has prioritized the funding to not only PSS but also to share with other agencies. But the word is to educate the public and it was planned to be aired and it started out with one school and then the others came forward.

Speaker Babauta: Thank you. Chairwoman Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. Again as I said, we met with the Commissioner and several of the staffs and people who handled the finances of the school, and at the time that we met, they were asking for our support in asking for the Compact-Impact Funds that was originally promised to them by the previous administration.

Speaker Babauta: For Precinct I schools?

Rep. Kaipat: No, most of the schools are in Precinct I but basically addressing the whole entire PSS schools. There are lots of termite infestations and it is a big problem. It is everywhere. And I have informally discussed this with OMB and unfortunately the funding that was promised to them under the previous administration...the priority is shifted. So it is not there. I think we all read the article that said that the funding is going to hospital or at least half of it or most of it. But I also read where it says that PSS will get the other bigger chunk of it. So we really need to revisit this issue with them and see if we can get some kind of clarification on this and urge the administration to support this request by PSS because all of them need help.

The Chair recognized Representative Deleon Guerrero.

Rep. Deleon Guerrero: They also asked us for our support for the Vice Speaker's bill that has been introduced and that would basically address a lot of the capital improvement project needs and the infrastructure needs of the Public School System. At least the Precinct I Representatives agreed to support the Vice Speaker's bill and if you could put it on the Calendar, we can move on. Thank you.

Speaker Babauta: Vice Speaker, would you be kind enough and share those information...the one that you had last term. You had the list of facilities and the associate costs with respect to PSS primarily the classroom facilities that are in need of repair in the various schools in the Commonwealth.

Vice Speaker Quitugua: Mr. Speaker, all the information, in terms of infrastructure is in the PSS seven-year plan. It is from new classrooms, to renovations, to bus shelters. It is all in there and the bill that Representative Deleon Guerrero mentioned is to provide funding for some of the needs of PSS in terms of the infrastructure. This funding is estimated that over a period of time, I think in the first year, it might generate close to \$4 Million, and the second and third year might be \$15 Million or more. So that bill if ever goes through, it will really help the PSS with the infrastructure needs.

Speaker Babauta: Does everyone have a copy of the seven-year plan? You do? Do you have one Representative Tebuteb? You do. For those who do not have a copy, please see the Vice Speaker or the Chairman of HEW to get a set so that we do not need to precinct-wise our Public School System but hit it in a priority manner. Is there any more discussion about termites? Representative Tenorio.

Rep. Tenorio: Point of information on H. R. No. 15-30. Who is Mr. Shankweiler, and on the Merchant Marine Training Services and License Center, is it for full fledge training for boat captains and boat operators?

Speaker Babauta: Let me yield to the author. Representative Torres.

Rep. Torres: First of all, I would like to say that the Resolution is self-explanatory in short, but Mr. Shankweiler is the Captain of the shuttle boats out here that services the black big ships out there and I think the person was authorized by the Houston Maritime Training Center. At the present time, he is doing a training for our local boys working on marine courses. Once they are certified by the U.S. Coast Guard here and in Guam, they are eligible to work as a Merchant Mariner like any other U.S. Merchant Mariner in that big ship. This is one way of enticing our local boys to join the center here and be qualified. I ask for your support so that we can adopt this Resolution.

The Chair recognized Representative Tenorio.

Rep. Tenorio: I have no problem with the Resolution, Mr. Speaker. I will support it but I just want to know more about it because this is very important. Is this a certification training where one gets to be a Chief mate or a Captain? And where is the training center here in CNMI?

Rep. Torres: It is located on Saipan and it is not publish yet. It is kind of a silent endeavor, but it is on going. It is just that the media has not discovered it yet and I offer the person for this commendation by his initiative of opening up such training for our own local boys. It is ongoing now and I believe he is using the boats to conduct his training.

The Chair recognized Representative Tenorio.

Rep. Tenorio: I am just curious who is certifying Maritime Captains? Is it the government?

Rep. Torres: The U.S. Coast Guard.

Rep. Tenorio: Here in Saipan?

Rep. Torres: There is a representative here but if the representative is not here then it can be shipped to Guam because the officer in charge is located in Guam. Any person who has passes the service training and certified by the U.S. Coast Guard is a starting point from becoming a U.S. Merchant Mariner and from there and he wants to climb the ladder, he has to go to Captain school.

Rep. Tenorio: I think we should have more information on this...maybe public information so that aspiring Maritime students can make use of these services.

Speaker Babauta: So noted. The media are here to discover that.

Rep. Tenorio: Thank you.

Speaker Babauta: Representative Torres, let me just clarify this. The Marine Tech International Merchant Marine Training Services Center is that a newly formed company? Is this on Saipan?

Rep. Torres: Mr. Shankweiler is the man in charge.

Speaker Babauta: For this particular company?

Rep. Torres: And in coordination of.

Floor Leader Deleon Guerrero: Point of information, Mr. Speaker.

Speaker Babauta: State your point of information.

Floor Leader Deleon Guerrero: As I understand, the Marine Tech is under Captain Fuller. He is the Boat Chief Captain taking care of the anchor vessels out here, and I think if it comes from the company, I would just rather say that it is an initial step because I understand that before they could be licensed, they have to take the 100 tonics or less than 100 tonic pilot licensing first. But it is a good informational purpose that if such person should...I know Captain Shankweiler and he is a qualified Captain but I do not know if he is licensed for instruction purposes. Thank you, Mr. Speaker.

Speaker Babauta: I guess the author is alluding to commending Mr. Shankweiler for preparing potential applicants to endure the U.S. Coast Guard examination helping our potential boat captains. Am I correct, Representative Torres?

Rep. Torres: Yes.

Speaker Babauta: Any more captain discussions?

Several members voiced, “ready.”

Speaker Babauta: Let me just make a short comment on H. R. No. 15-27. Just to let everybody know, two and half weeks ago a joint letter by the Fifteenth Presiding Officers was sent to the Governor to consider the Northern Marianas College as part of the educational plan in terms of fiscal cuts. I am sure that I did furnish everyone a copy of our joint letter so that you will know that we did execute a letter addressing the same issue as the Resolution.

The motion to adopt H. R. No. 15-27, H. R. No. 15-28, H. R. No. 15-29, H. R. No. 15-30, and H. J. R. No. 15-1 was carried by voice vote.

Speaker Babauta: Motion carries. All the Resolutions are hereby adopted. Short recess.

The House recessed at 2:17 p.m.

### RECESS

The House reconvened at 2:28 p.m.

Speaker Babauta: We are back to our plenary session. I recognize the Floor Leader for Bill Calendar.

### BILL CALENDAR

Floor Leader Deleon Guerrero: I move, Mr. Speaker, to suspend Rule IX, Section 9, 10 and 11 to place on Calendar, H. B. No. 15-18, H. B. No. 15-29, and H. B. No. 15-88.

The placement motion was seconded and carried by voice vote.

Speaker Babauta: The motion carries.

Floor Leader Deleon Guerrero: I move, Mr. Speaker, for the passage of H. B. No. 15-44 on First and Final Reading.

The motion was seconded.

**H. B. NO. 15-44: A BILL FOR AN ACT TO AMEND 4 CMC § 2111 TO INCLUDE THE COMMISSIONER OF THE DEPARTMENT OF PUBLIC SAFETY AS A NON-VOTING, ADVISORY MEMBER OF THE MARIANAS VISITORS AUTHORITY BOARD OF DIRECTORS.**

Speaker Babauta: Discussion. Roll call.

The roll called on the motion to pass H. B. No. 15-44 on First and Final Reading is as follows:

Rep. Martin B. Ada  
Rep. Edwin P. Aldan

absent  
yes

Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	absent
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 16 “yes”, H. B. No. 15-44 hereby passes the House on First and Final Reading.

Floor Leader Deleon Guerrero: I move, Mr. Speaker, for the passage of H. B. No. 15-20, CS1 on First and Final Reading.

The motion was seconded.

H. B. NO. 15-20, HS1: A BILL FOR AN ACT TO ACCOUNT FOR FIXED ASSETS AND CAPITAL GOODS PURCHASED BY THE LEGISLATIVE BRANCH; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. Roll call.

The roll called on the motion to pass H. B. No. 15-20, HS1 on First and Final Reading is as follows:

Rep. Martin B. Ada	absent
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	absent
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: H. B. No. 15-20, HS1 hereby passes the House.

[End of side A]

*The following is a summary of the official actions of the House of Representatives that were not on the audio recording.*

**H. B. NO. 15-26, HS1:** A Bill for an Act to amend Section 2 of Public Law 14-87; and for other purposes, *was passed on First and Final Reading.*

The Call of the Roll on the motion to pass H. B. NO. 15-26, HS1 on First and Final Reading, as reflected on the Voting Record taken by the House Clerk, resulted as follows:

Rep. Martin B. Ada	absent
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	absent
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

**H. B. NO. 15-28:** A Bill for an Act to amend Section 2 of Public Law 14-87; and for other purposes, *was passed on First and Final Reading.*

The Call of the Roll on the motion for the passage of H. B. NO. 15-37, HS1 on First and Final Reading, as reflected on the Voting Record taken by the House Clerk, resulted as follows:

Rep. Martin B. Ada	absent
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	absent
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	abstained
Rep. Absalon V. Waki, Jr.	yes

Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

**H. B. NO. 15-37, HS1:** To declare Martin Luther King, Jr. Day a legal holiday in the CNMI; to combine Commonwealth Day and Covenant Day into “Commonwealth Covenant Day” and to rename Columbus Day as “Commonwealth Cultural Day;” and for other purposes, was passed on First and Final Reading.

The Call of the Roll on the motion for the passage of H. B. NO. 15-37, HS1 on First and Final Reading, as recorded on the Voting Record taken by the House Clerk, resulted as follows:

Rep. Martin B. Ada	absent
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	absent
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

**[Beginning of side B]**

*The discussion continues on the motion for the passage of H. B. NO. 15-18 on First and Final Reading.*

**H. B. NO. 15-18:** A BILL FOR AN ACT TO REQUIRE POKER LICENSE FEES TO BE PAID IN FULL PRIOR TO THE ISSUANCE OF ANY LICENSE, TO PROVIDE THAT THE FEES SHALL BE NONREFUNDABLE; AND FOR OTHER PURPOSES.

Speaker Babauta: Proceed.

Vice Speaker Quitugua: On line 20, page 1, after the word issuance, an oral amendment to read, “Notwithstanding any provision of law to the contrary, \$200,000.00 of the fees collected shall be allocated to the Department of Finance for enforcement purposes and shall not be reprogrammed for any other purpose. The expenditure authority shall be the Secretary of Finance.”

The motion was seconded.

Rep. Tenorio: Point of information.

Speaker Babauta: State your point of information, Representative Tenorio.

Rep. Tenorio: Mr. Speaker, are we discussing H. B. No. 15-18?

Speaker Babauta: Yes.

Rep. Tenorio: Okay.

Speaker Babauta: Is the oral floor amendment cleared to everyone? The floor is open for discussion on the oral floor amendment.

Rep. Palacios: Mr. Speaker, maybe you can clarify this because you have been here longer than I have or anyone. I thought there is a provision in the existing law that set aside money for enforcement?

Speaker Babauta: No. Representative Tenorio.

Rep. Tenorio: I am just curious as to where you get the \$200,000.00? Is this something that you just throw out? How did you zero in on \$200,000.00?

Vice Speaker Quitugua: This is a request from the Department of Finance. They would like to receive some funding if they are really going to enforce this Act.

Rep. Tenorio: Second, I know the quarterly allotment was passed in the Thirteenth Legislature and the reason then was because of the economy and that they were having hard time making payments on the tax or the fees. Do you think this will not impact the number of poker machines and the potential revenue that we are now generating or?

Speaker Babauta: I see your point. The revenues generated by the machines are not touched. This are the fees on the license but the revenues generated by those licensed machines are of course is the local scholarship funds and to a certain extent certain percentages go to various programs. It is just amending the prior law to have a one time payment. As I understand, there is approximately \$700,000.00 worth of uncollected revenues because of expired licenses. Randomly, the machines have been inspected and were unplugged but as soon as the Division of Revenue agents stepped outside, the machines are re-plugged again. It is giving them a hard time and that is the reason why they asked for a financial assistance to be allocated just so that the operation can be funded by itself by retaining the previous statute where you allow for a one-time payment of each license so it does not burden the additional cost to the general fund. Representative Deleon Guerrero.

Rep. Deleon Guerrero: It was not moved to quarterly because of the hard economic conditions. The reason it was moved is because we raised the fees up double up to \$6,000.00 in the Thirteenth and it was I guess an opportunity to give the vendors a chance to pay it up installments. But since then, it was projected that the number of machines and the number of licenses would decrease. It did not. It steadily increased and as our good Speaker mentioned, one of the problems that we had with the quarterly collection is that vendors began...I do not want to say tampering but one of the cases where machines were not working and then after the inspection or the payments, they began to work. I think another good thing about this is I think it would weed out the fly by night operations and it would only allow legitimate and long standing business owners to be the ones in operation. To me,

even though the number of operators may go down so long as the number of machines remains the same, we do not anticipate adverse impact of this bill. So I support it and I encourage you guys to do so.

The Chair recognized Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. I do support this bill and the analysis from the Committee Report states that it would also simplify the enforcement and the tracking of the licenses of these machines. On the amendment of the \$16 Million, is this an across the board taking in the amount of \$200,000.00 from \$16 Million, or by senatorial district percentage?

Speaker Babauta: This is the Commonwealth wide so that would eventually...You have your own Casino Policeman, right? Chairman Aldan.

Rep. Aldan: You are talking about the Gaming Commission? Yes, but they are only restricted to within the Dynasty not outside Mom and Pop operators.

Speaker Babauta: Okay. And your concern is whether or not this would be extracted from...because every island has its own local source right? So this is allocating \$200,000.00 of the CNMI wide license inclusive of Tinian and Rota. It will be deducted from their generation in the CNMI wide law.

Rep. Tebuteb: I just want to make it clear.

The Chair recognized Representative Tenorio.

Rep. Tenorio: Thank you, Mr. Speaker. I like the optimism of my fellow colleagues here that this would not affect the revenue because again it is just a word of caution. We can be making laws here but there are people out there that are generating revenues. I do not know if the Committee actually got to meet with some of the poker machine operators, but the faster we can get our money in this kind of situation, the better. I just hope that we are doing the right thing. That is all. Thank you.

Speaker Babauta: It is a policy call that we realized before and we need to make a corrective action and I thank the members for supporting this measure. Is there any further discussion on the oral floor amendment offered by Representative Quitugua?

There was no further discussion on the amendment; the oral floor amendment by Representative Quitugua was carried by voice vote.

Speaker Babauta: The motion is carried. Any further discussion on the bill, as amended? Clerk, call the roll.

The roll called on the motion to pass H. B. No. 15-18, HD1 on First and Final Reading was as follows:

Rep. Martin B. Ada	absent
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes

Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	absent
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 16 “yes” H. B. No. 15-18 as amended passes the House on First and Final Reading. Floor Leader, H. B. No. 15-29.

Floor Leader Deleon Guerrero: I move, Mr. Speaker, for the passage of H. B. NO. 15-29 on First and Final Reading.

The motion was seconded.

H. B. NO. 15-29: A BILL FOR AN ACT TO REPEAL AND REENACT SECTION 2(B) OF PUBLIC LAW 14-31; AND FOR OTHER PURPOSES.

Speaker Babauta: On page 1, line 8, that should be the “Secretary of Finance” instead of “Director”. Consider that a computer error. Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: Mr. Speaker and Members, while I do not disagree with the intent of the bill and that is to make it consistent with the Constitution, I am a little concern that it also, or rather wanted to clarify if it would also remove the provision that only allows for these funds to be used for infrastructure projects? Does it still remain?

Vice Speaker Quitugua: This bill merely removes the one that appropriate the fund through Resolution and going back to what the Constitution says, that it must be in a bill form. That is the only thing and it leaves everything else intact.

Rep. Joseph Deleon Guerrero: Thank you.

The Chair recognized the Minority Leader.

Rep. Palacios: Basically so that any legislation that comes out for funds appropriation should be a local bill.

Speaker Babauta: Does everyone understand the amendment on this bill?

Rep. Tenorio: Mr. Speaker, can you please through the author say what exactly does this take away as far as the appropriation?

Vice Speaker Quitugua: Public Law 14-31 says that, the infrastructure tax may be appropriated through a Resolution but the Constitution says that appropriations could only be done through a bill. So this one merely is just striking out Resolution and putting it back into a Bill form.

Rep. Tenorio: We are specifically referring to the infrastructure tax and nothing else?

Rep. Palacios: This was the only fund that was being allowed to be appropriated by Resolution and it was unconstitutional.

Speaker Babauta: Which is not consistent with the Constitution.

Rep. Palacios: We have been saved but it was unconstitutional and if you really look back and check...

Rep. Tenorio: So you have been unconstitutionally appropriating funds?

Rep. Palacios: No. I have never appropriated any of that.

Speaker Babauta: There are champions of this that is yet to be publicly announced. Is everyone clear with respect to this bill? Clerk, call the roll.

The roll called on the motion to pass H. B. No. 15-29 on First and Final Reading is as follows:

Rep. Martin B. Ada	absent
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	absent
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: Thank you. By a vote of 16 “yes” H. B. No. 15-29 hereby passes the House on First and Final Reading constitutionally.

Floor Leader Deleon Guerrero: I now move, Mr. Speaker, for the passage of H. B. No. 15-88 on First and Final Reading.

The motion was seconded.

H. B. NO. 15-88: A BILL FOR AN ACT TO REAPPROPRIATE THE SUM OF \$259,712.00 FROM SUBSECTION (C)(6) OF SECTION 4 OF PUBLIC LAW 11-89; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. Vice Speaker, proceed.

Vice Speaker Quitugua: Mr. Speaker, an oral amendment on page 1, line 19. This is just to make sure that this appropriation is favorable to the threshold of the Department of Interior's letter. After the word "construction" remove the period (.) and insert, "to supplement the construction of additional classrooms pursuant to Public law 14-3."

Speaker Babauta: Does everyone understand the intent? Minority Leader, proceed.

Rep. Palacios: Vice Speaker, what is Public Law 14-3?

Vice Speaker Quitugua: Public Law 14-3 is the appropriation measure that we appropriated over \$1.8 Million for additional classrooms of the Public School System.

Speaker Babauta: Is that the local law?

Vice Speaker Quitugua: No, it is a CNMI-wide law.

Rep. Palacios: *Pues una halom todo* just so that...

The Chair recognized Representative Deleon Guerrero.

Rep. Deleon Guerrero: Could you repeat the amendment again?

Vice Speaker Quitugua: After the word construction, insert, "to supplement the construction of additional classrooms pursuant to Public Law 14-3."

The floor amendment offered by the Vice Speaker was seconded; and there being no further discussion the amendment was carried by voice vote.

Speaker Babauta: The motion is carried. Any further discussion on H. B. No. 15-88, HD1. Roll call.

The roll called on the motion to pass H. B. No. 15-88, HD1 on First and Final Reading is as follows:

Rep. Martin B. Ada	absent
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes

Rep. Candido B. Taman	absent
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: H. B. NO. 15-88, HD1 hereby passes the House on First and Final Reading. Minority Leader, did we have a problem in the Fourteenth Legislature with regards to the fiscal year limitation?

Rep. Palacios: *Ti malago i Mayor gi magahit.*

Speaker Babauta: No, with the Administration. There was, I think, an opinion that was issued about the fiscal year limitation.

Rep. Palacios: I think it was a policy.

Speaker Babauta: Okay. We will play by ear. We will move down to Miscellaneous Business. Minority Leader, proceed.

### MISCELLANEOUS BUSINESS

Rep. Palacios: Thank you, Mr. Speaker. On behalf of the Minority group, I wish to thank you for your efforts to clarify some the issues regarding some of the reprogramming activities being effectuated by the Executive Branch. I thought that we had a good discussion with the Attorney General along with the Secretary of Finance and Special Assistant for Planning and Budget. It was clear we need to have this communication from the Executive Branch regarding the State of Emergency and the communications that basically advises us that he is invoking emergency powers under Article III, Section 10 of the Constitution as specified by the Attorney General on Friday. I also want to call attention to the Leadership and the Chair under Article III, Section 10 of the Constitution and that when the Governor is going to invoke this emergency power, it is in the analysis of that Section that the Governor make use of the contingency funds for disaster aids and divert from regular programs funds during the State of Emergency. That sentence ends though with Legislative approval. I think the Chair should point this out to the Executive Branch particularly maybe to the Attorney General's Office that they need to effectuate a communication invoking emergency powers to you and then accordingly seek Legislative approval for diverting such contingency and programs funds to CUC. That is all I want to point out.

Speaker Babauta: Thank you and so noted. I will ask our legal counsel to just look into that analysis and that particular Article so that we may have a clarification with the Administration. As a result of last Friday's dialogue, all of us know that there is a communication restating the nature of the emergency and the plan is forthcoming hopefully sometime this week. So I thank you for inviting also the three gentlemen that would like to share their thoughts on that perspective issue. Again, tomorrow will be meeting in the morning and I invite the Minority Leader and the members every Tuesday as the Governor had mentioned that we start doing this dialogue. The Administration wanted both houses of the Legislature to be apprised on issues confronting our Commonwealth so

that we can all work together to achieve one common goal for the benefit of our people. I ask again for your participation. For those who do not have the time, try to make some time to participate. It is usually every Tuesday morning at 8:00 a.m. in the Administration's conference room. So I hope that is cleared to all of you. Take note on the schedule for Wednesday at 10:00 a.m. with the Garment Industry overview. As I understand, there are about six to seven factories that are closing down this year. Two meetings ago, both houses and the Administration prodded the team players of the SGMA to kind of hold back and see the situation this year. But I guess there is a change of economic trend with respect to the industry that they have finally made a determination to leave if not the summer of this year, the latter part of summer. We need to be cognizant of that and this is a very serious matter that we need to address to find how best we can suit our already bloated programs in the Commonwealth. We need to work together and I beg of you to put our heads together so that we can achieve one solution. Representative Torres, recognized.

Rep. Torres: Just to make it short. I am trying to locate where my Silver Club Bill is? Which committee is it referred to?

Speaker Babauta: Is the Vice Chairman for Commerce and Tourism here? Who are the members of Commerce and Tourism? Representatives Yumul, Kaipat and Tenorio, can you make sure that that issue is taken up in your next committee meeting? We are under Miscellaneous Business and we do not want to debate. But go ahead and make comments please.

Rep. Yumul: What happened is that Senator Pangelinan also introduced a similar bill in the Senate and the committee had resolved to meet with them so that we can merge the two to avoid duplication.

Speaker Babauta: Good idea. Let us see if we can use the House bill as a vehicle to work with the Senate. Representative Torres, continue.

Rep. Torres: My concern is that this bill would bring back more of our Japanese retirees. We need this bill to go into motion because this would bring back our friends and more friends. I am just waiting for this bill to be executed. Thank you.

Speaker Babauta: There is also a compelling interest of aligning that program with a foreign medical practice permit. Representative Tenorio.

Rep. Tenorio: Mr. Speaker, *hu atan este nai* in the early stage *anai man halom hit*. I kind of made a plea to the Majority especially those who are holding committee chairmanship to look at the various agencies and call them in because like you said, the state of the Commonwealth is not really good. I hate to see that an independent agency such as CPA, for instance, or CDA for that matter go back to Administration. While I do not necessarily believe in rumors or whatever, it seems to me that there are some trends towards these agencies being pulled into the Administration for consolidation or whatever it is. Before we go into that, Mr. Speaker, I would like to ask the chairmen of the committees who have oversight jurisdiction over these agencies to bring them in and let us talk about of how we could be of help. As you know, some of these agencies are constitutionally created and I really do not like to see again a breakdown of the agency from an independent body to a line department or whatever is the plan of the administration. I know that the Minorities here do not have all the information. I would really like to attend all these Tuesday meetings but still there is a separation of powers between the three branches of the government. I think the Legislature should

be given the accord for some of the information to be passed into this body and not to be dragged into there as a member or whatever group and getting the information from the department heads or the cabinet members. I think this is a forum where we can bring them in and we talk to them about it and put everything on record. I do not know what kind of record is maintained by the Administration when we go there and have meetings. I attended only one meeting and I feel like there is some degree of independence in terms of the existence of each branch of the government and I think we should be accorded the right for whatever information that is important that we are to know to be brought to this house. I feel like a Boy Scout going over there and listening to whoever is out there to report on whatever issues instead of bringing them here and questioning them. Like I said, I am a Minority, but still, there is such a thing as separation of powers.

Speaker Babauta: Of course.

Rep. Tenorio: We want to maintain the sanctity of the legislature and the integrity of this body. It is good for the Governor to come over here, maybe every now and then, and share his thoughts with us instead of us going over there every Tuesday. I do not speak for the Minority.

Speaker Babauta: I know that you are speaking for yourself.

Rep. Tenorio: This is my feeling of being a legislator. I think we are a responsible body and I think that if there is any question of magnitude that we need to address, the Executive Branch or the representative of the Executive Branch should come over here. This is our house, that building next door is not, but we are all but one big family. We still have our own things to do. So I just wanted to point that out and I do not want the administration to feel like, hey this guy is not a family member and he is not coming to join our Tuesday meetings but we invited him to come. But the question that I want answered is do we have to come?

Speaker Babauta: No. Perhaps the impression was not clarified but it was a gesture made on the part of the Administration in trying to achieve a common goal at least to address pressing issues. It is not a Boy Scout issue for that matter but it is about addressing our CNMI internal problems primarily our economy. It is a gesture that he had practiced to the members of the Legislature, not only the House but including the Senate. I will be glad to ask him to come over and join us with the Senate in an open forum, not necessarily in a joint session and not a closed forum, it is just a meeting of the minds to basically address any vital issues. Let me just say that the Speaker's office has not received any, as you explicitly and clearly mentioned, the rumor. I have not received any information about impending abolition of other agencies. If that happens, the full House would definitely have a time and place to debate on that issue. I always share any communication with the entire members. Normally, I close my door because of staffs that walk in and out and I am normally working on the computer but it is not that I close the door behind me to all of you. By all means, you and I have worked together for so many years and you have my soul.

Rep. Tenorio: Mr. Speaker, I know the Governor is very accommodating and if we have a problem, he wants everybody to come in and try to address the issues, but it is like a regular meeting now. Sometimes I want to come and sit down with you and kind of share my ideas. I am not part of the Leadership but you know I do that. And you know what I am trying to say -- this is still a separate branch and we have to protect that sanctity and the integrity of this house. We do not want the public impression that we are railroading this and that, and we are just a rubberstamp legislature. We do not want that, and you do read that in the newspapers. I, for one, I have responsibilities to my

constituents just like everybody else. Just so that we can put things in perspective and a little bit of balance, perhaps we will be hearing the Governor's State of the Commonwealth Address by April. At the same time, I respect the views of all my colleagues and if we do not show up, it has no bearing on whether we do not want to be there.

Speaker Babauta: Absolutely not and I doubt either that any member would feel that just because you did not show up in this meeting that you care less. We respect your opinion and sense of sentiment with respect to the issue that you raised and I thank you.

Rep. Kaipat: Thank you, Mr. Speaker. My colleagues, Representative Tenorio's comments are well taken. In terms of meeting with the departments and agencies, this is not the only venue that we have held meetings. We try to go out to those particular agencies and we do have meetings with them and you have been involved with us in some of those meetings. So to the extent that we are running around doing things without consulting these agencies, I do not want that impression to be the one that people are left with because that certainly is not the case. As far as any weekly meeting with the Governor, there is nothing wrong with having an open communication regularly to make sure that we can gain a better understanding. Communication is a good thing but it does not mean that just because you meet regularly that you are somehow stripped of your responsibilities in keeping the checks and balances that are supposed to hold everything in check. I do recall that when the invitation was extended, it was under the premise that the more people, the better communication. It is just the nature of politics that there would be Majority and Minority. If it were up to me and I had a magic wand, I would just wave and illuminate Minorities because I feel that it somehow kind of enters into this thinking of we are Minorities and we are not getting the information that you are getting. I quite frankly have not seen that and I really wish that we would get pass that because each of us is elected to represent many people and we all have an obligation to represent them. I too do not want to be known as a rubber stamp member of this body. That is the same kind of relationship that I seek from you that I also seek from the Governor and the Senate and even each staff who works here in the Legislature. I am sorry if I am stepping on some toes, I am one of the new kids on the block, but I really call upon each and every one of you. Let us look at Legislating in a brand new way as a cooperative venture rather than Minority-Majority group. If we have issues that we need to discuss, let us get it out there but let us look at the issue and separate the issue from the person. Because if a person is doing something good and we do not like that person and we saw what happened with Marianas Public Lands Authority (MPLA) issue when Governor Froilan Tenorio tried to get the agency back in line according to the Constitution because the Legislature admitted that they did not like the Governor. They went ahead and created MPLA. So we are just chasing our tails and I, for one, would like to encourage each and every one of you to take the opportunity. No one is required to show up for the meetings but it is helpful. No one is taking any kind of attendance when you walk in that door to see whether you show up or not. It is helpful and in that spirit, I wish to continue to pledge my cooperation and assistance. If there is any question that you have and you think I am getting some information that you are not getting, please let me know because I certainly want to share my information with you so that we can all work together. Thank you.

The Chair recognized the Vice Speaker.

Vice Speaker Quitugua: You might want to ask or request the Governor if the meetings could be alternated over at his conference room and then here in the Legislature. I think that would give everybody an opportunity to feel comfortable because we are in our House.

Speaker Babauta: Thank you. Well noted, and I tend to ask him that tomorrow.

Rep. Palacios: Mr. Speaker, I think the points are well taken from Representatives Tenorio and Kaipat. For all members of this house, I never had any problem meeting with the governor. I have gone across the street. If I need to talk to him or the lieutenant governor, I go across to the executive building. But I think at the same time, we can have meetings with the governor and basically agree on how to pursue and resolve the issues. At the same time, Representative Tenorio is also saying that we need to formulize the way the Branch is transacting....

[End of tape side B]

### ANNOUNCEMENTS

The House adjourned at 3:27 p.m.

Respectfully submitted,

/s/

Victoria T. Guerrero

Assistant House Clerk

House of Representatives

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### APPEARANCE OF LOCAL BILLS

#### SECOND APPEARANCE

H. L. B. NO. 15-20: To appropriate \$450,000.00 from Saipan Local Law 11-2, as amended, for a road pavement project at Obyan; for the design and construction of two (2) beach pavilions; and for other purposes.

H. L. B. NO. 15-21: To appropriate the sum of \$922,140 from Saipan Local Law 11-2 to fund various Precinct II improvement projects; and for other purposes.

#### THIRD APPEARANCE:

H. L. B. NO. 15-19: To appropriate the sum of \$2,000,000.00 from fees collected under Saipan Local Law No. 11-2 for the construction of drainage and road paving for the Laulau Bay Drive and the Obyan Beach access road; and for other purposes.





# House Journal

## FIRST REGULAR SESSION, 2006

Eighth Day

March 22, 2006

The House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature convened its Eighth Day, First Regular Session on Wednesday, March 22, 2006, at 1:42 p.m. in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Oscar M. Babauta, Speaker of the House, presided.

A moment of silent prayer was observed.

The Clerk called the roll and ten members were present. Representatives Martin B. Ada, Joseph P. Deleon Guerrero, Arnold I. Palacios, Benjamin B. Seman, Candido B. Taman, Manuel A. Tenorio, and Stanley T. Torres came in late.

### ADOPTION OF JOURNALS

6<sup>th</sup> Day and 7<sup>th</sup> Day, First Regular Session Journals

Floor Leader Florencio Deleon Guerrero moved for the adoption of the Sixth and Seventh Day, First Regular Session 2006 Journals; the motion was seconded.

The Chair recognized Representative Yumul.

Rep. Yumul: Mr. Speaker, minor changes to the Journals as noted earlier. I believed the 7<sup>th</sup> Day Journal on March 3, 2006 has some irregularities or computer errors where I believe "Speaker Fitial" who is now the Governor...

Speaker Babauta: So noted. Again, we made it a standard policy to allow the members to work directly with the Clerk to correct any grammatical or typographical error. If there is no objection, we will again make that a standing policy. Any more discussion on the Journals?

There was no further discussion and the motion to adopt the Sixth and Seventh Day, First Regular Session 2006 Journals was carried by voice vote.

Speaker Babauta: The motion is carried. I understand that there is a House Resolution to be presented this afternoon; I hereby call for short recess.

The House recessed at 1:45 p.m.

**RECESS**

Representatives Martin B. Ada, Joseph P. Deleon Guerrero, Arnold I. Palacios, Benjamin B. Seman, Candido B. Taman, Manuel A. Tenorio, and Stanley T. Torres took their seats in the Chamber during recess.

The House reconvened at 1:50 p.m.

Speaker Babauta: We are back in session and, Clerk, please note that Representatives Manuel Tenorio, Joseph Deleon Guerrero, Benjamin Seman, Ramon Tebuteb, Stanley Torres, Arnold Palacios, Candido Taman, and Martin Ada are present.

### INTRODUCTION OF BILLS

H. B. NO. 15-99: A Bill for an Act to provide a nonrefundable tax credit for cash expenditures made by educators during the tax year for books or instructional materials to be used in the classroom; and for other purposes.

Offered by: Representative Oscar M. Babauta

Referred to: Committee on Ways and Means

H. B. No. 15-100: A Bill for an Act to raise the minimum wage; to repeal and re-enact 4 CMC § 9221; to amend 4 CMC § 9223(b); to impose financial responsibility and liability on the employee; and for other purposes.

Offered by: Representative Florencio T. Deleon Guerrero

Referred to: Committee on Ways and Means and Committee on Commerce and Tourism

H. B. NO. 15-101: A Bill for an Act to amend the Revenue and Taxation Act of 1982 to provide a tax incentive for individuals and businesses to donate to public facilities in the Commonwealth.

Offered by: Representative Absalon V. Waki, Jr. and four others

Referred to: Committee on Ways and Means

H. B. NO. 15-102: A Bill for an Act to repeal and reenact 4 CMC §§ 5554 and 5555; and for other purposes.

Offered by: Representative Florencio T. Deleon Guerrero

Referred to: Committee on Commerce and Tourism

H. B. NO. 15-103: A Bill for an Act to provide protection of minority interest in a business corporation; to impose penalty; and for other purposes.

Offered by: Representative Florencio T. Deleon Guerrero

Referred to: Committee on Commerce and Tourism

H. B. NO. 15-104: A Bill for an Act to amend 1 CMC § 2272 (Commissioner of Education: Qualifications); and for other purposes.

Offered by: Representative Justo S. Quitugua

Referred to: Committee on Health, Education, and Welfare

H. B. NO. 15-105: A Bill for an Act to amend 1 CMC § 8248 (b); and for other purposes.

Offered by: Representative Edwin P. Aldan and ten others

Referred to: Committee on Health, Education, and Welfare

H. B. NO. 15-106: A Bill for an Act to amend 4 CMC § 5611(f)(g)(1); and for other purposes.

Offered by: Representative Edwin P. Aldan and ten others

Referred to: Referred to: Committee on Commerce and Tourism

H. B. NO. 15-107: A Bill for an Act to amend pertinent sections of the Nonresident Workers Act to shorten the time needed for adjudication of labor disputes; and for other purposes.

Offered by: Representative Jacinta M. Kaipat

Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-108: A Bill for an Act to amend 1 CMC § 7402(a) (2); and for other purposes.

Offered by: Representative Oscar M. Babauta

Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 15-109: A Bill for an Act to authorize the assessment of parking meter fees, to require segregation of fees collected by senatorial district, and to authorize local appropriation.

Offered by: Representative Ramon A. Tebuteb

Referred to: Committee on Ways and Means

#### **HOUSE LOCAL BILLS:**

H. L. B. NO. 15-24: A Local Bill for an Act to amend Section 3(c) of Saipan Local Law No. 13-16; and for other purposes.

Offered by: Rep. Florencio T. Deleon Guerrero

(First Appearance)

H. L. B. NO. 15-25: A Local Bill for an Act to name the street located in Capitol Hill, off of Savanna Road between Agrigan Lane and Guguan Drive, as “Norita Lane”.

Offered by: Rep. Justo S. Quitugua

(First Appearance)

H. L. B. No. 15-26: A Local Bill for an Act naming the Port of Saipan the Capt. George F. Fleming/Port of Saipan in recognition of his contributions in the development and modernization of Saipan’s seaport facility and the island’s economy.

Offered by: Rep. Oscar M. Babauta

(First Appearance)

Speaker Babauta: Any other member wishing to introduce a bill? If none, we go down to Introduction of Resolutions.

### **INTRODUCTION OF RESOLUTIONS**

#### **HOUSE COMMEMORATIVE RESOLUTIONS:**

HSE. COMM. RES. NO. 15-2: A House Commemorative Resolution to express a sincere and heartfelt recognition, congratulation and commendation to Saipan Southern High School Mock Trial Competition Team, Teacher and Attorney Coaches for capturing the 2006 (8<sup>th</sup> annual) CNMI High

School Mock Trial Competition championship title held at the Judicial Complex on Saturday, March 11, 2006.

Offered by: Representative Florencio T. Deleon Guerrero and seventeen others

Floor Leader Deleon Guerrero: Mr. Speaker, I would like the House Commemorative Resolution 15-2 to be placed on today's Resolution Calendar as well.

**HOUSE RESOLUTIONS:**

H. R. NO. 15-31: A House Resolution in support of the building of a curatorial, exhibit preparation and storage facility on the NMI Museum of History and Culture grounds.

Offered by: Representative Candido B. Taman and seventeen others

Rep. Taman: Mr. Speaker, if there is no objection from the members, I would like to submit H. R. NO. 15-31 and request that it be introduced by the Committee of the Whole and with the indulgence of the members I would like to also request that this Resolution be placed on today's Resolution Calendar for disposition.

There was no objection.

H. R. NO. 15-32: A House Resolution recognizing the existence of Public Law 13-29 to create a "Northern Mariana Islands Film Office" within the Marianas Visitors Authority and acknowledging the need to fill the ever continuing vacant Film Office Manager's position and recommending that Mr. Leonard "Butch" Wolf for the Film Office Manager Position.

Offered by: Representative Francisco S. Dela Cruz and seventeen others

H. R. NO. 15-33: A House Resolution expressing support for the passage of S. 1954 ("Insular Possessions Act of 2005") introduced by Senator Larry E. Craig and Senator Daniel K. Akaka in the Senate of the 109<sup>th</sup> United States Congress, to amend the General Notes of the Harmonized Tariff Schedule of the United States to give products imported from the United States insular possessions the same treatment as products imported from countries with which the United States has entered into a free trade agreement in order to make the apparel manufacturing in the Northern Marianas globally competitive.

Offered by: Representative Arnold I. Palacios and seventeen others

H. R. NO. 15-34: A House Resolution urging the Northern Marianas Housing Corporation to expedite home repairs at Tottotville to address the numerous issues raised by homeowners.

Offered by: Representative Jesus SN. Lizama and seventeen others

H. R. NO. 15-35: A House Resolution requesting that the CNMI Office of the Governor and the CNMI Office of the Attorney General review and take appropriate actions in the matter of leases between the Commonwealth Ports Authority and Mobil Oil Mariana Islands and Shell Marianas.

Offered by: Representative Arnold I. Palacios and seventeen others

H. R. NO. 15-36: A House Resolution to request the Department of Public Lands to designate a parcel of public land to the Marianas Auto-motor Sports Association for the construction of a drag racing facility.

Offered by: Representative Martin B. Ada and seventeen others

H. R. NO. 15-37: A House Resolution to strongly express full support to the Chamolinian Cultural Village, Inc.'s grant application to the U. S. Department of Health and Human Services, Administration for Children and Families, Administration for Native Americans.

Offered by: Representative Ramon A. Tebuteb and seventeen others

H. R. NO. 15-40: A House Resolution recognizing and congratulating Marianas International Travel Agency (MITA Travel) for being honored by Western Union with two awards for achieving the "Highest Number of New Locations" at the most recently held annual Western Union Agent Summit in Phuket, Thailand; and for other purposes.

Offered by: Representative Oscar M. Babauta and seventeen others

**HOUSE JOINT RESOLUTIONS:**

H. J. R. NO. 15-2: Expressing support for the passage of S. 1954 ("Insular Possessions Act of 2005") introduced by Senator Larry E. Craig and Senator Daniel K. Akaka in the Senate of the 109<sup>th</sup> United States Congress, to amend the General Notes of the Harmonized Tariff Schedule of the United States to give products imported from the United States insular possessions the same treatment as products imported from countries with which the United States has entered into a free trade agreement in order to make the apparel manufacturing in the Northern Marianas globally competitive.

Offered by: Representative Arnold I. Palacios and seventeen others

Speaker Babauta: If there is no objection, so ordered. And please note that all resolutions, if there is no objection, will be addressed on today's order of business for adoption. Thank you.

Rep. Palacios: I would like to ask, Mr. Speaker, that H. R. NO. 15-33 be offered by the Committee of the Whole and that it be placed on the Resolution Calendar for disposition.

Speaker Babauta: Any objection to the request of introduction by the Committee of the Whole?

There was no objection.

Speaker Babauta: So ordered. I believe you have a Joint House Resolution similar to H. R. NO. 15-33. Does it have the same contents?

Rep. Palacios: Yes, Mr. Speaker, the same. I would also like H. J. R. NO. 15-2 placed on today's Order of Business.

There was no objection.

Rep. Torres: Mr. Speaker, I would also like to ask the members to place H. R. NO. 15-35 on today's Resolution Calendar for its adoption. Thank you.

There was no objection.

Rep. Lizama: Mr. Speaker, if there is no objection, I would like to place H. R. NO. 15-34 on today's Resolution Calendar and introduced by the Committee of the Whole.

Speaker Babauta: Any Objection?

Several members voice "no objection".

Speaker Babauta: So ordered. Once again, all resolutions introduced this afternoon will be calendared for disposition of the House. I would like to have the resolutions I introduced sponsored by the entire House, if there is no objection.

There was no objection.

Speaker Babauta: Any other member wishing to introduce a resolution? If none, I would like to call for a short recess while copies are being made at the same time allow members to go through some of the communications and the committees' reports.

The House recess at 2:10 p.m.

RECESS

The House Reconvened at 2:42 p.m.

Speaker Babauta: We are back in session and we move to Item 5, Message from the Governor.

#### **MESSAGES FROM THE GOVERNOR**

GOV. COMM. 15-40 - [3/7/06] – Certification of vacant position for Internal Affairs Investigator at the Department of Labor.

GOV. COMM. 15-41 - [3/7/06] – Certification of vacant positions for (8) Resident Department Heads (Rota Health Center, Public Safety, Finance, Public Works, Lands and Natural Resources, Commerce, Labor, and Community and Cultural Affairs) for the First Senatorial District.

GOV. COMM. 15-42 – [3/7/06] – Certification of vacant position for Director of Immigration at the Office of the Attorney General.

GOV. COMM. 15-43 – [3/7/06] – Certification of vacant positions for Administrative Hearing Officer and Hearing Officer, Administrator at the Department of Labor.

GOV. COMM. 15-44 – [3/7/06] – Certification of vacant position for Election Register Clerk at the Commonwealth Election Commission.

GOV. COMM. 15-45 – [3/8/06] – Certification of vacant position for Tax Technician II at the Department of Finance.

GOV. COMM. 15-46 – [3/9/06] – Certification of vacant positions for Accountant, Cook III, Custodial Worker and Clerk II at the Rota Mayor's Office.

GOV. COMM. 15-47 – [3/9/06] – Certification of vacant positions for Manager, Medical Referral Services, (2) Medical Referral Assistant, (2) Medical Referral Coordinator, Head Nurse, (6) Staff Nurses, Licensed Practical nurse and Staff Nurse I at the Department of Public Health.

GOV. COMM. 15-48 – [3/9/06] – Certification of vacant position for Law Clerk at the Superior Court.

GOV. COMM. 15-49 – [3/9/06] – Certification of vacant position for Clerk II at the Department of Public Safety.

GOV. COMM. 15-50 – [3/13/05] – Certification of vacant position for Custodian Worker at the Women’s Affairs Office.

GOV. COMM. 15-51 – [3/13/06] – Certification of vacant position for Administrative Assistant at the Emergency Management Office.

GOV. COMM. 15-52 – [3/13/06] – Certification of vacant position for Assistant Chief of Police at the Department of Public Safety.

GOV. COMM. 15-53 – [3/16/06] - Certification of vacant positions for Special Assistant, Administrative Services Manger, Technical Services Division Director, Administrative Services Division Director, Solid Waste Program Manager, Assistant Solid Waste Program Manager, and Building Safety Code Official at the Department of Public Works.

GOV. COMM. 15-54 – [3/16/06] – Certification of vacant positions for (2) Police Cadet, (2) Police Officer I, Firefighter II and (3) Fire Cadet at the Department of Public Safety.

Speaker Babauta: Any comment on the messages? I recognize Representative Yumul.

Rep. Yumul: Thank you, Mr. Speaker. On Governor’s Communication No. 15-48 there might be computer error, there seems to be two with first one regarding the Law Clerk certification and the other one from Linda Cabrera, Special Assistant for Programs and Legislative Review certifying that she received the H. R. No. 15-48.

Speaker Babauta: Is that under Item 5, Representative Yumul?

Rep. Yumul: Governor’s communication, yes, I believe so.

Speaker Babauta: I believe you should have a corrected copy at your office. The Clerk’s Office had corrected that prior to the final distribution of the Order of Business.

Rep. Yumul: Okay, Mr. Speaker, according to the Clerk we are to disregard the letter from Linda Cabrera. Thank you.

Speaker Babauta: Thank you. I recognize Representative Tenorio.

Rep. Tenorio: Mr. Speaker, I am just curious on all these certifications of vacant positions, because I just read one of the communications and GOV. COMM. 15-44 for instance, says that “the filling of

this vacant position is of vital importance for the efficient delivery of essential public services” and that it is a vacant position that must be filled. So most of these vacant positions are to be filled and if they are to be filled, I am just curious as to how much is that in terms of salary and wages when at the same time they are cutting down salaries and removing people, and some people even have marching orders. I am just curious how much more is the Government is spending instead of saving.

Speaker Babauta: Yes, I understand. All these positions are as a result the latest approved Budget which is P.L. 13-24. The Administration and any other agency, primarily the principal executive departments cannot go beyond what is approved under the constitution. So the latest approved Budget that we have is from the 13<sup>th</sup> Legislature. Pursuant to P.L. 13-24 these are positions that were left vacant by departing employees and is not in addition to that. At any rate, anyone is welcome pursue interest of any nature with regards to the certifications.

Rep. Tenorio: I just want to know the standard language, Mr. Speaker?

Speaker Babauta: It is the standard language, Representative Tenorio.

Rep. Tenorio: If the position is vacant and must be filled during the period of a Continuing Resolution between now and end of the fiscal year, it appears to me that there is still money floating around to fill these vacancies especially in the areas of public services.

Speaker Babauta: The comment you mentioned earlier about marching order being executed by the Administration, those are not positions within the present Budget which is P.L. 13-24. Those are the so-called, LTAs (Limited Term Appointment), normally ninety days for various reasons on an as-needed basis whenever there are funds available. For instance, if two of these positions are not filled in your department that particular dollar can be utilized for so-called LTA employment which allows for a ninety-day time frame.

Rep. Tenorio: Is this a Civil Service position?

Speaker Babauta: Not according to the letter. Some of them are.

Rep. Tenorio: I am just curious, Mr. Speaker, thank you.

Speaker Babauta: So noted. Thank you for the concern. If there is no further discussion on the messages from the Governor, we go down to Item 6, Senate Communications.

### **SENATE COMMUNICATIONS**

SEN. COMM. 15-18: (3/9/06) Return of H. B. NO. 15-37, HS1 (Martin Luther King, Jr. Holiday) which was passed by the Senate on March 9, 2006. [Before the Governor]

SEN. COMM. 15-19: (3/9/06) Return of H. J. R. NO. 15-1 (Joint Session of the Legislature to receive the State of the Commonwealth Address and the Washington Office Report) which was adopted by the Senate on March 9, 2006. (For info)

SEN. COMM. 15-20: (3/9/06) Transmittal of S. J. R. NO. 15-4 entitled, “A Senate Joint Resolution requesting the Commonwealth Ports Authority to provide free parking for all

Commonwealth Government employees stationed at the Saipan International Airport and Saipan Seaport,” which was adopted by the Senate on March 9, 2006 [For action-Calendared]

SEN. COMM. 15-21: (3/10/06) Transmittal of a certified copy of S. R. NO. 15-9, entitled, “A Senate Resolution expressing the full support of the Senate for the Chamolinian Project and respectfully requesting the U.S. Department of Health and Human Services to approve the Chamolinian Project grant application”, which was adopted by the Senate on March 6, 2006. (For info)

SEN. COMM. 15-22: (3/20/06) Transmittal of S. J. R. NO. 15-5, entitled, “A Senate Joint Resolution to respectfully oppose the proposal to amend the applicable entry, immigration, adoption and other laws and regulations of the Commonwealth of the Northern Mariana Islands which would allow for the implementation of the proposed Safe Haven Program,” which was adopted by the Senate on March 17, 2006. [For action-Calendared]

SEN. COMM. 15-23: (3/20/06) Return of H. B. NO. 15-18, HD1 (Annual Poker License Fee to be paid in full) which was passed by the Senate without amendment on March 17, 2006. [Will go to Governor]

SEN. COMM. 15-24: (3/20/06) Return of H. B. NO. 15-26, HS1 “To amend 1 CMC § 6341; and for other purposes,” which was passed by the Senate without amendment on March 17, 2005. [Will go to Governor]

SEN. COMM. 15-25: (3/20/06) Return of H. B. NO. 15-27, HD1 (Apprenticeship Program) which was passed by the Senate without amendment on March 17, 2006. [Will go to Governor]

SEN. COMM. 15-26: (3/20/06) Return of H. B. NO. 15-28 “To amend Section 2 of Public Law 14-87; and for other purposes,” which was passed by the Senate without amendment on March 17, 2006. [Will go to Governor]

SEN. COMM. 15-27: (3/21/06) Transmittal of a certified copy of S. R. NO. 15-10, SD1, entitled, “To request the Honorable Mayor Juan B. Tudela to name ‘Beach Road’ Saipan to ‘Chalan Bishop Camacho’,” which was adopted by the Senate on March 17, 2006. (For info)

The Chair recognized the Floor Leader.

Floor Leader Deleon Guerrero: Mr. Speaker, I move to accept SEN. COMM. 15-18 thru SEN. COMM. 15-27, and for the placement of S. J. R. NO. 15-4 (SEN. COMM. 15-20) and S. J. R. NO. 15-5 (SEN. COMM. 15-22) on today’s Resolution Calendar.

The motion was seconded.

Speaker Babauta: The motion on floor is to accept SEN. COMM. 15-18 thru SEN. COMM. 15-27 and to place S. J. R. NO. 15-4 (SEN. COMM. 15-20) and S. J. R. NO. 15-5 (SEN. COMM. 15-22) on today’s Resolution Calendar.

The motion was seconded and carried by voice vote.

## HOUSE COMMUNICATIONS

None

### COMMUNICATIONS FROM THE JUDICIAL BRANCH

Speaker Babauta: Someone mentioned earlier about a forensic debate taking place tomorrow at the *Guma Hustisia* at 3:30 in the afternoon. I assume everybody is invited so we will try to expedite our session and join our kids at the Supreme Court chamber.

### COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE

None

### COMMUNICATIONS FROM DEPARTMENTS & AGENCIES

DEPT. & AGENCY COMM. 15-4: (3/8/06) From Ms. Linda T. Cabrera, SAPLR, acknowledging receipt of H. R. NO. 15-24 and H. R. NO. 15-25, HD2.

DEPT. & AGENCY COMM. 15-5: (3/10/06) From Ms. Linda T. Cabrera, SAPLR, acknowledging receipt of H. R. NO. 15-27 thru H. R. NO. 15-30.

DEPT. & AGENCY COMM. 15-6: (3/16/06) From Ms. Linda T. Cabrera, SAPLR, acknowledging receipt of H. R. NO. 15-26.

DEPT. & AGENCY COMM. 15-7: (3/16/06) From Ms. Linda T. Cabrera, SAPLR, acknowledging receipt of H. J. R. NO. 15-1.

DEPT. & AGENCY COMM. 15-8: (3/14/06) From Mr. Matthew Gregory, Attorney General, in response to the Speaker's and the Minority Leader's request for information regarding the Governor's reprogramming authority.

The Chair recognized Representative Palacios.

Rep. Palacios: Thank you, Mr. Speaker. I take note of Dept. & Agency Comm. 15-8 from the Attorney General to you and myself. I certainly appreciate the letter from the Attorney General. I would like to sit down with you and perhaps go over there and discuss the communication, Mr. Speaker.

Speaker Babauta: Thank you, we will try to make time tomorrow, hopefully before the session. Thank you, Minority Leader.

### OTHER COMMUNICATIONS

MISC. COMM. 15-4: (3/9/06) From the Rota Legislative Delegation informing the Presiding Officers of the 15<sup>th</sup> Legislature that they are organized and ready to transact business.

There was no discussion.

## REPORTS OF STANDING COMMITTEES

**S. C. R. NO. 15-12:** Reporting on H. B. NO. 15-22, entitled, “To require the Scholarship Office and any other governmental agency issuing scholarships to provide scholarship recipient lists to governmental entities; and for other purposes. *Your Committee on Health, Education, and Welfare recommends passage of the bill with amendments.*”

**S. C. R. NO. 15-13:** Reporting on H. B. NO. 15-51, entitled, “To amend 4 CMC § 1708(b) to provide funding to support the Public School System’s Seven-Year CIP Plan 2005-2012 and NMC’s CIP Plan 2006-2013; and for other purposes.” *Your Committee on Health, Education, and Welfare recommends passage of the bill with amendments.*

**S. C. R. NO. 15-14:** Reporting on H. B. NO. 15-61, entitled, “To amend 1 CMC § 1617, created by Section 3 of Public Law No. 12-43, to give the Speaker of the Youth Congress the authority to appoint individual members of the Youth Congress to serve as non-voting honorary members of each Commonwealth Board and Commission; and for other purposes.” *Your Committee on Health, Education, and Welfare recommends passage of the bill without amendment.*

**S. C. R. NO. 15-15:** Reporting on H. B. NO. 15-86, entitled, “To amend 1 CMC § 2281 by amending subsection (c) and adding a new subsection (d); and for other purposes.” *Your Committee on Health, Education, and Welfare recommends passage without amendment.*

**S. C. R. NO. 15-16:** Reporting on H. L. I. NO. 15-1, entitled, “A House Legislative Initiative to amend Article XV, Section 2(a) of the Constitution of the Northern Mariana Islands. *Your Committee on Health, Education, and Welfare recommends passage of the legislative initiative without amendment.*”

**S. C. R. NO. 15-17:** Reporting on H. B. NO. 15-34, entitled, “To prohibit the importation and sale of used tires in the Commonwealth; and for other purposes.” *Your Committee on Commerce and Tourism recommends passage of the bill in the form of a substitute.*

**S. C. R. NO. 15-18:** Reporting on H. B. NO. 15-35, entitled, “To amend the enforcement and penalties of Alcoholic Beverage Control violations; and for other purposes.” *Your Committee on Commerce and Tourism recommends passage of the bill in the form of a substitute.*

**S. C. R. NO. 15-19:** Reporting on H. B. NO. 15-36, entitled, “To provide for the regulation of non-bank automated teller machines by adding a new Chapter 10 to Title 4, Division 6; and for other purposes.” *Your Committee on Commerce and Tourism recommends passage of the bill in the form of a substitute.*

With the consensus of the members, the Reports are to be considered at the next House session.

### **REPORTS OF SPECIAL AND CONFERENCE COMMITTEES**

None

### **UNFINISHED BUSINESS**

None

### **RESOLUTION CALENDAR**

The Chair recognized the Floor Leader.

Floor Leader Deleon Guerrero: Mr. Speaker, I move for the suspension of pertinent rules for the adoption of all resolutions on today’s Resolution Calendar as stipulated: SEN. COMM. 15-20, SEN. COMM. 15-22, H. R. NO. 15-31 thru H. R. NO. 15-40, H. J. R. NO. 15-2 and HSE. COMM. RES. NO. 15-2.

The motion was seconded.

Speaker Babauta: The motion on the floor is to adopt SEN. COMM. 15-20, SEN. COMM. 15-22, H. R. NO. 15-31 thru H. R. NO. 15-40, H. J. R. NO. 15-2 and HSE. COMM. RES. NO. 15-2.... Short recess.

The House recessed at 2:49 p.m.

### **RECESS**

The House reconvened at 2:50 p.m.

Speaker Babauta: We are back into session. Floor Leader, please restate your motion.

Floor Leader Deleon Guerrero: Mr. Speaker, I move to suspend pertinent rules to place Hse. Comm. Res. No. 15-2, H. R. No. 15-31, H. R. No. 15-32, H. R. No. 15-33, H. R. No. 15-34,

H. R. No. 15-35, H. R. No. 15-36, H. R. No. 15-37, H. R. No. 15-38, H. R. No. 15-39, H. R. No. 15-40, and H. J. R. No. 15-2 on the Resolution Calendar for adoption and introduced by the Committee of the Whole; and, S. J. R. No. 15-4 reference to Sen. Comm. 15-20 and S. J. R. No. 15-5 reference to Sen. Comm. 15-22.

Speaker Babauta: Thank you. There is a motion on the floor for the suspension of pertinent rules to place and adopt the following Hse. Comm. Res. No. 15-2, H. R. No. 15-31, H. R. No. 15-32, H. R. No. 15-33, H. R. No. 15-34, H. R. No. 15-35, H. R. No. 15-36, H. R. No. 15-37, H. R. No. 15-38, H. R. No. 15-39, H. R. No. 15-40, H. J. R. No. 15-2, introduced by the Committee of the Whole; and, S. J. R. No. 15-4 and S. J. R. No. 15-5.

The motion was seconded and carried by voice vote.

Speaker Babauta: The motion is carried. Floor Leader.

Floor Leader Florencio Deleon Guerrero moved for the adoption of Hse. Comm. Res. No. 15-2, H. R. No. 15-31, H. R. No. 15-32, H. R. No. 15-33, H. R. No. 15-34, H. R. No. 15-35, H. R. No. 15-36, H. R. No. 15-37, H. R. No. 15-38, H. R. No. 15-39, H. R. No. 15-40, H. J. R. No. 15-2, S. J. R. No. 15-4 and S. J. R. No. 15-5.

The motion was seconded.

**HSE. COMM. RES. NO. 15-2:** A HOUSE COMMEMORATIVE RESOLUTION TO EXPRESS A SINCERE AND HEARTFELT RECOGNITION, CONGRATULATION AND COMMENDATION TO SAIPAN SOUTHERN HIGH SCHOOL MOCK TRIAL COMPETITION TEAM, TEACHER AND ATTORNEY COACHES FOR CAPTURING THE 2006 (8<sup>TH</sup> ANNUAL) CNMI HIGH SCHOOL MOCK TRIAL COMPETITION CHAMPIONSHIP TITLE HELD AT THE JUDICIAL COMPLEX ON SATURDAY, MARCH 11, 2006.

**H. R. NO. 15-31:** A HOUSE RESOLUTION IN SUPPORT OF THE BUILDING OF A CURATORIAL, EXHIBIT PREPARATION AND STORAGE FACILITY ON THE NMI MUSEUM OF HISTORY AND CULTURE GROUNDS.

**H. R. NO. 15-32:** A HOUSE RESOLUTION RECOGNIZING THE EXISTENCE OF PUBLIC LAW 113-29 TO CREATE A “NORTHERN MARIANA ISLANDS FILM OFFICE” WITHIN THE MARIANAS VISITORS AUTHORITY AND ACKNOWLEDGING THE NEED TO FILL THE EVER CONTINUING VACANT FILM OFFICE MANAGER’S POSITION AND RECOMMENDING THAT MR. LEONARD “BUTCH” WOLF FOR THE FILM OFFICE MANAGER POSITION.

OFFERED BY: REP. FRANCISCO S. DELA CRUZ AND FOUR OTHERS

**H. R. NO. 15-33:** A HOUSE RESOLUTION EXPRESSING SUPPORT FOR THE PASSAGE OF S. 1954 (“INSULAR POSSESSIONS ACT OF 2005”) INTRODUCED BY SENATOR LARRY E. CRAIG AND SENATOR DANIEL K. AKAKA IN THE SENATE OF THE 109<sup>TH</sup> UNITED STATES CONGRESS, TO AMEND THE GENERAL NOTES OF THE HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES TO GIVE PRODUCTS IMPORTED FROM THE UNITED STATES INSULAR POSSESSIONS THE SAME TREATMENT AS PRODUCTS IMPORTED FROM COUNTRIES WITH WHICH THE UNITED STATES HAS ENTERED INTO A FREE TRADE AGREEMENT IN ORDER TO MAKE THE APPAREL MANUFACTURING IN THE NORTHERN MARIANAS GLOBALLY COMPETITIVE.

**H. R. No. 15-34:** A HOUSE RESOLUTION URGING THE NORTHERN MARIANAS HOUSING CORPORATION TO EXPEDITE HOME REPAIRS AT TOTTOTVILLE TO ADDRESS THE NUMEROUS ISSUES RAISED BY HOMEOWNERS.

**H. R. No. 15-35:** A HOUSE RESOLUTION REQUESTING THAT THE CNMI OFFICE OF THE GOVERNOR AND THE CNMI OFFICE OF THE ATTORNEY GENERAL REVIEW AND TAKE APPROPRIATE ACTIONS IN THE MATTER OF LEASES BETWEEN THE COMMONWEALTH PORTS AUTHORITY AND MOBIL OIL MARIANA ISLANDS AND SHELL MARIANAS.

**H. R. No. 15-36:** A HOUSE RESOLUTION TO REQUEST THE DEPARTMENT OF PUBLIC LANDS TO DESIGNATE A PARCEL OF PUBLIC LAND TO THE MARIANAS AUTO-MOTOR SPORTS ASSOCIATION FOR THE CONSTRUCTION OF A DRAG RACING FACILITY.

**H. R. No. 15-37:** A HOUSE RESOLUTION TO STRONGLY EXPRESS FULL SUPPORT TO THE CHAMOLINIAN CULTURAL VILLAGE, INC.'S GRANT APPLICATION TO THE U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES, ADMINISTRATION FOR CHILDREN AND FAMILIES, ADMINISTRATION FOR NATIVE AMERICANS.

**H. R. No. 15-40:** A HOUSE RESOLUTION RECOGNIZING AND CONGRATULATING MARIANAS INTERNATIONAL TRAVEL AGENCY (MITA TRAVEL) FOR BEING HONORED BY WESTERN UNION WITH TWO AWARDS FOR ACHIEVING THE "HIGHEST NUMBER OF NEW LOCATIONS" AT THE MOST RECENTLY HELD ANNUAL WESTERN UNION AGENT SUMMIT IN PHUKET, THAILAND; AND FOR OTHER PURPOSES.

**H. J. R. No. 15-2:** EXPRESSING SUPPORT FOR THE PASSAGE OF S. 1954 ("INSULAR POSSESSIONS ACT OF 2005") INTRODUCED BY SENATOR LARRY E. CRAIG AND SENATOR DANIEL K. AKAKA IN THE SENATE OF THE 109<sup>TH</sup> UNITED STATES CONGRESS, TO AMEND THE GENERAL NOTES OF THE HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES TO GIVE PRODUCTS IMPORTED FROM THE UNITED STATES INSULAR POSSESSIONS THE SAME TREATMENT AS PRODUCTS IMPORTED FROM COUNTRIES WITH WHICH THE UNITED STATES HAS ENTERED INTO A FREE TRADE AGREEMENT IN ORDER TO MAKE THE APPAREL MANUFACTURING IN THE NORTHERN MARIANAS GLOBALLY COMPETITIVE.

**S. J. R. No. 15-4:** A SENATE JOINT RESOLUTION REQUESTING THE COMMONWEALTH PORTS AUTHORITY TO PROVIDE FREE PARKING FOR ALL COMMONWEALTH GOVERNMENT EMPLOYEES STATIONED AT THE SAIPAN INTERNATIONAL AIRPORT AND SAIPAN SEAPORT.

**S. J. R. No. 15-5:** A SENATE JOINT RESOLUTION TO RESPECTFULLY OPPOSE THE PROPOSAL TO AMEND THE APPLICABLE ENTRY, IMMIGRATION, ADOPTION AND OTHER LAWS AND REGULATIONS OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS WHICH WOULD ALLOW FOR THE IMPLEMENTATION OF THE PROPOSED SAFE HAVEN PROGRAM.

The Chair recognized Representative Tebuteb.

Rep. Tebuteb: I have a few comments, Mr. Speaker. I am asking everyone to support H. R. NO. 15-31; this is to support the building curatorial exhibit preparation and short facility for the CNMI Museum. It is long overdue that we look at this issue and support it. I would even go further to ask every member to visit the Museum so that you know why this Resolution is in front of us besides

what is in the context of the Resolution itself. The Assistant Attorney General has issued his opinion on the Saipan Trust Fund, particularly to the *Senora De la Concepcion* artifacts. This is also in line with the Resolution and for us to support the Museum's interest. On H. R. NO. 15-32 with regards to the Mariana Islands Film Office within the Marianas Visitors Authority (MVA), I have a few questions to the author. Is there funding for this under Marianas Visitors Authority, and will this Resolution conflict with the Fair Labor Standards Act?

The Chair recognized Representative Dela Cruz.

Rep. Dela Cruz: Mr. Speaker, thank you. H. R. NO. 15-32 is based on P. L. 13-29. We have quite a lot of interests from some people that have wanted to set up a filming industry. Fittingly, MVA has the position in place ever since the 13<sup>th</sup> Legislature. As far as the funding, this would be looked at also by the Board of MVA as well as the Administration to find funding for such a position.

Rep. Tebuteb: Actually, my main concern is inclusive of MVA, we have a few agencies who have been crying wolf for funding, and I am not sure how to answer that through this resolution, which I would like to also look into and see if we can assist the office created by P.L. 13-29. I am also curious as to the number of people "certified" that Mr. Butch Wolf has helped us with. I do support Mr. Wolf in all his contributions to the community. I have seen their product through the South Pacific Games in Palau. The committee in Palau had the opportunity and as well as our a few people who have gone through this course who had their opportunity to assist in the South Pacific Games as well as the South Pacific Art Festival. I have yet to really go into details of these people that they have been certified and mostly the funding that we need to assist for MVA and MVA is also crying for funding.

Speaker Babauta: I assume the enabling statute that created the office has a provision that would fund itself through permitting fees by MVA and anyone can correct me particularly those members that were in 13<sup>th</sup> Legislature. I am not to sure to what extend the dollar value of that office would require, but I recall that the enabling law which is P.L. 13-29 allows the assessment of permit fees for movie shooters and the likes. Representative Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. I believe that the intent of this resolution is to recognize Mr. Wolf as a person who is eminently qualified to be employed in this office that had been created within MVA. If the CNMI is serious about the establishing a film industry over here, here is someone who is in the inside who really knows this business and this basically recognizes him as someone who is truly qualified to hold this position and help establish this industry here. Thank you.

The Chair recognized Representative Taman.

Rep. Taman: While I agree that Mr. Wolf is a competent individual for this position, I also remember that last week we were invited for a film company to make a presentation here seeking the support of legislature. I also understand that Mr. Wolf has major interests in that film industry and should he be the manager of this agency that would be direct conflict of interest. So, we have to be careful on this.

The Chair recognized Representative Tebuteb.

Rep. Tebuteb: I do understand and I do support the recognition of Mr. Wolf, he has done a lot to the community. But, the resolution further states that we are recommending that he fills that position without funding. As far as I understand on the permits that are being issued to film makers that visit our islands, they have always had difficulty with the permitting agencies, in particular the Department of Public Lands, to try to secure this permit and on other matters such as insurance. So the funding that I believe you may be alluding to, Mr. Speaker, is still in the air and we would like to grasp that if possible.

Speaker Babauta: It looks like we have a language clarification issue here pursuant to your debates. May I recognize the legal counsel to enlighten the members with the real intent of the H. R. NO. 15-32.

*Legal Counsel Jose Bermudes: This is the first time I've seen it, so it's correct that the Resolution is recommending that Mr. Wolf fill the position. As to the provisions of Public Law 13-29 I need to look at it. But it's clearly stating that the House is recommending that the position be filled by Mr. Wolf. And that the point raised by the Congressman Taman needs to be looked at because it's clearly a conflict of interest if Mr. Wolf holds the position and then going to be hiring his company. So, as far as what I opine at this moment is it clearly recommends for him to be hired and there is a conflict issue, and I don't know what is the provision of P.L. 13-29 until I look at it.*

The Chair recognized Representative Dela Cruz.

Rep. Dela Cruz: Thank you, Mr. Speaker. For information purposes, this is still in the early stages. Right now, the recommendation for Mr. Wolf is just that -- it is a recommendation. There is no concrete set in stone. We have yet to discuss with MVA as well as the Administration as far as funding for this position. Basically it is recognition for Mr. Wolf and also to bring about the office that has been vacant for quite some time.

The Chair recognized Representative Tenorio.

Rep. Tenorio: Question, Mr. Speaker. I do not recall the Governor certifying the vacancy for this position. Does he have to do that, or are we declaring this a vacant position?

Speaker Babauta: Well, I guess this is a result of at the request of our distinguish colleague, Representative Torres that would allow for Mr. Wolf and this firm to make a presentation with respect to the film industry issue here in the CNMI. So, of course, the Office of the Speaker consumed such a request and allowed members to participate in a brief dialogue with Mr. Wolf and his firm. [End of Tape 1, side A] .... [Beginning Tape 1, side B] ...to play publicly in many occasions and in a variety of issues. The products of Mr. Wolf and his Associates have been consumed by the viewing public in the Commonwealth. I understand that his latest film rather at making was with the Emergency Management Office.

The Chair recognized the Vice Speaker.

Vice Speaker Quitugua: If there is no objection, Mr. Speaker, I would like to request that the Legal Counsel re-word the phrases appearing on the Resolution recommending that Mr. Wolf be hired by MVA and rather the language would express the interest of the House for MVA to fill this position, primarily a local that has experience in this area.

The Chair recognized Representative Torres.

Rep. Torres: Thank you, Mr. Speaker. In defense to my colleague Representative Dela Cruz that this is a recommendation, that is just it. On the conflict of interest issue, I think that if they choose to hire Mr. Wolf, then the conflict of interest would be resolved at the hiring agency. Thank you.

Speaker Babauta: Pursuant to law. Anyway, it is as we call it, a desire. Thank you. Representative Kaipat.

Rep. Kaipat: I just want to clarify something. This is a person who has been living this community for twenty years. He is a local, he has been contributing to this community, and he is someone who still works in Hollywood today who has a vested interest in remaining in our community in continuing to contribute and to teach our people how to be in the film industry. I have said before that we are capable of more than just packing boxes in garment factories. They have that opportunity and Mr. Wolf, whether he is an employee of the MVA or his own firm, will be able to help bring an industry here to the CNMI that would be lucrative and also provide employment for the people and contributing in a lot of ways. Thank you.

The Chair recognized Representative Torres.

Rep. Torres: Mr. Speaker, just to extend Representative Kaipat's statement, Mr. Wolf's main interest is to bring in revenues by bringing in actors and people that are the film making industry to our islands. That is his interest. I do not know if that will conflict with his job, but if he brings us in ten million dollar in one year for that purpose, then so be it.

Speaker Babauta: Okay, so we look forward for the ten million. I love to hear that. I recognize Representative Martin Ada

Rep. Ada: I have had the opportunity in the 13<sup>th</sup> Legislature with Mr. Wolf coming to my office lobbying for this film office when he was at NMC. He had a staff with him; one of his crew was an academy award winner, so he is still connected with Hollywood. This is one chance of a lifetime that we have somebody who is that highly qualified. So let us support the film industry. We need all the industries we can bring in to stir up our economy, thank you.

Rep. Tebuteb: For the last time, Mr. Speaker. I have no doubt that Mr. Wolf is a very qualified professional. With the recent controversy on the *bayogu*, with or without Mr. Wolf, the CNMI was able to bring in some money, but I do not know whether it went to MVA to hire somebody with a caliber like Mr. Wolf. I think we should go that route.

The Chair recognized Vice Speaker Quitugua.

Vice Speaker Quitugua: This is just to point out an amendment that the members can take a look at and see weather it is fitting or neutral if we bring line 13 to 15 up and place it under line 7. And on line 10, we cross out the word "as Mr. Butch Wolf". Then on page 2, lines 2 and 3, we can re-word it and say, "The Fifteenth Northern Marianas Commonwealth Legislature that the House hereby recommends that MVA hires for the position of NMI Film Office Manager".

Speaker Babauta: Is that a comment, or oral floor amendment?

Vice Speaker Quitugua: It is oral floor amendment if it is agreeable to the members; I so move.

Speaker Babauta: Is everybody clear on the oral floor amendment offered by the Vice Speaker?

The motion to amend H. R. NO. 15-32 as offered by the Vice Speaker was seconded and carried by voice vote without discussion.

Speaker Babauta: We are now discussing H. R. NO. 15-32, House Draft 1. Just a note on H. R. NO. 15-31, I also received a similar proposed resolution and the cover letter by our Executive Director for the Commonwealth Museum, Mr. Hunter who is here with us this afternoon -- thank you for coming. I took that package and made a copy with a cover letter to the Northern Marianas Housing Corporation that handles grants primarily with the CDBG (Community Development Block Grant). I have received a letter this morning from Ms. Edith Fejeran, the acting Chief Executive Officer of NMHC letting my office know pursuant to my letter that Mr. Robert Triyani the Planner and Grant Writer of CDBG is in the process of formulating a package primarily on Mr. Hunter's request on behalf of the Commonwealth Museum. So in that near future, we would be seeing the fruits of our labor to augment the Commonwealth Museum's endeavor in putting up a storage facility for our artifacts. I would share this letter at a later time today to all the members so that everybody is aware.

The Chair recognized Representative Palacios.

Rep. Palacios: Mr. Speaker, am I in order to move on to another resolution?

Speaker Babauta: Yes, we are still under discussion on any of those resolutions. Proceed.

Rep. Palacios: Thank you, Mr. Speaker. This is in reference to H. R. NO. 15-35. This is a very critical Resolution on a critical issue, Mr. Speaker, and that I would like to give credit to Representative Torres for taking the effort to look into this issue. If you peruse through some of the attachments, what you have are lease agreements that was executed by our Ports Authority between the two main fuel suppliers to the Commonwealth, namely Mobil Oil Marianas and Shell Marianas. These are lease agreement for pieces of property between the commercial port areas on Saipan, primarily on Saipan. The Resolution is explicitly pointing out the potential unconstitutionality of the lease agreements that were executed by the Commonwealth Ports Authority and these two companies. These properties are situated where the fuel farms are. The section in the Constitution is Article 11 on public lands wherein fundamental policies says that the corporation, at the time is MPLA or MPLC and its successor agency, MPLA, and now Board of Public Lands and other agencies that have gotten titles to public lands for public purposes. This is a resolution requesting the Office of the Governor and the Office of the Attorney General, but I also believe, Mr. Speaker, that we would be in order to also have our legal counsels take a look at the issue and provide legal advise to the chairman specifically on this issue where in fact, one, the lease agreements is unconstitutional in that it has gone beyond years or term as specified in the NMI Constitution and has already executed the fifteen-year extension without any legislative approval. Those are the underlying questions that we would like to have our legal counsels take a look at and potentially review the lease agreements and report back to the Chair.

Speaker Babauta: Thank you for the comment. With that we will be adopting this resolution this afternoon, and officially engaging the Chairman of the Committee on Natural Resources with the assistance of our counsel to immediately engage in an official finding of the Resolution and to report back to Chair and the House with respect to this land lease agreements. I am very astonished to learn that we have two public land agencies in the Commonwealth Government also two Legislatures. So we need to set perimeters. And invoke your constitutional authority, Mr. Chairman, to get to the bottom of this House Resolution, thank you. We need to correct the wrong, if there is one. Any other member wishing to discuss any of the Resolutions?

There was no further discussion, and the motion to adopt Hse. Comm. Res. No. 15-2, H. R. No. 15-31, H. R. No. 15-32, H. R. No. 15-33, H. R. No. 15-34, H. R. No. 15-35, H. R. No. 15-36, H. R. No. 15-37, H. R. No. 15-38, H. R. No. 15-39, H. R. No. 15-40, H. J. R. No. 15-2, S. J. R. No. 15-4 and S. J. R. No. 15-5 was carried by voice vote.

Speaker Babauta: The motion is carried. Short recess.

The House recessed at 4:15 p.m.

**RECESS**

The House reconvened at 4:15 p.m.

Speaker Babauta: I believe some of the members wanted to leave at three o'clock this afternoon, and I must apologize for the 15-minute delay. We will recess until tomorrow at 1:30 in the afternoon. Thank you very much. Recess.

The Chair declared the House recessed at 4:16 p.m.

Respectfully submitted,

/s/ Sheila Ann T. Herwin, Journal Clerk  
House of Representatives

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**APPEARANCE OF LOCAL BILLS**

**FIRST APPEARANCE**

H. L. B. NO. 15-24; H. L. B. NO. 15-25, and H. L. B. NO. 15-26

**SECOND APPEARANCE**

H. L. B. No. 15-22: To appropriate \$40,000.00 from the local license fees for pachinko slot machines and poker machines in the First Senatorial District; and for other purposes.

H. L. B. No. 15-23: To appropriate \$55,500.00 from the local license fees for pachinko slot machines and poker machines in the Second Senatorial District to fund the Tinian Municipal Scholarship Program; and for other purposes.

**THIRD APPEARANCE:**

H. L. B. No. 15-20: To appropriate \$450,000.00 from Saipan Local Law 11-2, as amended, for a road pavement project at Obyan; for the design and construction of two (2) beach pavilions; and for other purposes.

H. L. B. No. 15-21: To appropriate the sum of \$922,140 from Saipan Local Law 11-2 to fund various Precinct II improvement projects; and for other purposes.





# House Journal

## FIRST REGULAR SESSION, 2006

**Ninth Day**

**March 23, 2006**

The House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature convened its Ninth Day, First Regular Session on March 23, 2006, at 1:48 p.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Oscar M. Babauta, Speaker of the House, presided.

A moment of silence was observed.

The Clerk called the roll and all eighteen members were present.

### **ADOPTION OF JOURNALS**

None

### **INTRODUCTION OF BILLS**

H. B. NO. 15-110: A Bill for an Act to amend 2 CMC § 4323 to extend the time limitation for new claims made pursuant to 2 CMC § 4323 from twenty-five (25) to twenty-eight (28) years; and for other purposes.

Offered by: Rep. Arnold I. Palacios

Referred to: Committee on Natural Resources

### **INTRODUCTION OF RESOLUTIONS**

H. R. NO. 15-41: A House Resolution supporting Taiwan's participation as an observer at the 59<sup>th</sup> Annual Meeting of the World Health Assembly in Geneva on May 2006.

Offered by: Rep. Oscar M. Babauta and seventeen others

Speaker Babauta: I welcome the sponsorship of the Committee of the Whole, if there is no objection.

Several members voiced "no objection".

### **MESSAGES FROM THE GOVERNOR**

None

### **SENATE COMMUNICATIONS**

None

**HOUSE COMMUNICATIONS**

None

**COMMUNICATIONS FROM THE JUDICIAL BRANCH**

None

**COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE**

None

**COMMUNICATIONS FROM DEPARTMENTS & AGENCIES**

None

**OTHER COMMUNICATIONS**

None

**REPORTS OF STANDING COMMITTEES**

The Chair recognized the Floor Leader.

Floor Leader F. Deleon Guerrero: Mr. Speaker, I move to adopt S. C. R. NO. 15-12, S. C. R. NO. 15-13, S. C. R. NO. 15-14, S. C. R. NO. 15-15, S. C. R. NO. 15-16, S. C. R. NO. 15-17, S. C. R. NO. 15-18, S. C. R. NO. 15-19, S. C. R. NO. 15-20, and S. C. R. NO. 15-21.

The motion was seconded.

**S. C. R. NO. 15-12:** Reporting on H. B. NO. 15-22, entitled, “To require the Scholarship Office and any other governmental agency issuing scholarships to provide scholarship recipient lists to governmental entities; and for other purposes. *Your Committee on Health, Education, and Welfare recommends passage of the bill with amendments.*

**S. C. R. NO. 15-13:** Reporting on H. B. NO. 15-51, entitled, “To amend 4 CMC § 1708(b) to provide funding to support the Public School System’s Seven-Year CIP Plan 2005-2012 and NMC’s CIP Plan 2006-2013; and for other purposes.” *Your Committee on Health, Education, and Welfare recommends passage of the bill with amendments.*

**S. C. R. NO. 15-14:** Reporting on H. B. NO. 15-61, entitled, “To amend 1 CMC § 1617, created by Section 3 of Public Law No. 12-43, to give the Speaker of the Youth Congress the authority to appoint individual members of the Youth Congress to serve as non-voting honorary members of each Commonwealth Board and Commission; and for other purposes.” *Your Committee on Health, Education, and Welfare recommends passage of the bill without amendment.*

**S. C. R. NO. 15-15:** Reporting on H. B. NO. 15-86, entitled, “To amend 1 CMC § 2281 by amending subsection (c) and adding a new subsection (d); and for other purposes.” *Your Committee on Health, Education, and Welfare recommends passage without amendment.*

**S. C. R. NO. 15-16:** Reporting on H. L. I. NO. 15-1, entitled, “A House Legislative Initiative to amend Article XV, Section 2(a) of the Constitution of the Northern Mariana Islands. *Your Committee on Health, Education, and Welfare recommends passage of the legislative initiative without amendment.*

**S. C. R. NO. 15-17:** Reporting on H. B. NO. 15-34, entitled, “To prohibit the importation and sale of used tires in the Commonwealth; and for other purposes.” *Your Committee on Commerce and Tourism recommends passage of the bill in the form of a substitute.*

**S. C. R. NO. 15-18:** Reporting on H. B. NO. 15-35, entitled, “To amend the enforcement and penalties of Alcoholic Beverage Control violations; and for other purposes.” *Your Committee on Commerce and Tourism recommends passage of the bill in the form of a substitute.*

**S. C. R. NO. 15-19:** Reporting on H. B. NO. 15-36, entitled, “To provide for the regulation of non-bank automated teller machines by adding a new Chapter 10 to Title 4, Division 6; and for other purposes.” *Your Committee on Commerce and Tourism recommends passage of the bill in the form of a substitute.*

**S. C. R. NO. 15-20:** Reporting on H. B. NO. 15-76 entitled, “To amend Title 4, Division 5, Chapter 5, by adding a new Article 6 to ensure that alcoholic beverages bottled or imported for sale in the Commonwealth contain health warnings on their containers in compliance with federal laws and regulations and to ensure that the Commonwealth Department of Commerce, Division of

Alcohol Beverage and Tobacco Control has the power to enforce the requirement for such labeling; and for other purposes.” *Your Committee on Commerce and Tourism recommends passage of the bill without amendment.*

**S. C. R. NO. 15-21:** Reporting on H. B. NO. 15-64, entitled, “To authorize the Commonwealth Development Authority (CDA) to write off the principal sum and interest due to it, from loans extended to the Commonwealth Utilities Corporation referenced in the amended Memorandum of Agreement between CUC and CDA executed on January 13, 2004 and January 17, 2004, by each respective public corporation; and for other purposes.” *Your Committee on Public Utilities, Transportation, and Communications recommends passage in the form of a substitute.*

Speaker Babauta: Discussion on the Floor on any of the Committees’ Reports. I recognize the Minority Leader.

Rep. Palacios: There are several committees’ reports that I have question on, Mr. Speaker. I am not sure where to start. Perhaps, I can bring them up under the discussion for the passage of the bill.

There was no further discussion and the motion to adopt S. C. R. NO. 15-12, S. C. R. NO. 15-13, S. C. R. NO. 15-14, S. C. R. NO. 15-15, S. C. R. NO. 15-16, S. C. R. NO. 15-17, S. C. R. NO. 15-18, S. C. R. NO. 15-19, S. C. R. NO. 15-20, and S. C. R. NO. 15-21 was carried by voice vote.

## **REPORTS OF SPECIAL AND CONFERENCE COMMITTEES**

None

## **UNFINISHED BUSINESS**

None

## **RESOLUTION CALENDAR**

The Chair recognized the Floor Leader.

Floor Leader F. Deleon Guerrero: Mr. Speaker, I move to suspend pertinent House Rules for the placement of H. R. NO. 15-41 on the Resolution Calendar for disposition.

The motion to suspend pertinent House Rules for the placement of H. R. NO. 15-41 on the Calendar was seconded and carried by voice vote.

Speaker Babauta: I recognize the Floor Leader for a motion to adopt.

Floor Leader F. Deleon Guerrero: Mr. Speaker, I move for the adoption of H. R. NO. 15-41.

The motion was seconded.

**H. R. NO. 15-41:** A HOUSE RESOLUTION SUPPORTING TAIWAN’S PARTICIPATION AS AN OBSERVER AT THE 59<sup>TH</sup> ANNUAL MEETING OF THE WORLD HEALTH ASSEMBLY IN GENEVA ON MAY 2006.

Speaker Babauta: Under discussion on the motion, I recognize Representative Torres.

Rep. Torres: Mr. Speaker, I am just concern if this would interfere with the U.S. Department of State’s jurisdiction.

Speaker Babauta: None, whatsoever, Representative Torres. This is a similar resolution that over the years in the past several legislatures, the Asian nation ...

Rep. Torres: The question is does it ...?

Speaker Babauta: None.

Rep. Torres: Thank you.

Speaker Babauta: I welcome, again, the sponsorship by the Committee of the Whole.

The members voiced “no objection”.

There being no further discussion, the motion to adopt H. R. NO. 15-41 was carried by voice vote.

### **BILL CALENDAR**

Speaker Babauta: I call for a short recess.

The House recessed at 1:51 p.m.

### **RECESS**

The House reconvened at 1:59 p.m.

Speaker Babauta: We are back in session and under Bill Calendar, I recognize the Floor Leader.

Floor Leader F. Deleon Guerrero: Mr. Speaker, I move to suspend all pertinent House Rules to place H. B. NO. 15-22, H. B. NO. 15-51, H. B. NO. 15-61, H. B. NO. 15-86, H. L. I. NO. 15-1, H. B. NO. 15-34, H. B. NO. 15-35, H. B. NO. 15-36, H. B. NO. 15-76, and H. B. NO. 15-64.

The motion was seconded and carried by voice vote.

Speaker Babauta: Motion for passage, Floor Leader.

Floor Leader F. Deleon Guerrero: I move for the passage of the H. B. NO. 15-22, Committee Draft 1, reference S. C. R. NO. 15-12, H. B. NO. 15-51....

Speaker Babauta: Short recess.

The House recessed at 2:04 p.m.

## RECESS

The House reconvened at 2:07 p.m.

Speaker Babauta: We are back in session. I recognize the Floor Leader for clarification.

Floor Leader F. Deleon Guerrero: Thank you, Mr. Speaker. I am withdrawing the motion I made earlier.

Speaker Babauta: If there is no objection, proceed.

Floor Leader F. Deleon Guerrero: Mr. Speaker, I move to suspend Rule IX, Sections 9, 10, and 11 for the passage of H. B. NO. 15-22, H. B. NO. 15-51, H. B. NO. 15-61, H. B. NO. 15-86, H. L. I. NO. 15-1, H. B. NO. 15-34, H. B. NO. 15-35, H. B. NO. 15-36, H. B. NO. 15-76, and H. B. NO. 15-64 on First and Final Reading.

The motion was seconded and carried by voice vote.

Speaker Babauta: The motion is carried. Floor Leader, I now recognize a motion for passage.

Floor Leader F. Deleon Guerrero: Mr. Speaker, I move for the passage of H. B. NO. 15-22, Committee Draft 1, reference S. C. R. NO. 15-12.

The motion was seconded.

**H. B. NO. 15-22, HD1: A BILL FOR AN ACT TO REQUIRE THE SCHOLARSHIP OFFICE AND ANY OTHER GOVERNMENTAL AGENCY ISSUING SCHOLARSHIPS TO PROVIDE SCHOLARSHIP RECIPIENT LISTS TO GOVERNMENTAL ENTITIES; AND FOR OTHER PURPOSES.**

Speaker Babauta: Discussion on the motion. I recognize Representative Palacios.

Rep. Palacios: While I agree with the intent, Mr. Speaker, one concern that I have on this issue is that normally a scholarship recipient of the CNMI Scholarship Office signs off an authorization at that office whether or not any of his or her record is to be released. It has to be authorized by the scholarship recipient. I would like to ask the author if this invalidates that requirement.

Vice Speaker Quitugua: The Minority Leader is correct that the CNMI Scholarship Office has a form where each recipient indicates whether they want the information given away upon request. The intent of the bill is to require the Scholarship Office to disseminate this information to prospective employers only upon the written consent of the student. The reason is that many employers do not get the listing of our students who are graduating, when they are graduating, and

what field they are pursuing. This bill will provide another avenue for our students to be contacted by prospective employers upon graduating or when they graduate.

Rep. Palacios: So just of the record, the information that the Scholarship Office is going to provide to the Northern Marianas College (NMC), the Public School System (PSS), the Office of Management and Budget (OPM), the Department of Labor Employment Services Division are basically just the names of the students under the CNMI Scholarship Program and potentially those that are graduating and in what fields of study – those are the basic information that we are requesting them to provide and not anything that comes close to confidential information of the recipient.

Vice Speaker Quitugua: If a student chooses not to even have his name given away that should be respected because of the Privacy Act. The bill calls for the name, mailing address, field of study, number of years in college and expected date of graduation. But if the student says that I do not want the Scholarship Office to give out any of this information, not even my name, then the Scholarship Office cannot do that.

Speaker Babauta: Vice Speaker, is this in preparation for the job market of these students? Is this the intent?

Vice Speaker Quitugua: Mr. Speaker, yes. The real intent is to give prospective employers an opportunity to get in touch with our students who are in college and are returning to the CNMI for employment purposes.

Speaker Babauta: You are alluding to the concept of UTI in Arizona? I recognize Representative Taman.

Rep. Taman: Thank you, Mr. Speaker. As I understand this bill, it is very essential that we prepare all available jobs for our graduating students abroad. However, this bill fails to mention one of the most compelling factors why many of our graduating college students do not choose to come home and that is because of the low wages. Perhaps, we need to look at the Department of Labor Employment Service Division. Every time I open the newspaper and look at the job vacancy announcements where it says, minimum requirement of at least several years of experience and a college degree, and I look at the salary, it is unbelievable. Those are some of the compelling factors why we cannot convince our children to come back and help the CNMI. I think this bill fails to recognize that. Thank you.

Vice Speaker Quitugua: Clarification, Mr. Speaker.

Speaker Babauta: Proceed with your clarification.

Vice Speaker Quitugua: That is a different issue. This bill is just to give the employers an opportunity to get in touch with these students, sort of offering them jobs by the time they are finished. The issue that my colleague is mentioning is a different issue.

Speaker Babauta: Clarification noted. I recognize Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. This is a good bill. I am just wondering what the government had done on this particular issue that has now put us or the Vice Speaker to introduce this legislation, and again, this is a very good legislation. Has there been some recent surveys through the Scholarship Office on the recent graduates for past two, five or ten years? I am just wondering.

Vice Speaker Quitugua: The CNMI Scholarship Office has this information; however, the Scholarship Office provides it upon request. For example, if the Public School System wants to know who are the students attending colleges, in what field of study, and when they are expected to graduate, they have to go to the Scholarship Office to get this information. This bill is to give it out to the prospective employers even without requesting for the information.

Speaker Babauta: I recognize Representative Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. My colleagues, what this bill intends to do is create an avenue for the students who are going to school and will be graduating, to have communication with prospective employers here in the CNMI by giving the employers a vehicle in which they can contact the students and inform them of upcoming vacant positions. This would encourage more hiring of our students. Our students are people who will be graduating and coming back and perhaps that will lower our dependence on hiring nonresident workers who continue to compete for jobs with resident workers. In essence, this will actually address what has been lacking for all these years. We keep talking about reducing our dependence on outside workforces and yet we do not adequately prepare. This is just a way to communicate that there are jobs and for employers to plan ahead and to inform returning students that there might be a job vacancy available, apply for it. It is just advanced planning. We are not intending to violate anyone's privacy. Certainly, this is only voluntary and it is just another way of trying to provide jobs for our returning students. Thank you.

Speaker Babauta: I recognize Representative Tebuteb.

Rep. Tebuteb: I am supporting this bill and I am urging everyone to support it. Maybe I should redirect the question. So there have been returning students. Has the Scholarship Office provided the committee information on the number of returning students that have availed themselves of the scholarship program?

Rep. Kaipat: I am sure that all of you have received a communication from the Senate coming from Senator Reyes in which he is encouraging the Scholarship Office to forgive the loans of students who are returning because they are not able to find jobs here, jobs that are occupied by nonresident workers. That is totally against the philosophy. Why we even have the nonresident workers here is to supplement the workforce where it is needed. So if we are going to go the other direction of forgiving loans and putting our hands up and saying there are no jobs for you because we have nonresident workers occupying those positions, that is just very wrong. I do not have to tell anyone in this Chamber of that. Again, the Scholarship Office is there to assist. When I was still in college, I did receive an invitation from the Commissioner of Education. He sent me an application form, invited me to come back after graduation from college and teach. This is just a way to communicate with our students and say, we need you, come on back, we have given you the money to go away and get your education. Now it is time for us to welcome you back to contribute. Thank you.

Speaker Babauta: The information that some members want to know is whether or not there are other agencies similar to or for that matter NMC that has the list of students who have since returned over the years or does the Scholarship Office have that? Who has that?

Vice Speaker Quitugua: The Scholarship Office, Mr. Speaker. One of the problems is not more of the minimum wage because most of the students who come back look for jobs in the government sector. One of the problems that parents and students are saying is that, when they come back and look for jobs, the jobs have already been occupied. If they had known, if the employers had known that they are coming back, they would communicate and give them the opportunity for employment. So this would kind of help the agencies get in touch with the students and also give these students the opportunity to respond to the prospective employers that yes, they are welcome to come back and here are the job vacancies we have. When finished, enclosed is the application, submit it to us and you have a job when you come back.

Speaker Babauta: So the Scholarship Office is the primary agency to be charged pursuant to this bill.

Rep. Torres: Mr. Vice Speaker, just to satisfy my curiosity, we are mandating the Scholarship Office to do this, we could have done this before. This bill is actually mandating the Scholarship Office and other agencies of the government, right? I agree with this, and I think it is time that we pass it and mandate this government to do their jobs.

Speaker Babauta: I guess you are alluding to this bill being introduced by Committee of the Whole.

Rep. Torres: Yes.

Speaker Babauta: Okay, clerk, please make a note of that. I recognize Representative Taman.

Rep. Taman: Mr. Speaker, I would like to be enlightened because I fail to comprehend the real intent of this bill. It is a very good bill in that we must avail this information with regards to our graduating students with their fields of study to the private and public sectors. However, hypothetically, if I am running a business and I need a computer analyst and I received information from the Scholarship Office that there is a student graduating with a degree in that field. I would write to this student and say, I have a job available for you, but I can only pay \$4.50 an hour. Would that be convincing enough to bring our children back?

Speaker Babauta: This, in essence, will do just that. Your offer can be lower than \$4.50 per hour. At the same, it can be higher than the prevailing U.S. minimum wage. It depends on the level of degree.

Rep. Taman: I am sorry, Mr. Speaker, but I am reading the comments submitted by the Attorney General's Office, and the Attorney General's Office stated that the Scholarship Office has created a job referral program within the Scholarship program. I do not know if we are duplicating this or not.

Vice Speaker Quitugua: Mr. Speaker, just for further clarification. This is just another opportunity extended to the prospective employers and our students who are abroad and wish to come back. It is their choice whether they are going to take the job or not. The other issue is that yes, the Scholarship Office has all this information but are not required to disseminate this information to prospective employers, only upon request. So what we are saying is that we would like for the Scholarship

Office to disseminate this information upon consent of the students to prospective employers so that they can initiate communication for future job placement.

Speaker Babauta: I recognize Representative Waki.

Rep. Waki: Thank you, Mr. Speaker, I move to end debate.

Speaker Babauta: I guess that is necessary. Everybody is satisfied with the explanation. Ready?

Several members voice “ready”.

The Clerk called the roll on the motion to pass H. B. NO. 15-22, HD1 on First and Final Reading:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	yes
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By the unanimous consent of the House, H. B. NO. 15-22, HD1 passes the House on First and Final Reading. I recognize the Floor Leader.

Floor Leader F. Deleon Guerrero: Mr. Speaker, I move for the passage of H. B. NO. 15-60, Committee Substitute 1.

Speaker Babauta: Short recess

The House recessed at 2:29 p.m.

### RECESS

The House reconvened at 2:37 p.m.

Speaker Babauta: We are back in session and I recognize the Floor Leader on the motion for the passage of H. B. NO. 15-60.

Floor Leader F. Deleon Guerrero: Mr. Speaker, I move for the passage of H. B. NO. 15-60, Committee Substitute 1.

The motion was seconded.

**H. B. NO. 15-60, HS1:** A BILL FOR AN ACT TO ESTABLISH A SPECIAL ACCOUNT TO ENSURE THAT ADEQUATE FUNDING IS READILY AVAILABLE FOR THE OPERATIONAL, INTER-ISLAND TRAVEL, AND TRAINING EXPENSES OF THE INSPECTION AND INVESTIGATION SECTION OF THE FIRE DIVISION; AND FOR OTHER PURPOSES.

Speaker Babauta: The Floor is open for discussion.

Several members voiced “ready”.

Speaker Babauta: Ready? Clerk, call the roll.

The clerk called the roll on the motion to pass H. B. NO. 15-60, House Substitute 1 on First and Final Reading:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	yes
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: Once again, by the unanimous consent of the House, H. B. NO. 15-60, HS1 passes the House on First and Final Reading. I recognize the Floor Leader for the next bill for passage.

Floor Leader F. Deleon Guerrero: Mr. Speaker, I move for the passage of H. B. NO. 15-61 reference to S. C. R. NO. 15-14 on First and Final Reading.

The motion was seconded.

**H. B. NO. 15-61:** A BILL FOR AN ACT TO AMEND 1 CMC § 1617, CREATED SECTION 3 OF PUBLIC LAW NO. 12-43, TO GIVE THE SPEAKER OF THE YOUTH CONGRESS THE AUTHORITY TO APPOINT

INDIVIDUAL MEMBERS OF THE YOUTH CONGRESS TO SERVE AS NON-VOTING HONORARY MEMBERS OF EACH COMMONWEALTH BOARD AND COMMISSION; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion on the motion. I recognize Representative Joseph Deleon Guerrero.

Rep. J. Deleon Guerrero: Thank you, Mr. Speaker. I believe the standing committee report number is 15-13.

Speaker Babauta: 15-14. The Floor Leader moved for the passage of H. B. NO. 15-61, under S. C. R. NO. 15-14, the Youth Congress Act amendment.

Rep. J. Deleon Guerrero: I do not have a question on that.

Speaker Babauta: Ready?

Several members voice “ready”.

The Clerk called the roll on the motion to pass H. B. NO. 15-61 on First and Final Reading:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	yes
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By unanimous consent of the House H. B. NO. 15-61 hereby passes the House on First and Final Reading. Last one, Mr. Floor Leader, H. B. NO. 15-51.

Floor Leader F. Deleon Guerrero: Mr. Speaker, I move for the passage of H. B. NO. 15-51, Committee Draft 1 (S. C. R. NO. 15-13) on First and Final Reading

The motion was seconded.

**H. B. NO. 15-51, HD1**: A Bill for an Act to amend 4 CMC § 1708(b) to provide funding to support the Public School System’s Seven Year CIP Plan 2005-2012 and NMC’s CIP Plan 2006-2013; and for other purposes.

Speaker Babauta: I recognize Representative Joe Deleon Guerrero under discussion on the motion.

Rep. J. Deleon Guerrero: Thank you, Mr. Speaker. First of all I want to say that I applaud the author for introducing this bill. I commend him for the courage to tap into peoples pockets. And while I do support the intent of the bill, Mr. Speaker, I want to ask a few questions to the author.

Speaker Babauta: You may proceed.

Rep. J. Deleon Guerrero: While probably all of us agree with the intent, we do want to make sure since we are tapping into peoples' resources that we should take no more and no less. While the committee report does address how much is needed -- it talks about the seven-year plan requiring about \$50 million for replacement of classrooms -- I want to ask if anybody has bothered to calculate what the reduction of the rebate will equal to over the period of years in which the cuts would be made. And since it requires an additional ten percent (10%) every year thereafter, what does that come up to? Let me pose that question first. How much would this generate?

Vice Speaker Quitugua: The estimate that would be generated from the ten percent is a little over three million dollars a year.

Rep. J. Deleon Guerrero: And with the additional ten percent?

Vice Speaker Quitugua: With the additional ten percent, another three million on top of the three million. So for the second year it will be six million dollars; the third year will be nine million dollars.

Rep. J. Deleon Guerrero: Cumulatively that equals to 50 million?

Vice Speaker Quitugua: This is for seven years. The reason why it is limited to seven years is so that the Legislature can revisit the progress of PSS with regards to the seven-year plan. The bill requires PSS to submit an annual report on the progress of the seven-year plan. And on the eighth year, the bill requires PSS to submit to the Legislature a comprehensive report of their accomplishment on the seven year plan. If PSS feels at the end of the seventh year that they have not accomplished one hundred percent of what they said to accomplish and wish to ask the legislature for an extension, it will be up to the legislature whether to reauthorize the continuation of the earmarked funds or not.

Rep. J. Deleon Guerrero: If it goes up by three million each year, I calculated it to be roughly fifty-four million dollars at the end of the seventh year. You answered my second question partially, but my question is, do you intend to have a sunset provision or is this a permanent increase?

Vice Speaker Quitugua: There is a sunset provision on page 4, on Section 6, Reauthorization.

Rep. J. Deleon Guerrero: Yes, "Continuance of this funding requires a reauthorization by the Legislature at the end of the eighth year; otherwise such funds shall revert to the General Fund for appropriation". It is saying at the end of the eighth year, we reauthorize whether the money will go to PSS and if not it will go to the General Fund. But does it state that it will stop at the end of the eighth year.

Vice Speaker Quitugua: The money going to PSS will stop on the eighth year, unless the legislature reauthorizes PSS to continue receiving the funds.

Rep. J. Deleon Guerrero: Because it is saying “otherwise such funds shall revert to the General Fund for appropriation” meaning that the rebate reduction will continue; but it will not go to PSS if it is not reauthorized, it will go to the General Fund. It implies that this rebate could continue, but not necessarily go to PSS, and that is my question.

Vice Speaker Quitugua: It will go to the General Fund for legislative appropriation.

Rep. J. Deleon Guerrero: So this is a permanent increase, it is not just for the seven years. We have to be mindful of that because the intent is to address PSS’s needs and once we fulfill that and the PSS are able to meet their needs, do we need to continue tapping into the public’s purse?

Vice Speaker Quitugua: Mr. Speaker, if the members do not agree that the funds should continue for PSS and do not wish to revert it to the General Fund, we can just cross it out or amend the provision.

Speaker Babauta: I recognize Representative Torres.

Rep. Torres: Mr. Speaker and members, I support this bill but I would like confirmation from the House -- I think this is raising our taxes indirectly. Do I hear a confirmation or support? Right? Thank you.

Speaker Babauta: Representative Joe Deleon Guerrero clearly states that we have to also be mindful of the other needs and I was about to inject for all the members to be mindful also. I guess for Representatives Taman, Torres, Tenorio, and maybe myself after 2010 that is when we are going to be mindful. Is everyone clear on the continuance of the reduction as raised by Representative Joe Deleon Guerrero? I recognize Representative Taman.

Rep. Taman: I do understand Representative Deleon Guerrero’s concern. I also heard from the Vice Speaker who is the author of the bill that upon the seventh year if PSS does fulfill its obligation under this bill, perhaps that source of funding will be terminated, and as authorized by this bill, any other funds derived from that will be diverted over to the General Fund. However, in the event that PSS does not accomplish its mission at the end of the seventh year, there is still an option for that fund to be given to PSS should the legislature reauthorize that. In the event that PSS does accomplish its mission, perhaps the legislature can come back and say, that is it, put an end to this fund so that it can go back to the rightful owners.

Speaker Babauta: The delegation is very good at identifying replacements, so you can be assured that some of the members of the Saipan & Northern Islands Legislative Delegation can find a replacement for the ten percent. I recognize the Minority Leader.

Rep. Palacios: Thank you, Mr. Speaker. Mr. Speaker, in essence that provision of the legislation that we are looking at will continue and it will go to the General Fund. I for one do not have a problem with that. I know that you, Mr. Speaker, Representative Torres and Representative Tenorio have been here for quite a long time and I know that you have attempted and even I in the 13<sup>th</sup> Legislature attempted to look at the rebate issue. We have looked at different proposals to decrease it. This is a first, potentially controversial, but I think it is a very good start. We need to address the needs of the

schools right away and then leave it in the General Fund. I think we have been very generous. Our tax system has been overly generous. Leave it there, thank you.

Speaker Babauta: I recognize Representative Taman.

Rep. Taman: I move to end debate, Mr. Speaker.

Speaker Babauta: I would recognize that motion when Representative Tenorio finishes talking.

Rep. Tenorio: Thank you, Mr. Speaker. I would like to find out from the author if this rebate is in addition to the 20% mandated to the Public School System from the gross revenues.

Speaker Babauta: 25%.

Rep. Tenorio: Thank you. There is a constitutional mandate that 25% of the gross revenue for the Commonwealth will go to PSS. Is this an addition to that for the next three years?

Vice Speaker Quitugua: The constitutional requirement is only 15%.

Speaker Babauta: Oh, 15%. Sorry, Representative Tenorio.

Rep. Tenorio: So 15% -- but that is in addition to that? So what are we looking at? The cost benefit analysis does not show any figure at all and I am just curious as to why not. That is where the members can get an idea of how much we are taking. I am for this bill, do not get me wrong, but I just want to know how much this would impact for instance revenues that might go to public health and public safety. This will impact the overall revenues of the Commonwealth.

Vice Speaker Quitugua: For clarification, Mr. Speaker, this is not going to impact any department. The rebates are funds that are not assigned to departments and are also not in the General Fund for appropriation at this time. So it is not going to impact the Commonwealth Health Center, the Department of Public Safety, or the other departments.

The Chair recognized Rep. Torres.

Rep. Torres: Thank you, Mr. Speaker. Like I said, I am supporting this bill 100%. I would like the record to show that this is part of the “BB” IFP (Integrated Fiscal Plan). I am glad that we are supporting this version.

Speaker Babauta: I now recognize the motion offered by Representative Taman. Before that, I recognize Representative Joe Deleon Guerrero, for the last time.

Rep. J. Deleon Guerrero: Thank you, Mr. Speaker. There is only one other concern that I have and that is the issue of NMC. While the money for PSS CIP Fund continues to grow with the additional 10% per year, NMC’s fund remains the same throughout the seven-year period. I think that NMC will grow and will also need additional CIP funds. I would like to offer a motion for an oral floor amendment, Mr. Speaker. On line 12, page 4 after the words “rebate structure” include “in the first year”. On line 14 after “Finance.”, include “Provided further that an additional ten percent (10%) of

the \$500,000 shall be deposited into the NMC CIP Fund”. This will allow NMC to have an additional 10% also to meet their needs. I do not think it will tremendously affect the PSS CIP Fund.

The motion was seconded.

Speaker Babauta: Any discussion on the oral floor amendment offered by Representative Joseph Deleon Guerrero.

**Section 5. Assignment of Revenues.** Notwithstanding any other provision of law, \$500,000 of the revenue generated from the reduction in the rebate structure [in the first year] shall be deposited into a separate “NMC CIP Fund” to be established by the Secretary of Finance. [Provided further that an additional ten percent (10%) of the \$500,000 shall be deposited into the NMC CIP Fund].

There was no discussion and the motion to amend H. B. NO. 15-51, HD1 as offered by Representative Joseph P. Deleon Guerrero was carried by voice vote.

Speaker Babauta: The motion is carried. I recognize Representative Ray Yumul for further discussion.

Rep. Yumul: Thank you, Mr. Speaker. Since the finding on page 3 shows that campuses are currently in need of major renovation and additional infrastructure, I would like to offer an oral amendment to page 4 on line 8. Under Section 4, on the words “termite treatment” include the words “and pest” and the same on line 9. On line 9, after “construction projects” insert “and existing facilities renovated”. I so move.

The motion was seconded.

The amendment of Representative Yumul reads:

**Section 4. Termite Treatment [and Pest] Control Mandate.** The PSS Seven-Year CIP Plan 2005-2012 and NMC’s CIP Plan 2006-2013 shall include standard termite treatment [and pest] control and prevention for all construction projects [and existing facilities renovated].

Speaker Babauta: Discussion on the amendment?

Several members voiced “ready”.

The motion to adopt the amendment to H. B. NO. 15-51, HD2 as offered by Representative Yumul was carried by voice vote.

Speaker Babauta: The motion is carried. I now recognize Representative Ogo.

Rep. Ogo: Thank you, Mr. Speaker, I would like to request for a short recess. There is a handout that I would like for the members to look at with regards to the cost benefit analysis on this bill. Can we get a few minutes recess, Mr. Speaker?

Speaker Babauta: Short recess.

The House recessed at 3:03 p.m.

## RECESS

The House reconvened at 3:09 p.m.

Speaker Babauta: We are back in session. I will now recognize the motion to end debate. I recognize Representative Ogo to comment.

Rep. Ogo: Mr. Speaker, I believe all the members have a copy of the actual expenditure that shows how this fifty million dollars will be expended. Therefore, I move to have this copy to be included as part of the committee report.

There was no objection.

Speaker Babauta: I recognize the Vice Speaker for the last time.

Vice Speaker Quitugua: Mr. Speaker, I would like to add gold teeth to PSS...

Speaker Babauta: Gold teeth?

Vice Speaker Quitugua: Yes, sir. On page 4, line 19 after the word “expenditure” insert “and contractual” and wherever “expenditure authority” appears on the bill, please insert the words “and contractual”.

The motion was seconded.

The Vice Speaker’s amendment to Section 5 reads, in part:

The expenditure [and contractual] authority of the PSS CIP Fund shall be the Commissioner of Education.

Speaker Babauta: Does everyone have that amendment? I recognize Representative Torres.

Rep. Torres: Mr. Speaker, to the author – is this not adding burden to the President of the NMC being the contractual authority. This is under the jurisdiction of engineering.

Vice Speaker Quitugua: Clarification, Mr. Speaker, only when it refers to the Public School System.

Rep. Torres: Okay, thank you.

The motion to amend H. B. NO. 15-51, HD3 as offered by Vice Speaker Quitugua was carried by voice vote.

Speaker Babauta: The motion is carried. I would now recognize Representative Joe Deleon Guerrero to clarify his amendment.

Rep. J. Deleon Guerrero: Thank you, Mr. Speaker. It is an oversight on my part. I apologize. On page 4, line 14, “Provided further that an additional ten percent (10%) of the \$500,000 shall be deposited into the NMC CIP Fund annually”. I forgot the word “annually”. Could you please insert it? That is it, Mr. Speaker, thank you.

Representative Joseph Deleon Guerrero clarified his amendment to Section 5 to read, in part:

**Section 5. Assignment of Revenues.** Notwithstanding any other provision of law, \$500,000 of the revenue generated from the reduction in the rebate structure [in the first year] shall be deposited into a separate “NMC CIP Fund” to be established by the Secretary of Finance. [Provided further that an additional ten percent (10%) of the \$500,000 shall be deposited into the NMC CIP Fund annually.]

Speaker Babauta: We will consider that as a clarification.

Rep. J. Deleon Guerrero: Thank you.

Speaker Babauta: I now recognize the motion to end debate. We are voting on the motion to pass H. B. NO. 15-51, HD4 on First and Final Reading.

The Clerk called the roll on the motion to pass H. B. NO. 15-51, HD4 on First and Final Reading:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	yes
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: Once again, by unanimous consent, H. B. NO. 15-51, HD4 hereby passes the House on First and Final Reading.

## MISCELLANEOUS BUSINESS

None

## ADJOURNMENT

Speaker Babauta: I recognize the Floor Leader for a motion to recess until Monday. I would like to wish you all a Happy Covenant Day, in advance. Have a nice weekend and see you on Monday at ten in the morning.

Floor Leader Deleon Guerrero moved to recess until Monday at 10:00 a.m., was seconded, and carried by voice vote.

The House adjourned at 3:12 p.m.

Respectfully submitted,

/s/

Sheila Ann T. Herwin, Journal Clerk  
House of Representatives

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### **APPEARANCE OF LOCAL BILLS**

**First Appearance of a local bill is the day of introduction**

**SECOND APPEARANCE**

H. L. B. No. 15-24: To amend Section 3(c) of Saipan Local Law No. 13-16; and for other purposes.

H. L. B. No. 15-25: To name the street located in Capitol Hill, off of Savanna Road between Agrigan Lane and Guguan Drive, as “Norita Lane”.

H. L. B. No. 15-26: Naming the Port of Saipan the Capt. George F. Fleming / Port of Saipan in recognition of his contributions in the development and modernization of Saipan’s seaport facility and the islands economy.

**THIRD APPEARANCE:**

H. L. B. No. 15-22: To appropriate \$40,000.00 from the local license fees for pachinko slot machines and poker machines in the First Senatorial District; and for other purposes.

H. L. B. No. 15-23: To appropriate \$55,500.00 from the local license fees for pachinko slot machines and poker machines in the Second Senatorial District to fund the Tinian Municipal Scholarship Program; and for other purposes.





# House Journal

## FIRST REGULAR SESSION, 2006

Tenth Day

March 27, 2006

The House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature convened its Tenth Day, First Regular Session, on Monday, March 27, 2006, at 10:06 a.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Oscar M. Babauta, Speaker of the House, presided.

A moment of silence was observed.

The Clerk called the roll and all eighteen members were present.

Speaker Babauta: Thank you. A quorum has been duly established. Short recess.

The House recessed at 10:08 a.m.

### RECESS

The House reconvened at 10:10 a.m.

Speaker Babauta: We are back to our session. We will go to Item 3, Introduction of Bills.

### ADOPTION OF JOURNALS

None

### PREFILED AND INTRODUCTION OF BILLS

H. B. NO. 15-111: A Bill for an Act to amend the Safe Diving Act of 1990, to allow the Department of Public Safety enforcement authority and strengthen enforcement of Safe Diving Act.

Offered by: Rep. Ramon A. Tebuteb

Referred to: Committee on Judiciary and Governmental Operations

Speaker Babauta: Short recess.

The House recessed at 10:10 a.m.

### RECESS

The House reconvened at 10:12 a.m.

Speaker Babauta: We are back to our session and I recognize Representative Tenorio for Introduction of Resolution.

### **PREFILED AND INTRODUCTION OF RESOLUTIONS**

H. R. NO. 15-42: A House Resolution to support the Local Farmers and Fishermen's petition asking Governor Benigno R. Fitial and Department of Lands and Natural Resources Secretary Dr. Ignacio Dela Cruz to reconsider their decision to cancel the public market and the proposed children's park project at the fishing base in Garapan.

Offered by: Rep. Manuel A. Tenorio and seventeen others

Rep. Tenorio: Mr. Speaker, if there is no objection, I would like to ask that this be introduced by the Committee of the Whole.

There was no objection.

Speaker Babauta: So ordered.

### **MESSAGES FROM THE GOVERNOR**

GOV. COMM. 15-55 – [3/23/06] – Informing the House and the Rota Legislative Delegation that he signed into law H. L. B. NO. 15-13, S1 (To appropriate \$130,000.00 from the local license fees collected from pachinko slot machines and poker machines in the First Senatorial District; and for other purposes). [**Rota Local Law No. 15-1**]

There was no discussion.

Speaker Babauta: We will take a short recess so that the Resolution can be copied and distributed to the members.

The House recessed at 10:13 a.m.

### **RECESS**

The House reconvened at 10:25 a.m.

Speaker Babauta: We are back to our session and we will go to our Resolution Calendar --any objection?

Rep. Tenorio: Privilege, Mr. Speaker.

Speaker Babauta: State your privilege, Representative Tenorio.

Rep. Tenorio: Mr. Speaker, it is not a privilege. I just want to ask the indulgence of the members if it is possible to could include H. R. No. 15-42 in today's Calendar.

Speaker Babauta: We are about to do that.

Rep. Tenorio: Thank you, Mr. Speaker.

**SENATE COMMUNICATIONS**

None

**HOUSE COMMUNICATIONS**

None

**COMMUNICATIONS FROM THE JUDICIAL BRANCH**

None

**COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE**

None

**HOUSE COMMUNICATIONS**

None

**COMMUNICATIONS FROM DEPARTMENTS & AGENCIES**

None

**OTHER COMMUNICATIONS**

None

**REPORTS OF SPECIAL AND CONFERENCE COMMITTEES**

None

**RESOLUTION CALENDAR**

Speaker Babauta: I recognize the Floor Leader for a suspension motion.

Floor Leader Deleon Guerrero: I move, Mr. Speaker, to suspend pertinent rules for the passage of H. R. No. 15-42.

The suspension motion was seconded and carried by voice vote.

Speaker Babauta: The motion is carried. I now recognize a motion to adopt the resolution.

Floor Leader Deleon Guerrero: I move, Mr. Speaker, to adopt H. R. No. 15-42.

The motion was seconded.

H. R. NO. 15-42: A HOUSE RESOLUTION TO SUPPORT THE LOCAL FARMERS AND FISHERMEN'S PETITION ASKING GOVERNOR BENIGNO R. FITIAL AND DEPARTMENT OF LANDS AND NATURAL RESOURCES SECRETARY DR. IGNACIO DELA CRUZ TO RECONSIDER THEIR DECISION TO CANCEL THE PUBLIC MARKET AND THE PROPOSED CHILDREN'S PARK PROJECT AT THE FISHING BASE IN GARAPAN.

There was no discussion. The motion to adopt H. R. NO. 15-42 was carried by voice vote.

Speaker Babauta: The motion carries. H. R. No. 15-42 is hereby adopted. I recognize Representative Tenorio.

Rep. Tenorio: Thank you, Mr. Speaker. Just for the record, I want to thank the members who supported this resolution. The resolution speaks for itself but on top of that, Mr. Speaker, you know there is a petition going on. There are about 1,500 people who have signed the petition. Perhaps that could be made part of this resolution when it is finalized. For many reasons, it is about time and I believe that the farmers and fishermen have a decent marketplace to sell their products, Mr. Speaker. What we have today is a makeshift market where farmers have to wake up at four o'clock in the morning so that they can pitch their tents for their customers at the same time hoping that it does not rain. It is very difficult for the farmers and the fishermen to continue doing this. We also recognize the fact that our Governor is looking at the similar site for other purposes but I personally feel, Mr. Speaker, that the government should do something about helping out our local people first. I know that we have made some public lands available for them to use and in many cases they have also availed themselves to CDA loans. But what is lacking here, Mr. Speaker, is a decent market place for farmers and fishermen to sell their produce and arts and crafts producers to market their skills and -- a place where it is decent, safe and clean. Having a decent marketplace is also good for the tourist industry. I hope that this would replace the roadside vendors that we have all over the island which is not only hazardous to traffic but they also are eyesores to our island. Also, one can only guess what else they are selling there besides fresh produce. I also believe there is a task force that is now looking at all these developments, but again, it is about time that we give our people a place that is decent and modern that they can call their own. There is so much money already invested into this project. I was a member of the 13<sup>th</sup> Legislature when we passed a bill and so much money has been put into it and it is only a matter of time now for implementation and construction. Hopefully with the blessing of the Governor and the Lieutenant Governor they will have a change of heart and give this area to our people. The farmers and the fishermen are going to be here long after the tourists are gone, Mr. Speaker.

Speaker Babauta: I will consider that as a statement under the discussion; however, the Resolution has been adopted. So we will attach that comment and move on. I recognize the Vice Speaker.

Vice Speaker Quitugua: I apologize, Mr. Speaker, but I was suppose to make some amendments to the Resolution but since it is already adopted, I would like to include this statement for the record that if this parcel of land is not given to the farmers, the fishermen and the artists, that an alternative parcel of land be provided and this group of local entrepreneurs shall be part of the decision in selecting the alternative parcel of land.

Speaker Babauta: Thank you. Well noted. Representative Ogo.

Rep. Ogo: Thank you, Mr. Speaker. I also understand that the Resolution has been adopted. However, I just want to share a little with my colleagues here in Saipan as a member looking in. And if there is no objection, Mr. Speaker, I want this statement to be placed on the record. Let us not limit ourselves with just the farmers and the fishermen. I imagine that piece of property down there at the fishing base as a good place for investors too. I imagine a skyscraper with the market beneath it -- if that could be incorporated because that is really a lot of space way up there. If we

can incorporate a skyscraper there, imagine our tourist going down there. It is all there, the fish market, produce and that is just an imagination that I see. So let us not limit ourselves to just fish or produce and whoever is designing this fish market and produce, let them think that there is a lot of space going up and it is one of the best views at times when you go to the fishing base. I was just there Saturday and I saw the view of the ships out there. Can we just look into blending with the investment together with the public market? It is just an imagination and a thought for the good members. Thank you, Mr. Speaker.

Speaker Babauta: Any more discussion after adoption? If not then I would not recognize any more hands. We are going to be out of order. Okay. Let us move on to item 16, Bill Calendar. I recognized the Floor Leader.

### **BILL CALENDAR**

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, to suspend Rule IX, Section 9, 10 and 11 for today's bills on the Calendar.

Speaker Babauta: Any second?

The suspension motion was seconded.

Speaker Babauta: Floor Leader, I believe that should only be Section 11 of Rule IX.

Floor Leader Deleon Guerrero: I recall back.

Speaker Babauta: So restate your motion to suspend Rule IX, Section 11.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, for the passage on First and Final Reading, H. B. NO. 15-64, CS1 under S. C. R. NO. 15-21.

Speaker Babauta: Floor Leader, let us dispose of the original motion first, the suspension of Rule IX, Section 11 so that we may pass all these bills as it appears on today's Order of Business.

Floor Leader Deleon Guerrero: I move, Mr. Speaker, to recall my first motion sir.

Speaker Babauta: Without objection. Another suspension motion, Floor Leader.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, for the passage on First and Final Reading...

Speaker Babauta: There is a motion on the floor to suspend Rule IX, Section 11 for the passage on First and Final Reading of the bills that appear on today's Calendar.

The suspension motion was seconded and carried by voice vote.

Speaker Babauta: Motion carries. Proceed with the first bill, Floor Leader.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, for the passage of H. B. NO. 15-64, CS1 under S. C. R. NO. 15-21.

The motion was seconded.

H. B. NO. 15-64, CS1: A HOUSE BILL FOR AN ACT TO AUTHORIZE THE COMMONWEALTH DEVELOPMENT AUTHORITY (CDA) TO WRITE OFF THE PRINCIPAL SUM AND INTEREST DUE TO IT, FROM LOANS EXTENDED TO THE COMMONWEALTH UTILITIES CORPORATION REFERENCED IN THE AMENDED MEMORANDUM OF AGREEMENT BETWEEN CUC AND CDA EXECUTED ON JANUARY 13, 2004 AND JANUARY 17, 2004, BY EACH RESPECTIVE PUBLIC CORPORATION; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. Recognized, Representative Joseph Deleon Guerrero.

Rep. Deleon Guerrero: Mr. Speaker, this measure was introduced in the 14<sup>th</sup> Legislature and was not passed. H. B. NO. 15-64 has been reintroduced again and I have to ask the members that we do not pass H. B. NO. 15-64 for many reasons. Let me start by looking at the findings. In the findings on the second paragraph, it says that the funds provided to CUC by CDA were from a \$140,000.00 direct grant assistance to the CNMI from the Federal Government without any repayment requirement. It also goes further to say that CDA acted as a conduit for the distribution of the funds to be used for infrastructure development, and it argues that it should not have to pay back the funds given to it. First of all, I would like to bring the members attention to how these funds came about. Yes, in fact, it was from CIP Funding but the funds that were given to the CNMI were based on the Special Representatives Agreement and in that agreement, there was a concern by the U.S. that the CNMI should be reducing its reliance on Federal Funding. That is why it opted for the shares of the CIP funding to go more towards Capital Development and Capital Improvement rather than operations. So, one of the recommendations or rather conditions in this Special Representatives Agreements was that loan repayment proceeds be made for revenue generating projects for agencies to be given loans, agencies that could generate revenue such as CUC for the power, such as the Ports for the use of the ports. That then was formulized through a grant pledge agreement signed by our government, Governor Pedro Tenorio and the Office of Insular Affairs. And I read, "Whereas the CDA hereto for issued a \$140,000.00 Million dollars aggregate face value amount of the revenue bonds, series 1986 pursuant to indenture of which the authority as designated, \$60 Million as project series 1 bonds. The net proceeds of which will be used for Capital Improvement Projects in the Northern Marianas including a loan to the Commonwealth Utilities Corporation to finance acquisition and constructional facilities for generation and public distribution of electrical power and certain other infrastructure projects." So the finding is misleading when it says that it was free money and it was never intended for loan. Clearly, the U.S. Government, the Office of Insular Affairs and our government intended that this money be given out as a loan and the repayment of the loans was just as important. They intended the repayment of the loans once CUC was generating revenues, once the infrastructure projects were in place, and CUC could now payback. It would go towards to a revolving fund and the revolving fund was intended for two purposes. One was it could be used for future CIP projects in the CNMI so that there would be less reliance on Federal Funding and mined you, there was a move by the Federal Government to have matching funds that any CIP funds have to be matched by the CNMI Government. That was the second purpose of the repayment into this Revolving Account. It was to be used as a matching fund for future CIP Projects here for our islands. Secondly, there was also the issue that part of that fund; roughly 20% would be used for economic development for loans to our local businessmen, U.S. businessmen, and people here to use it to finance entrepreneur projects. If we are going to write of this \$45,000,000.00 Million dollars and the interest, we will be going against the grain of the negotiators of this funding that gave it to

us. I still think that it is not a good practice to write off the entire amount. Now let me talk about CUC and CDA loan agreement. When I came in the 13<sup>th</sup> Legislature, the night before CUC and CDA was going to Court, wherein the Judge was about to render his decision and I understand from the counsel that he was going to rule in favor of CDA...that night before that court date, I was the Chairman of PUTC and I managed to convince the two Board Chairmen, Mr. Ed Sablan and Mr. John Tenorio Santiago not to go into court so that we can settle it out of court. Fortunately, they did. From that point forward, we had a series of meetings held here at the Legislature to resolve their difference and to settle it through a mutual benefiting agreement, which they did. They both had to give in to some conditions but both also got something out of it. That is the MOU that you guys have seen. And if you look at it, the Interest was written off. There were portions of the Principal that could be written off by CUC crediting what projects that they used their own funding to be credited against the principal so that CUC can sort of write that off. On the other hand, CDA would also get a portion of those preferred stocks. I do not know if you guys would understand but the whole reason that the preferred stock is important is because of the eventual privatization of CUC. We see in the paper that the Lieutenant Governor is looking at privatizing CUC. My friends and colleagues, if we give up and write off the loan and the government privatizes CUC and sell CUC, there is nothing. There has been a lot of funding that has been infused into CUC, public funding, some of which were used to repay the Mitsubishi loan and that was for funding that was intended to go to our economic development fund but they gave it to CUC to avert the crisis. After Mitsubishi was sued and they repaid that money back to CUC, that money was never given back to be used for economic development purposes. It stayed with CUC and now we are going to sell it as it is with nothing going back for our public use. We are giving it away basically. This is too much. If the preferred stock had been in there, fine, because if they were to sell it, the contractor or whoever is going to buy it first has to pay that off and in paying that off, that would go into the revolving fund that we the CNMI, we the Legislature can then use to either appropriate for CIP, Economic Development loans or we can use it to match future CIP or bonds. We can use it for what we need. We are giving away the bank, my friends by approving this bill and the eventual privatization of CUC.

Speaker Babauta: You want to close in a few minutes, Representative Deleon Guerrero?

Rep. Deleon Guerrero: I just want to ask my colleagues that this bill right now needs further discussion at a minimum. I have not seen CDA's comment on this bill. I do not know what their comments are. I do not know if there has been a public hearing on this bill but it certainly an important and very critical piece of legislation; the warrants more scrutiny and a better understanding by all of us before we make the decision. Thank you, Mr. Speaker.

Speaker Babauta: I guess the comment that I heard is they are in fact the major stockholders of CUC and yet they were not willing to shoulder some of CUC's dilemma the last four years, which is primarily on the fuel purchase. Any respond, Representative Waki?

Rep. Waki: Thank you, Mr. Speaker. You know when Representative Deleon Guerrero says that we are giving away the House? Have you really looked at what are the options that we have? Whenever you are going to privatize, we have assets. We do not just give the assets away. We ask them to buy the assets because they are going to actually sell it and put in new assets so we can gain some revenues from the sell of the assets. That is part of the way business works and writing off this particular debt, something that is been twenty years back and forth. In the last couple of weeks since I introduced this bill, we have had CDA go back to the table with CUC and the Lieutenant Governor.

All of a sudden, they decided to stop coming to the table. I have left messages for them, they have never given any comments, I have left messages for the Chairman and he says he cannot come to Saipan because the board does not want him to come to Saipan. I left messages for the Acting Director and there were no returned calls. All I want to find out is what is going on? I am trying to get some more information so we do not have to go at a particular route, but when a particular agency does not come to the table to negotiate anymore, then you feel that they just dropped the ball. And we cannot have this. We are in a State of Emergency. We understand that there are a lot of things going on and agreements that were made years and years ago, yes, we made the agreement, but CDA also dropped their fiduciary duty by not collecting on a timely basis with CUC, plus, going in and giving them another loan. How do you keep giving loans to people who do not pay you? So they were negligent in themselves and yes you can put an agreement saying, this is a crap money where you can actually loan and maybe the concept of the loans where honorable and it was a good idea, but both agencies dropped the ball. Now, do we go back and keep blaming them? Or do we move forward? And to move forward, CUC is in the State of Emergency, we need funds to either repair the engines if we do not privatize it and we cannot do that without this loan off from the books. That is the bottom line. Now yes we may have some problems but we have not seen any statements from the Secretary General in reference to CIP Funds if we were to do this. Nothing. The Chairman of the Board said he has a letter from the Secretary General stating what the repercussions are, and I said, where is the letter, your board has never showed it to us, if we had that maybe we can address it. Then I come to find out after talking to him again, oh, it was just some notations we took down when we talked to the Office of Insular Affairs. I said this is ridiculous. First, you told us there was a letter and then you told us that it was just notes. What is going on here? We are not here to play game and CDA seems to be playing a game. If they were serious about trying to work this out, they would have come to the table, but why is it not been worked on then? They said they are waiting for financials from CUC. You are going to wait for 2, 3, 5 years to actually do your work? This is something that has been going on for over twenty years. We do not have the option of time anymore to fix our power problem and we are going to make a decision for the betterment of our people. We can go around criticizing all the different ideas but we would have appreciate if you had a better idea. But this is an option and we may have to take this option and if we make some mistakes along the way, well then, we make mistakes down the way but we make decisions. That is what we are here to do not play with the system. Power outages are going to happen because we do not have any money to fix it. CUC had some problems management wise over the years. That is a given. We know that already. CDA had some problems. Do not think their loan packages are great and wonderful that they had actually done their fiduciary duty and collecting on delinquent accounts. They have got their problems and they have to be worked on. But our problem right now is CUC. We will have dark days here come soon and it will take money to do that and we do not have the money within our central government. We got to go out and borrow and everything leads to clearing the books for CUC. We will deal with CDA when we come down to it, but I believe that this has been an ongoing problem for years and nothing has been done and now that we are trying to correct the problem we are still arguing about it. I just believed that we have done the research, we tried to talk to CDA and we tried talking to CUC, the accountants, the auditors and we have come to a point where we believed that this needs to be done for the betterment of the agency so that we can get it back on track. You may feel differently about it and that is a given but if you have any other options besides just telling us that this is the wrong way to go, we would appreciate it. But the bottom line here is, the power may go out tomorrow for the majority of the island because we are constantly arguing about this. So the bottom line is, we need to make a decision and I ask the colleagues based on the Committee Report and everything that you know and maybe even some things that you do not know...this is not what you would call probably

the best answer but it is an answer to start with. So I am just asking for your indulgence to looking at helping CUC and the people make sure that we do not have any load shedding so we can get moving to fix our power generation system. If privatization does happen, well, those are the options that we are looking at right now and we will sell our assets and that would put some money back into the coffers. What is it worth right now? We do not know. We are going to get some ideas but the bottom line is we need to start as soon as possible. So I appreciate if anything, any other positive ideas, let us look at the bill at itself, we move on it and we help CUC as well as the CNMI.

The Chair recognized Representative Dela Cruz.

Rep. Dela Cruz: Thank you, Mr. Speaker. I just wanted to add some things. I guess we are a bit over stepping when we talk about privatization for CUC or the power plant specifically. Privatization is not going to happen right away. The issue right now is to clear the books of CUC and this bill will certainly do a great help to getting the books at CUC better. Congressman Waki earlier mentioned, we are awaiting a crisis right now if we do not act to clean up CUC and it is not just going to be power outages, we are going to have water outages as well and sewer overfills if the power is not maintained. We need to do something right now. We can sit and talk for days about this but we have to understand something here. It is our people out there that are going to be without lights and it is us that will not have power in our homes. It is going to be pretty dark. The state of CUC's power engines are so bad that it is a wonder that it is still functioning right now. We need to start somewhere. We need to write this debt off in order for CUC to begin in a clean slate. They need to start working on those engines. Privatization is a long ways down. We need to take care of our engines right now and this is what is going to help CUC. It does not take a rocket scientist to figure this one out. They need the money. How are they going to get the money? They need to borrow money but if they have something in their books that lenders would look at and say, hey, I do not think that we can lend you the money because of this dilemma with CDA, then where do we go from there? Any privatization will take time. We all know that but now we are asking...this has been dragging on too long and it is time that we close this debt. Thank you, Mr. Speaker.

The Chair recognized Representative Palacios.

Rep. Palacios: Thank you, Mr. Speaker. First of all, whenever you have a contract, we also have requirements in constitution that prohibits this Legislature from impairing existing contracts. That is Article I, Section 1. The first top three lines of our own Constitution prohibit enactments of laws that impair contracts. So I think that it would be well advised to have our legal counsel look into this issue whether this is even constitutional because this is an existing contract that we are trying to wipe off. Second, in the bill itself, Section 5 of the bill has a Saving Clause regarding contracts. There is no question that CUC has been mismanaged but boards on different terms of this government. We have seen it. Is it the reason why we need to write off a loan because of a mismanagement of a corporation? You have to mindful also that writing off a debt does not necessarily create good credit for CUC. That is a fact. There is no question of the Emergency of CUC and the power generation system. We know that. The Governor has declared an emergency at CUC. Is this because of the power generation system? The generators and the fuel cost? We have given the Governor one hundred percent reprogramming authority. Even beyond and I still question it but he certainly exercising emergency powers to reach beyond the Executive Branch of government into the Legislative and the Judicial as well as the other autonomous agencies. It is beyond \$213 Million dollars that we basically had given him. So I would like to ask the legal counsel if this is an impairment of contract? I remembered that when this issue came up in the

Thirteenth Legislature, and yes, we in the Thirteenth Legislature entertain a legislation of this nature. We also did it in the Fourteenth and yes in the Fifteenth. In the Thirteenth and the Fourteenth Legislature, we had extensive comments from CDA. In fact, the Lieutenant Governor in the Fourteenth Legislature was the Chairman of PUTC and I believe he has those. I tried to get a hold of my copies and I could not find it this morning but it was a letter referenced to this particular legislation. Just as Representative Deleon Guerrero stated, this was an indentured document. To date, CUC has not paid a penny. It has not paid a penny. So the loan itself never impaired its ability to use its internal funds. In fact, there was another loan agreement beyond the \$45 Million dollars. When CUC purchased or they had to pay a \$10 Million dollar to Mitsubishi that was again a CDA loan. There was a settlement with Mitsubishi. Mitsubishi had to pay back CUC the \$10 Million. There was a judgment. Unfortunately, at that time, CUC kept the \$10 Million and never made a payment or gave that back to CDA. So those are issues that should have been really thought of and I understand your frustration, Representative Waki in trying to get together with CDA but let me point out, that at this point in time, CDA is almost dysfunctional because of the resignations of its board and that is because our Governor requested their resignation. I think that even if the boards are not in place that the Acting Executive Director of CDA could still come to the table and shed some lights as to its position. That is the least... **[end of tape 1 side a - beginning of tape 1 side b]** ...taken into consideration and documentation of CDA's position and why they hold such positions. I think that is what Representative Deleon Guerrero is alluding to. There are so many things that we need to look at. Is this going to help CUC? Really? How is wiping off this \$45 Million dollars today plus interest going to help CUC? That should have been articulated perhaps in the Committee Report or the Findings. We need to also be mindful because I recalled back in the Thirteenth and Fourteenth Legislature when this issue came up and we were deliberating on it. CPA send a letter requesting that we write off their loan also because they are also paying those loans today and their contention is that it would also put our financial standing or put us in a better financial standing. That is an issue that we really need to be mindful of. Those issues really should have been addressed. And yes, as much as I trust my colleague, Representative Delacruz, this privatization issue is not as far off as we might want think. At the very minimum, we need to put some provisions in here where even the power generation system is going to be privatized. We got to at least make whoever is going to take over our system to pay some of the liabilities. You are right. You buy assets. When you sell your company, you buy assets but the buyer also assumes certain liability and that is something that we consider. I do not disagree with you. First and foremost is our power system. Everything else is secondary but we need to take a look at this a little bit more careful. I will yield, Mr. Speaker, and thank you.

The Chair recognized Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. I have a few questions but let me start with one of the things that were mentioned by my good colleague Waki. I understand that the Lieutenant Governor received a letter from Telesource offering such solutions to the problems with CUC. Accordingly, I believe that they are ready to come up with a Memorandum of Understanding as soon as the administration responds to their letter to buy out CUC. Again, with all the comments made, I think we should consider those as part of what we are discussing, and maybe ask my good Chairman to maybe even give us some light on the status if any from the Lieutenant Governor on the letter from Telesource offering the solution to buy out CUC. I think that is one positive news, and I think it is a route towards IPP, but then all those factors should be submitted in as part of that. In the findings particularly on the bill, although we had passed the Committee Report, it would be very good to reflect and have the report be part of what you had mentioned in trying to making attempt to try to

get CUC and CDA to the table and having no avail to that, although we are empowered that you can subpoena these individuals and so that they leave up to their fiduciary responsibilities, and is it really the best interest of the CNMI to write this off. I am not quite clear yet how does promoting accounting system to any individual corporation by simply forgiving irresponsibility. If somebody messed up, I think they should pay. Maybe someone needs to go to jail for their irresponsibility. I think that this is a very serious issue that has been like you said, going back and forth to the Legislators or even the previous attempts in the Fourteenth to try to write this off. We have yet to even go much closer to the result and does the Executive Order abolish Public Law 4-47. Let me just ask the legal counsel to respond to that if you...

Speaker Babauta: Which question?

Rep. Tebuteb: The Executive Order to transfer.

The Chair recognized the Legal Counsel.

*Legal Counsel Antonette R. Villagomez: Your question is does the Executive Order abolish Public Law 4-47? Yes, that is the Public Law that creates the Commonwealth Utilities Corporation. I believe the Executive Order if I am not mistaken, it is number 1. What it does is, I believe it transfers responsibilities of the Commonwealth Utilities Corporation to the Department of Public Works. It does not necessarily abolish the Public Law; it just transfers the responsibility from CUC to the DPW. So therefore, DPW still has to carry out the responsibilities and do everything that was required under that Public Law.*

Rep. Tebuteb: What about the Board?

*Legal Counsel Antonette R. Villagomez: Well, the board is basically abolished. That is for sure. I believe that is what the Executive Order does. So the board is abolished, the administration of CUC will be under a Director within the Department of Public Works who is supervised by the Secretary.*

Rep. Joseph Deleon Guerrero: I believe the Executive Order has language that says that all regulatory statutes are hereby suspended. That is the language that I recalled on that Executive Order. Now does that mean that all enabling legislation of Public Law 4-47 is no longer applicable? Does CUC no longer have a responsibility for full cost recovery?

*Legal Counsel Antonette R. Villagomez: I am sorry but I do not have the Executive Order in front of me so I cannot respond to a particular language to the Executive Order.*

The House recessed at 11:17 a.m.

## RECESS

The House reconvened at 11:24 a.m.

Speaker Babauta: We are back to our session and I believe the Minority Leader still has the floor.

Rep. Palacios: Mr. Speaker, thank you. Let me point out that this is not about just putting up obstacles. Our point is to make this cut the mustard because if we do not, it potentially could get

thrown out of court. I was pointing out to my colleagues while we were in recess that the intent at least in the heading portion of the legislation is to authorize CDA to write off the principal and interest due to it. However, on Section 2, we are not authorizing but imposing it. Starting on line 12, it says that the Commonwealth Development Authority shall waive the sum of \$45 Million. We are not authorizing them, we are already waiving it so in order to make this consistent, and potentially make it constitutional, we need to take out “shall waive” and insert, “is hereby authorized” to make it consistent to waive the sum of \$45 Million dollars.

Speaker Babauta: Is that an amendment?

Rep. Palacios: Same on line 19. We need to make this consistent.

Speaker Babauta: Please make it consistent.

Rep. Palacios: Okay. Please delete on line 13, delete the word, “shall waive” and insert, “is hereby authorized to waive.” The same goes to line 13, “CDA is hereby authorized to waive any and all accrued interest.” On the same page under the same Section, after the word references please insert, “However, in the event that the power generation system of the Commonwealth of the Northern Mariana Islands is privatized and controlled by an independent power producer that 50% or \$22,750,000.00 of the principal amount shall be paid by the independent power producer to the Commonwealth Development Authority and such payment shall be reserved and used for loan programs administered by CDA or its successor agency.”

Rep. Waki: Point of clarification.

Speaker Babauta: State your point of clarification.

Rep. Waki: If it is under the privatization, more and likely, the assets will be sold. So you want to say, upon sell of assets, \$22 Million will go to CDA?

Rep. Palacios: What I am saying is that we are trying to write off \$45 Million in principal and interest and what I am saying is that if we are going to privatize basically not just the assets because when we talk about CUC, this is the only power generating utility system that is authorized to operate in the Commonwealth and sale power.

Speaker Babauta: Minority Leader, if no objection, we will go back and dispose of the first motion or the first amendment so that you have time to make copies of those written floor amendment. Any objection.

There was no objection and the oral floor amendment offered by Representative Palacios was seconded and carried by voice

Speaker Babauta: Motion carries. Short recess.

The House recessed at 11:29 a.m.

**RECESS**

The House reconvened at 11:35 a.m.

Speaker Babauta: We are back to our session and I want to recognize again our Minority Leader.

Rep. Palacios: Thank you, Mr. Speaker. I would like to offer a floor amendment.

Speaker Babauta: Discussion. Representative Yumul.

Rep. Yumul: Thank you, Mr. Speaker. Would this not possibly increase any established rates that a privatized company should they go that route? Would it be affected?

Rep. Palacios: I do not think this \$22 Million dollars is going to be the straw that would break the camels back and have the IPP if there is an IPP out there raise rates. This IPP is going to look at the cost of doing business providing this power and that would drive our utility rates. Believe me but if that IPP comes in, it will not be .11 cents. They are going to have to make the necessary capital investments to get the thing up to par. File a rate increase with our utilities commission but this is not what is going to drive this prices. It is going to be the cost of doing business plus a return on their investment.

Rep. Yumul: Also, Mr. Speaker, if this privatization is not a full or in other words, what if it is a hybrid like a partial joint venture between the government and private, this might not apply then. Has that been considered?

Rep. Palacios: No. That is the intent...

Speaker Babauta: I guess the mover of the floor amendment is alluding to primarily the first sentence, in the event. If not then it goes back to square one.

Rep. Yumul: Thank you, Mr. Speaker.

The Chair recognized Representative Dela Cruz.

Rep. Dela Cruz: I just wanted to add as per Congressman Yumul's question and Congressman Palacios had already taken the liberty of explaining that. H. B. NO. 15-55 will basically cover the rate regulations for any utility and this includes power, water and sewer whether it is in the government or in the private. The Public Utilities Telecommunication Services Commission will undoubtedly be the regulatory body for all public utilities, and so the Commission will consider the rates. Thank you, Mr. Speaker.

The Chair recognized Representative Waki.

Rep. Waki: Just for everyone's information. If it is privatized, remember, bottom line is, if it stays with the type of fuel that we are using, the rates would definitely are going to go up until they get more efficient running engines and stuff like that. That is why we are looking at privatization to look at the alternative of fuel sources. Hopefully that we can adjust the rates according to what the actual fuel cost and hopefully they would have the fuel storage farm and all these other aspects that we cannot afford to do ourselves. But the bottom line is, it is a monopoly that is going to be there and we have to regulate the power generation system. It should be making money because it is a

monopoly, but the bottom line is, as long as you regulate it properly, that would be able to control that amount of profitability that they make so that way it does not fall on the consumers pocket books to continue to profit them exorbitantly. Thank you.

The Chair recognized Representative Tenorio.

Rep. Tenorio: Thank you, Mr. Speaker. You know, Mr. Speaker, I will be really reluctant to even act on this not knowing in fact what we have available to us in terms of the assets. We are kind of shooting in the dark here and putting numbers and cannot justify the numbers. I understand that it was very difficult trying to get CDA and CUC board together because there is practically no board, but at least get some of the legal counsels that worked out all of these agreements and see what we are missing. I would support any move and I realize the fact that we have to act on this because of the severity of the problems with CUC and now with the potential problems that we might not have lights or water tomorrow, but still, I would be very reluctant to actually vote on this bill not knowing at least some ball park figures of what we are offering. We are just playing with numbers here, Mr. Speaker.

Speaker Babauta: Or probably say that it is less then what the government pays for the fuel. That is the reason why CDA does not want to take part of the initiative in buying fuel. Ready for the amendment as offered by the Minority Leader?

Several members voiced, "ready."

Speaker Babauta: Discussion on the amendment. Floor Leader.

Floor Leader Deleon Guerrero: Mr. Speaker, before we go on voting, can I put something in line with what Representative Tenorio? He is saying that we are putting a figure here that we are not even supposed to do and I like what he had suggested. I rather that we delete the \$22,750,000.00 at this point in time because we do not even know how the situation might be coming in the future. So putting up an amount is not to the absolute point would benefit the amendment.

Speaker Babauta: The 50% is the result of the \$45 Million.

Floor Leader Deleon Guerrero: I know that, Mr. Speaker, that is the case I am saying here. Even if you say that it is \$45 Million, how would you know...?

Speaker Babauta: Let me recognize the Chairman of Ways and Means to clarify. Chairman Ogo.

Rep. Ogo: Anyhow, it is very simple Floor Leader. We are taking away \$45 Million; we are just removing it entirely so half of that at least CDA would have. So instead of CDA not receiving anything, the \$45 Million that we just eliminating, half of it will stay if ever in an event that any power contractor wants to purchase CUC.

Speaker Babauta: What the Chairman is alluding to is that it is better half than nothing.

Floor Leader Deleon Guerrero: It is true, Mr. Speaker. For a fact, I know that \$22 Million is half of \$45 Million; technicality in dealing with money is different. You might say that it is \$45 Million

now, however, when you put the 50% it is more clear in what you are inspiring to say here through the amendment, Mr. Speaker.

Speaker Babauta: To clarify further, let me recognize Representative Palacios.

Rep. Palacios: Let me change that, Mr. Speaker, if the Floor Leader wants me to change it. Let me change it to say 50% of the principal amount of \$45 Million dollars. If you do the math, it would come out to...

Speaker Babauta: Is that an amendment to your written floor amendment?

Rep. Palacios: Yes, sir. So 50% of the principal amount of \$45 Million would be the right way.

The oral amendment offered to the written floor amendment by Representative Palacios was seconded and carried by voice vote.

Speaker Babauta: Motion carries. Now we are back to the written floor amendment as amended. Discussion.

The written floor amendment offered by Representative Palacios was carried by voice vote.

Speaker Babauta: Motion carries. We are now back to H. B. NO. 15-64, CS1, HD2. I recognize Representative Taman.

Rep. Taman: Thank you, Mr. Speaker. I think everyone have stated the importance to paying attention this particular crisis that we are being overwhelmed with, and I certainly am in support with taking some actions with this respect. However, it keeps bothering me to hear that CDA does not make it a point to come and sit down on the table and I think that if we are to take any legislative measure without hearing from CDA, we need to take our legislative authority also to make sure that we hear from these people. We cannot continue doing this and ignoring the fact that some independent agency out there have this fiduciary duty to provide us with necessary information in order for us to make sound decisions here. Thank you.

Speaker Babauta: They will not even listen to the private borrowers. Any discussions? Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: Mr. Speaker, I would like to respond to the statements to Representative Waki as it pertains to this matter. First of all, I want to say that I still would like to ask the members to reconsider this approach to dealing with this problem. This approach does not resolve this problem and I do not know how anyone can make that jump or that logic to jump from writing off CUC's debt to resolving CUC's problem. Let me tell you what this bill does. It does reinforce responsibilities. I am sorry to say but this bill if passed does not help CUC improve its credit rating or the CNMI government's credit rating in the future should we need to borrow money. So if we think that by writing this off we will improve CUC's ability to get funding to buy new engines. It does not. It does the opposite. That let me state for the record. You ask for solutions and this is one solution, and I do not subscribe to privatization because no matter what even if the company (IPP) has a funding to buy power generation units, where would they get the money? They will have to loan. Colleagues, when they loan, they will also have to pay interest. When they pay

interest, we will have to pay interest. On top of that, they will have overhead and they would have to get profit. After all, it is a business. And who would shoulder those cost? The consumers. So privatization, while there is a possibility that it happens is not something I...right now at this point in time, I have not seen any proposal that is favorable to consumers so I can subscribe to that. Now, let me say, what should be the solution? Right now in its current form, this bill abolishes Public Law 13-35 and Public Law 13-36. What that does is it nullifies the potential for a settlement agreement to be reached between these two agencies. I still feel that is the best approach. It is the most mutually benefiting approach and it is an approach that will not be looked down by either the Department of Interior or any lending institution. If CUC needs to borrow money in the future, right now CUC under the State of Emergency is under Public Works, right? Right now under the State of Emergency, are they required to do full cost recovery because that is what is needed here? My friends, the problem with CUC with our power situation right now is partly the engines. That is true. The main problem is the fuel. This will not resolve the fuel issue. I do not care how you look at it. That is a global issue and it is a separate problem that we need to address separately. Waiving this will not address the fuel issue. Now in terms of the engines, *economist.com* came here and studied the CUC issue. What were their recommendations? As unpopular as it may seem, their recommendations is that, CUC should be charging what it cost to run a utility firm and it should raise rates. As unpopular as it may seem for two reasons...one, is to be able to purchase the fuel and not have the fuel subsidized totally by government workers alone and that it should be spread out by every power user. Second, they also recommended that part of that increase, a temporary increase, could be included to purchase new engines and once the new engines are on board, efficiency rates go up and depending on the kind of engines we get, if we are able to get low cost fuel, then we will be saving more and eventually we can reduce the power rates for the CNMI without having to pay anybody profit. You ask for a solution and that my friend is the best way to address this. This is an irresponsible way and it will not address CUC's problem. I can tell you that for sure. So, again, I would like to ask the indulgence of the members to please consider your actions today, will affect the future ability of this government of any future Governor to be able to borrow to use funds for CIP or whatever. This is not a responsible act to approve this bill. It is irresponsible. Thank you.

The Chair recognized Representative Dela Cruz.

Rep. Dela Cruz: We have listened and taken all the comments here and suggestions that were made here. We have to also understand that this write off is not between a government agency and a private agency. This write off is between two government entities here. We cannot continue on with this. We have been borrowing from one government agency to another. The reason why we came up with bill is because we felt that a government entity should not be borrowing from any other government entity. We understand also from *economist.com* when they made the presentation that yes, the fees might have to up in order for CUC to survive and yes, new engines have to be purchased. We even ask what can we do with the present engines that we have? You know what they told us? For us to sell it on ebay. I feel these engines still have a life. For how long? If they were properly rehabilitated, five to ten years. I think we can still restore these engines to give it more life in the interim that we are discussing purchasing newer engines or even privatization for that matter. Awhile back, there was a mention of privatizing the power plant at CUC, and I had looked at that proposal from this company and the administration was willing to privatize it, but one of the things that I did not agree at all was for the government to purchase fuel for this private company to run, operate and make a profit. CUC is an autonomous agency. It is basically a monopoly that does not make money. How do you figure? You are in this business all by yourself and you are not making money? It just baffles the mind. I just wanted to state that these are my

views. If ever privatization would come up on the table, I will certainly not agree to purchasing fuel for a private firm to run the power plant here and I hope that all my colleagues here will feel the same way when that time comes. Also, Mr. Speaker, I move to end debate.

Speaker Babauta: Before I recognize that motion, let me just recognize Representative Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. I want to thank my colleagues for the very good discussions on this subject. There are some very legitimate points here and it has been very enlightening. I am part of the PUTC committee and one of the first things that we did was to go down to CDA and sat down with the on a fact finding mission to basically understand from them what the problem was. At that meeting, they shared with us that they were quite willing to enter into this debt equity write off. This meeting undertaken after we all invited CUC here and they expressed their concern about not having the ability to loan so that they can buy new engines. I recognized the emergency. At any time now, those engines can go. Of course, we all know what catastrophe that is going to be and I am sure that we all want to avoid that. I have no question in my mind and no doubt that you all feel the same way but whichever way that we want to proceed, I think what we want to bear in mind is that time is of the essence. My good colleague Representative Deleon Guerrero is absolutely correct. We have to be responsible and we have to show responsibility that when we do loan especially in the name of our government that we take that seriously that we have that responsibility to repay the loan. We are also at a crisis situation now where as we said there has been a lot of talk going back and forth. This bill was contemplated since the Fourteenth Legislature and probably going back and we are playing with a ticking time bomb here. At any time at all these engines could go and of course that would affect not just our private citizens but everything such as the hospital, the schools, home and you name it. I want to ask the honorable Representative Deleon Guerrero, if the amendments that were offered today or do you find any of these acceptable and can we proceed based on the amendments that were offered to this bill?

Rep. Joseph Deleon Guerrero: Let me tell you first what is preferable as an option. The leg work has been done in terms of the two agencies, the negotiations have been done and...[end of tape 1]

[Beginning of tape 2]

Rep. Joseph Deleon Guerrero...just going forward but what I think should happen is that the Governor should make sure that he appoints members so that CDA does have a quorum and I think that the administration should bring these two agencies together and mandate if need be. If I were Governor, I would require the two agencies to implement what they have already agreed to and that way, the part of the bill that I have a problem with is repealing Public Law 13-35 and Public Law 13-36. Not because I introduced the bill but what it does is, if you repeal it, you effectively remove those two agencies ability to effectuate the approved MOU. It is for that reason that right now I have a problem with the bill.

Rep. Kaipat: Can I respond to that?

Rep. Joseph Deleon Guerrero: Please.

Rep. Kaipat: Thank you. There was a joint meeting over at the Governor's Office actually and I believe you were there and it was between CDA and CUC. I was there when the Lieutenant Governor gave the group a mandate to come up with a solution of this and unfortunately for

whatever reason that it did not work out, it is unfortunate, but at this point, the problem that exists with CDA is the fact that it is not that the Governor does not want to appoint. He does want to appoint. The problem is that people who traditionally had tendered their courtesy resignation refused to do that so that impedes what the Governor wants to do in terms of appointing people that he has confidence in. As I said, I do not know what happened to that group when they were given a mandate by the Lieutenant Governor to come up with a settlement to this. Apparently communications broke down and Representative Waki shared that he tried and tried to get CDA to respond. They are playing games at this point and as I said, this is a ticking time bomb while they are playing games, we are waking up everyday thanking the Lord that we have electricity, but at any time, it could go out. My point is, let us decide today what compromises we can make so that we can leave with what compromise we can make. You can be happy and we can go on and go about the business of taking care of business. At that note, I move to end debate.

The motion to end debate was seconded.

Speaker Babauta: The motion is undebatable and the Chair would now recognize that motion to end debate.

Rep. Palacios: Point of clarification.

Speaker Babauta: State your point.

Rep. Palacios: Just to the legal counsel and I hope that I am not out of order. I just want to ask her whether the first amendment complies with the constitutional requirement?

Speaker Babauta: Is it your oral amendment?

Rep. Palacios...[inaudible]...to avoid the issue of violating certain constitutional provision and by saying that we are only authorizing CDA to go into this and either have CDA make that decision. It is their contract with CUC rather than us...

*Legal Counsel Antonette R. Villagomez: The amendment basically gives CDA the authority to basically write off part of the loan...well, \$45 Million with the second amendment of privatizing CUC, so yes, basically now we are not mandating that CDA write off the debt. We are just authorizing them so CDA still has to take the next step of approving the write off with the condition of in the event that IPP takes over that they pay half of that \$45 Million to CDA. That is going to be apart of the condition.*

Speaker Babauta: Any more point of clarification before we vote? Representative Deleon Guerrero.

Rep. Deleon Guerrero: I would like to offer an oral floor amendment, Mr. Speaker. On page 2, line 26 and 27. Strike out, “b” and “c” and leave “a” in there. By striking this out, you will still allow for the possibility of amicable resolution through negotiations if the Governor eventually appoints members and they are eventually able to address this matter. Like I said, most of the legwork is done and it should not impede the timeliness of resolving this issue. Thank you.

Speaker Babauta: The Chair has allowed the Minority Leader to clear with the counsel and...short recess.

The House recessed at 12:06 p.m.

### RECESS

The House reconvened at 12:25 p.m.

Speaker Babauta: We are back to our session. Any discussion on the oral floor amendment offered by Representative Joseph Deleon Guerrero? Representative Waki.

Rep. Waki: I would like to present a subsidiary motion to Representative Deleon Guerrero's motion. Instead of deleting both line 26 and 27, just delete, line 26. Keep line 27 but label it instead of "c" label it "b".

The subsidiary motion offered by Representative Waki to the main motion of Representative Deleon Guerrero was seconded and carried by voice vote.

Speaker Babauta: Motion carries. For clarity purposes also on line 6, delete, "13-25" to be consistent. Ready?

Several members voiced, "ready."

Speaker Babauta: We are now voting on H. B. NO. 15-64, CS1, HD3. Representative Yumul.

Rep. Yumul: One minor technical error on page 2, line 28. There are four slashes there.

Speaker Babauta: Consider that a technical error. Roll call.

The roll called on the motion to pass H. B. NO. 15-64, HS1, HD3 on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	no
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	no
Rep. Candido B. Taman	yes
Rep. Ramon A. Tebuteb	no
Rep. Manuel A. Tenorio	no
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 14 “yes”, H. B. NO. 15-64, HS1, HD4, hereby passes the House on First and Final Reading. We are going into lunch and come back at 2:00 p.m. so that we may at on all these bills on the Calendar.

The House recessed for lunch at 12:27 a.m.

## RECESS

The House reconvened at 2:16 p.m.

Speaker Babauta: The House now will come back to plenary session. Before we move on, I would like to inform the members or primarily the Clerk that Representative Taman is excused for this afternoon’s session. Representative Ada should be coming in anytime now. Before we continue on the Bill Calendar, if no objection, Representative Tenorio requested that we go back to the House Communication. Any objection?

There was no objection.

## OTHER COMMUNICATIONS

MISC. COMM. 15-5: A LETTER FROM FORMER CONGRESSMAN HERMAN PALACIOS.

The Chair recognized Representative Tenorio.

Rep. Tenorio: Thank you, Mr. Speaker. I would like to submit this letter from Mr. Herman and Joyce Palacios as part as of the Other Communication for the Houses’ consideration.

Speaker Babauta: I assumed most of the members have received those and if not, just explain the basic analogy of the context.

Rep. Tenorio: There are some prayers here to, Mr. Speaker, that I do not want to...but basically the Communication here is that Mr. Palacios is asking for some consideration from the Legislature in regards to a loan that they have with CDA. The reason why I brought this up, Mr. Speaker, is that part of the problems with some of the delinquency loans on fishing and agricultural loans are due to lack of marketing facilities and while his particular problem may not be marketing, a lot of the people that borrow money from CDA are delinquent because some aspects of the business plan are missing. So it is pretty much self-explanatory and I request that the Clerk make copies and make it available to the members.

Speaker Babauta: Clerk, please make note and distribute copies during the session so that the members can have time to digest the letter. Any other communications? Before we move on to the Bill Calendar, I have a Memorandum here from Representative Torres. Does everyone have copies? I would officially respond to your request in due time if that is okay with you, Representative Torres. Thank you very much. Bill Calendar, Floor Leader.

## BILL CALENDAR

Floor Leader Deleon Guerrero: Mr. Speaker, I think we should wait for the Chairman of the Ways and Means Committee. He offered H. B. NO. 15-95 for recall, as I understand.

Speaker Babauta: I told him to provide me a copy of his Memorandum pursuant to the Rules. We can proceed with the next bill.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, for H. B. NO. 15-36, CS1 under S. C. R. NO. 15-19.

The motion was seconded.

H. B. NO. 15-36, CS1: A Bill for an Act to provide for the regulation of automated teller machines by adding a new Chapter 11 to Division 6, Title 4 of the Commonwealth Code; and for other purposes.

Speaker Babauta: Discussion. Vice Speaker.

Vice Speaker Quitugua: Mr. Speaker, on page 5 of the bill on line 1. Strike out the number "\$300.00" and replace it with "\$500.00".

The oral floor amendment offered by the Vice Speaker was seconded and carried by voice vote.

Speaker Babauta: Motion carries. Any more discussion? Representative Yumul.

Rep. Yumul: Thank you, Mr. Speaker. I would just like to add for the record, which is absent from the Standing Committee Report. Currently, there are just over twenty four automated teller machines that are operated by banks within the CNMI and a total of thirty five machines on Saipan operated by a third party operator with...

Speaker Babauta: What is the number again?

Rep. Yumul: The bank operated ATM's is twenty-four. The third party operated ATM's is thirty-five for Saipan and four on Tinian. So with the Vice Speaker's proposed amendment, that would bring it to \$29,500.00, the annual fees to be collected should this bill pass into law, which I fully support.

Speaker Babauta: Let me just ask this question. Is this renewal?

Rep. Yumul: It is for new and renewals. It is a license fee per machine payable to the Commonwealth Treasury.

Speaker Babauta: Annually?

Rep. Yumul: Annually.

Vice Speaker Quitugua: I understand that this fee is not imposed at this time. You pay your \$50.00 license fee and you operate your teller-automated machines for free.

Speaker Babauta: What about the bank ATM's? Is it incorporate in the banks license?

Rep. Yumul: At present, the banks have free...all they have to do is just order a machine in and will operate under the current business license except that if an ATM machine can receive deposits and withdrawals, then it will be considered a branch. Any machine that only dispenses is not considered a branch.

Speaker Babauta: Okay. Further discussion? Representative Palacios.

Rep. Palacios: So how many ATM's are in the premise of the banks and therefore are considered branch that are not going to be subject to the fees and how many are outside of the premises of the banks and are considered ATM machines?

Rep. Yumul: I will give you a break down. Bank of Guam has nine machines, the Bank of Hawaii has ten, the First Hawaiian Bank has three and the Bank Pacific has two. I believe Bank Pacific has one right outside their establishment and another one in the Mobil Station across Microl in C.K. The ATM machine at their bank location takes deposits but I believe their machine at the Mobil does not. As far as how many machines that are bank owned and how many of them take deposits, I do not have that information. Again, since the ATM machines for the banks are located within the facility that should fall under their branch as if it was just another teller. The banking bill that is presently in the Committee on Commerce and Tourism is going to address that should we have a final draft of the bill ready for debate. Right now the Committee has decided to temporarily put the bill on hold until we have a Task Force come back to us and give us their findings. I believe we are going to label that as H. B. NO. 15-1, Committee Substitute. It would create a Banking Task Force to go through the bill and provide for recommendations.

The Chair recognized Representative Palacios.

Rep. Palacios: You said that there are thirty-five ATM's out there that are not bank owned?

Rep. Yumul: Basically, the Non-Bank ATM machines are really an...Every ATM machine has to subscribe to the system, which is the network for the electronic funds transfers and other communications within that system. In order for a third party to gain access, they must be sponsored in by a bank and we believe that there is one current operator in the CNMI that operates such system and are license or receiving access through a system that is not from the CNMI and is in Las Vegas, Nevada.

Rep. Palacios: So there is only one that is actually out there other than a bank?

Rep. Yumul: Currently there is one business entity that is in a business providing among other services cash dispensing machines. They pay one business license fee. I believe it is \$50.00 and there is no per machine license fee. So basically all the thirty-five machines on Saipan plus the four in Tinian fall under one business license, which is \$50.00 annually.

The Chair recognized Representative Dela Cruz.

Rep. Dela Cruz: Thank you, Mr. Speaker. I just have one question as far as security measures for ATM. I have recently glanced over the bill here and are there any requirements for security cameras on the bill itself?

Rep. Yumul: Yes. Turn to page 7, subsection 60205, it talks about minimum-security requirements and it is listed there. It even includes that the machine be required to fix to the location. In other words, bolted down so you cannot just grab it and go. There is a provision that requires recordings through video cameras be maintained by the operator for at least thirty days. It starts on line 15.

Rep. Dela Cruz: Okay. Thank you.

Speaker Babauta: Further discussions. Now we are passing as H. B. NO. 15-36, CS1, HD1. Roll call.

The roll called on the motion to pass H. B. NO. 15-36, HS1, HD1 on First and Final Reading is as follows:

Rep. Martin B. Ada	absent
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	absent
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: H. B. NO. 15-36, HS1, HD1, hereby passes the House on First and Final Reading. Representative Ogo.

Rep. Ogo: Thank you, Mr. Speaker. Before we proceed with the other bills, the Chairman of Ways and Means moves to recall H. B. NO. 15-95 to be placed on today's Calendar for action. It is a request by the Rota Director of Public Works. Thank you.

Speaker Babauta: Any objection?

There was no objection.

Speaker Babauta: So ordered. Representative Palacios. H. B. NO. 15-95 is hereby recalled and placed on today's Order of Business for action. Floor Leader, next bill.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, for the passage on First and Final Reading, H. B. NO. 15-86 under S. C. R. NO. 15-15.

The motion was seconded.

H. B. NO. 15-86: A BILL FOR AN ACT TO AMEND 1 CMC § 2281 BY AMENDING SUBSECTION (C) AND ADDING A NEW SUBSECTION (D); AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. Representative Palacios.

Rep. Palacios: Mr. Speaker, if I recall, this is the second time this has changed. I am not sure but I am pretty sure that you would know this because you have been here longer than I have and I remembered that one of the problems was the disagreement between the contracting officer at the time and the way the contracts were being executed at the time, particularly on CIP projects. I understand that the rationale for reverting back again has to deal with the workload and the seeming inability of TSD to deal with CIP projects. I wonder if the author could elaborate more on the intent. I know that he has been with PSS for a long time and he is been involved on issues when PSS was the contracting officer and the expenditure authority.

The Chair recognized the Vice Speaker.

Vice Speaker Quitugua: Mr. Speaker, I am not sure whether it was a bond but there was a particular legislation that spelled out the contracting officer, the expenditure authority is PSS but it says that Public Works shall be the contracting officer, and that is where the problem came about. The expenditure authority cannot really sit down and agree with the contracting officer on how the projects should be designed. Yes, Mr. Speaker, this bill was introduced in the Fourteenth Legislature. We passed it in the House. It went up to the Senate and they amended it. The House did not accept the amended version because the Senate inserted a provision that says that the Commissioner may hire a contracting officer but only the board can fire the contracting officer. That is why the House rejected it because you cannot have two bosses when one is the hiring person and the other is the firing person. That is mainly why we objected to the Senate's version, but in most instances, Mr. Speaker, when we put down expenditure authority for the Commissioner, it automatically is the contracting officer unless the time when it was spelled out in the bond legislation.

Rep. Palacios: So this will not pose the problem with those projects that are issued or funded under this particular bond that has specifications?

Vice Speaker Quitugua: To my knowledge, Mr. Speaker, no because this will take affect only upon the approval of the Governor. It is my understanding that the previous projects will remain with the Department of Public Works.

Rep. Palacios: Thank you, Mr. Speaker.

The Chair recognized Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: Thank you, Mr. Speaker. I wanted to also add on to that. One of the other responsibility as the contracting officer is they also ensure that the contractor complies with

procurement regulations providing treasury listed bonds and so forth. We know that if Public Works was the contracting officer, they would have to comply with CNMI procurement regulations as part of DPW's job and that is to make sure that they comply with CNMI procurement regulations in terms of bidding, selecting of contractors and in terms of requirements that are imposed on the contractor. Are we satisfied if we have Commissioner be the contracting officers assuming that they would only have to comply with PSS' procurement regulations and they no longer have to comply with the CNMI? Is that correct?

Vice Speaker Quitugua: Yes. The Public School System will only use their own regulation once PSS gets the authority as contracting officers.

Rep. Joseph Deleon Guerrero: Are they handled to enforce requirements that are...?

Vice Speaker Quitugua: Yes, Mr. Speaker, they have their own CIP office there and they have their own CIP coordinator and they have done some projects already like the headstart projects. That is all purely under PSS and the Department of Public Works did not come into the picture. So they applied their own procurement regulation on those projects.

Rep. Joseph Deleon Guerrero: I know that PSS has their own CIP coordinator but do they have for example, Public Works has construction CM and they have their own inspectors, does PSS have the ability to inspect local projects?

Vice Speaker Quitugua: In some instances, I understand that they source out the designs and construction management.

Rep. Joseph Deleon Guerrero: CM?

Vice Speaker Quitugua: Yes. One of the problems that the Minority Leader mentioned is that the bulk of work now at Public Works is tremendous and the PSS projects are really actually being delayed from completion. So I think we are in the right direction if we put this under the Public School System.

Speaker Babauta: I am not too sure if Representative Deleon Guerrero is alluding to one, whether or not PSS has its own procurement rules with respect to selecting contractor.

Vice Speaker Quitugua: Yes, they do have.

Speaker Babauta: They have that ability?

Vice Speaker Quitugua: Yes, Mr. Speaker.

Speaker Babauta: Okay. Representative Torres.

Rep. Torres: Just to brief the history for restricting the Commissioner of Education and now what we are trying to do is give them back because it used to be, PSS has a NON-U.S. certified engineer at the time, and that is why we took it away from PSS and gave it to Public Works. Now, as long as PSS conform with the U.S. Spec on who is heading the CM...I will support the bill as long as PSS does not go back to hiring a third country engineer.

Speaker Babauta: Thank you. Representative Tebuteb.

Rep. Tebuteb: This is to just do an amendment on this and I know that we just passed H. B. NO. 15-51 and that was the reduction on the rebate so we gave PSS a seven-year CIP projects and we also included in that as the expenditure authority as the Commissioner and also the contracting on the amendment. Are we talking about the same thing?

Speaker Babauta: Are you talking about the rebate reduction? Vice Speaker.

Vice Speaker Quitugua: That is consistent with that particular bill, but there are occasions where we in the delegation appropriate funds for PSS but we indicated Public Works as the expenditure authority. This bill is trying to make things on the same level with H. B. NO. 15-51.

Speaker Babauta: Further Discussion. Clerk, roll call.

The roll called on the motion to pass H. B. NO. 15-86 on First and Final Reading is as follows:

Rep. Martin B. Ada	absent
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	absent
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 16 “yes” H. B. NO. 15-86 hereby passes the House on First and Final Reading. Floor Leader.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, for the passage on First and Final Reading, H. L. I. NO. 15-1.

The motion was seconded.

H. L. I. NO. 15-1: A HOUSE LEGISLATIVE INITIATIVE TO AMEND ARTICLE XV, SECTION 2(A) OF THE CONSTITUTION OF THE NORTHERN MARIANA ISLANDS.

Speaker Babauta: Discussion. Before I acknowledge anyone, Clerk, please note that Representative Ada is duly present. Thank you. Minority Leader, proceed.

Rep. Palacios: One of the reasons why I believe the Board of Regents of the Northern Marianas College, which is presently the body that approves and disapproves any other post-secondary education institutions from operating in the CNMI, one of the biggest reasons that I remembered an issue where an applicant had taken an application process and was rather prolonged because of the lack of resources in the Board of Regents to do some verification particularly when institutions are from countries other than the United States. One of the applicants was from Korea. One remembers the Saipan University issue that was duly licensed by NMC but because of the lack of resources to really look into these issues, they apparently and factually fell through the cracks. My question though is, if we go about doing this and having it approve through the Initiative, there would be a time void wherein there would no institution if Congress or the Legislature does not come up with how to license and who would be responsible for licensing post-secondary educational institution in the Commonwealth...that means that until such time that the Legislature enact a law no post-secondary education will be licensed at that time. That is my only concern. I have no problem with taking it away from NMC because they have their own set of challenges. We should isolate that we should have them concentrate rather than have all these other functions, obligations and responsibilities. We should just have them concentrate on the College, but at the same time, if we do not have an organization or institution that license, then we would have potentially a problem. That is my only concern, Mr. Speaker.

Speaker Babauta: You want to respond, Vice Speaker?

Vice Speaker Quitugua: I take it as an amendment made by the Minority Leader and I second it.

Rep. Palacios: I am not offering an amendment. I am raising the concern. I looked at this and I do not know how to deal with it. I do not know and I think it is a bigger task that we need to take a look at. Maybe we should take this back and look at it so we can see how we can put the governing body that is going to license this and put that in place already. That is something that we may have to consider.

Vice Speaker Quitugua: We can insert an amendment here, Mr. Speaker that would take that consideration with Representative Palacios' concern. We can add after line 7, "that in the event that the Legislature failed to establish such commission by law that NMC will continue to be the licensing authority."

Speaker Babauta: The way I read this, it is the same. I do not think they need license because even if this Initiative is not yet ratify before the next election. Otherwise, even if its ratified, the last sentence on page 2 clearly says that it should be the higher education commission which shall be established by law but until such time that we have establish a commission to govern. I do not think anyone in its right mind would just license a University or a College for that matter.

Vice Speaker Quitugua: Yes, Mr. Speaker, but the Minority Leader is taking the extra precautionary measure just in case this is ratified and a post-secondary institution comes in and wants to apply to establish an institution here.

Speaker Babauta: Well, clearly the Constitution compels the Legislature to establish one as any other provisions of the Constitutions that are ratified by the people. It compels the body to enact one statutorily.

Rep. Palacios: Perhaps, Mr. Speaker...[inaudible]

Speaker Babauta: Short recess.

The House recessed for lunch at 2:54 p.m.

**RECESS**

The House reconvened at 3:03 p.m.

Speaker Babauta: We are back to our plenary session. We are still discussing H. L. I. NO. 15-1. Further discussion. Representative Yumul.

Rep. Yumul: Thank you, Mr. Speaker. Before we continue, I would like to make a motion to suspend Rule V, Section 8 of the House Rules.

Speaker Babauta: Representative Deleon Guerrero requested to be excused. He has tomato ketchup on his tie. Before we vote, it requires  $\frac{3}{4}$  of the members present and voting so  $\frac{3}{4}$  of sixteen is twelve. Roll call.

The roll called on the motion to pass H. L. I. NO. 15-1 on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	absent
Rep. Candido B. Taman	absent
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: Thank you. By a vote of 16 “yes” H. L. I. NO. 15-1 hereby passes the House and meets the Constitutional required votes of 16 “yes” on First and Final Reading.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, for the passage on First and Final Reading H. B. NO. 15-76.

The motion was seconded.

H. B. NO. 15-76: A BILL FOR AN ACT TO AMEND TITLE 4, DIVISION 5, CHAPTER 5, BY ADDING A NEW ARTICLE 6 TO ENSURE THAT ALCOHOLIC BEVERAGES BOTTLED OR IMPORTED FOR SALE IN THE COMMONWEALTH CONTAIN HEALTH WARNINGS ON THEIR CONTAINERS IN COMPLIANCE WITH FEDERAL LAWS AND REGULATIONS AND TO ENSURE THAT THE COMMONWEALTH DEPARTMENT OF COMMERCE, DIVISION OF ALCOHOL BEVERAGE AND TOBACCO CONTROL HAS THE POWER TO ENFORCE THE REQUIREMENT FOR SUCH LABELING; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. Representative Yumul.

Rep. Yumul: I have an oral floor amendment.

Speaker Babauta: Proceed.

Rep. Yumul: On page 3, line 4, after domestic products, insert, “except for Tuba.”

Rep. Tebuteb: Point of clarification, Mr. Speaker.

Speaker Babauta: State your point.

Rep. Tebuteb: What Tuba, can you be more specific?

Rep. Ogo: Mr. Speaker, can we get the scientific name for that?

Speaker Babauta: Short recess.

The House recessed for lunch at 3:08 p.m.

### **RECESS**

The House reconvened at 3:15 p.m.

Speaker Babauta: We are back to our Session. I recognize Representative Yumul to clarify his oral floor amendment.

Rep. Yumul: Thank you, Mr. Speaker. I would like to clarify my oral floor amendment. After domestic products, put a new paragraph, “Except traditional alcoholic beverage (TUBA).”

The oral floor amendment was seconded.

Speaker Babauta: Discussion on the motion. Vice Speaker.

Vice Speaker Quitugua: Mr. Speaker, I think it’s just fitting to include the words, “locally produced” because we do not want Tuba drinks to be coming in from other places outside of the Commonwealth without any labels. That may be dangerous for us here.

Speaker Babauta: I would recognize that subsidiary motion to clarify. Continue the clarification, Vice Speaker.

Vice Speaker Quitugua: That is my comment if the mover of the previous amendment can withdraw his amendment and insert the words, “locally produced.”

The Chair recognized Representative Yumul.

Rep. Yumul: Mr. Speaker, I do not have a problem with that subsidiary motion. Just as a note that we are in Subsection (a), which is the domestic products. There is a Subsection (b), which is the imported. I believe the Vice Speaker’s comments would actually fall under imported if produced outside of the CNMI.

Speaker Babauta: Clarified, Vice Speaker?

Vice Speaker Quitugua: Okay.

Speaker Babauta: So the amendment now would read, “Except traditional produced alcoholic beverage (i.e., TUBA). Discussion. Representative Tebuteb.

Rep. Tebuteb: Can you clarify that again? I believe the Vice Speaker mentioned locally so that means we are not going locally but traditional? Is that correct?

Rep. Ada: Correct.

Rep. Tebuteb: Thank you, Representative Ada.

The Chair recognized Representative Ogo.

Rep. Ogo: Mr. Speaker, I just want to clarify to the Manamko in this Chamber because there are two types of Tuba. One is the sweet one and the strong one. Which of the two is alcohol?

Speaker Babauta: Both.

Rep. Ogo: I do not think that the sweet one contains much alcohol unless you ferment it. Is there a law that states that TUBA should not be sold to minors? I have never seen any of that.

Speaker Babauta: This is exempting the locally produced...

Rep. Ogo: So how do you describe TUBA as an alcohol? If there is no law that says that TUBA is an alcohol then how do we ever get into thinking to include TUBA as an alcohol?

Speaker Babauta: Well, traditionally it has been considered as a famous pass time alcoholic beverage before Pap smear, Olympia and Kirin Beer and Asahi were introduced.

Rep. Ogo: Mr. Speaker, but like I said, the sweet one is not really considered an alcohol.

Speaker Babauta: Let me yield to Representative Kaipat.

Rep. Kaipat: I think my good colleague from Rota; your concern would be addressed if this bill calls for the labeling of the TUBA, but it actually exempting it. So you do not have to worry about defining it. This is exempting and we are not calling for the labeling of it.

Speaker Babauta: Ready.

The oral floor amendment offered by Representative Yumul was carried by voice vote.

Speaker Babauta: Motion carries. Now we are discussing H. B. NO. 15-76, HD1. Clerk, roll call.

The roll called on the motion to pass H. B. NO. 15-76, HD1 on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	absent
Rep. Candido B. Taman	absent
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: H. B. NO. 15-76, HD1 hereby passes the House on First and Final Reading. Floor Leader, H. B. NO. 15-34, CS1.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, for the passage on First and Final Reading H. B. NO. 15-34, CS1.

The motion was seconded.

H. B. NO. 15-34, CS1: A HOUSE BILL FOR AN ACT TO PROHIBIT THE IMPORTATION OF USED TIRES AND SALE OF IMPORTED USED TIRES IN THE COMMONWEALTH; AND FOR OTHER PUROSES.

Speaker Babauta: Discussion. Representative Yumul.

Rep. Yumul: Thank you, Mr. Speaker. I have a floor amendment and it was passed out earlier.

The floor amendment offered by Representative Yumul was seconded and carried by voice vote.

Speaker Babauta: Motion carries. Now we are discussing H. B. NO. 15-34, CS1, HD1. Clerk roll call.

The roll called on the motion to pass H. B. NO. 15-34, HS1, HD1 on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	absent
Rep. Candido B. Taman	absent
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: H. B. NO. 15-34, HS1, HD1 hereby passes the House on First and Final Reading. Floor Leader.

Floor Leader Deleon Guerrero: Mr. Speaker, I have a suggestion here from the Ways and Means that we entertain H. B. NO. 15-95.

Speaker Babauta: Without objection, suspension motion, Floor Leader.

Floor Leader Deleon Guerrero: I move that we place, H. B. NO. 15-95 on today's Order of Business.

Speaker Babauta: I guess we need to dispose one more then we dispose that because we need suspension of rules. Continue with H. B. NO. 15-35.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, for the passage of H. B. NO. 15-35, CS1.

The motion was seconded.

H. B. NO. 15-35, CS1: A HOUSE BILL FOR AN ACT TO AMEND THE ENFORCEMENT AND PENALTIES OF ALCOHOLIC BEVERAGE CONTROL VIOLATIONS; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. Clerk roll call.

The roll called on the motion to pass H. B. NO. 15-35, HS1 on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
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Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	absent
Rep. Candido B. Taman	absent
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: H. B. NO. 15-35, HS1 hereby passes the House on First and Final Reading.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, for the suspension of Rule IX, Section 9, 10 and 11 for the placement of H. B. NO. 15-95.

The suspension motion to place H. B. NO. 15-95 on the Calendar was seconded and carried by voice vote.

Speaker Babauta: Motion carries. Passage motion.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, for the passage on First and Final Reading, H. B. NO. 15-95.

The motion was seconded.

H. B. NO. 15-95: A HOUSE BILL FOR AN ACT TO APPROPRIATE \$50,500 FROM THE FIRST SENATORIAL DISTRICT SOLID WASTE MANAGEMENT FUND; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. Representative Palacios.

Rep. Palacios: Thank you, Mr. Speaker. I have some oral amendments to offer, Mr. Speaker. On line 2, page 1. After the word "equipment" on line 2, strike out the comma (,) and put after equipment, "heavy equipment parts." I am offering an amendment on line 2, page 1, after the word "landfill heavy equipment" it should read, landfill heavy equipment parts". Further on line 10 also should read, "landfill heavy equipment parts". So moved, Mr. Speaker.

Speaker Babauta: Discussion on the oral floor amendment.

The oral floor amendment offered by Representative Palacios was seconded and carried by voice vote.

Speaker Babauta: Motion carries. Vice Speaker.

Vice Speaker Quitugua: Just a legal question because in the Fourteenth Legislature, we were trying to appropriate some funds under the bill and we were told that we could not because unless we passed a new budget. I just want to know whether this bill or are we consistent with that statement by the legal counsel in the Fourteenth Legislature?

Speaker Babauta: Representative Ogo, please respond.

Rep. Ogo: I know that the question is being referred to the legal counsel, but earlier I had a conversation on this issue with Legal Counsel Bermudes and he mentioned that all of these are local revenues in actuality. 10% part of that Public Law 13-42 is given to Rota and 10% is given to Tinian. So those are considered local revenue and I believe we can appropriate those funds. If you have further questions probably Legal Counsel may explain further, but according to Mr. Bermudes, this Solid Waste is considered local revenues. Saipan has its own Solid Waste and so does Rota and Tinian.

Speaker Babauta: The Vice Speaker earlier cited a previous legal opinion issued by our Chief Counsel that says that no general fund can be appropriated for others other than what is stipulated here like CIP's and what we are trying to do here except local generated revenue and earmarked local revenue. Unless we are appropriating from the general fund then this is in violation of the Budgeting Act and primarily the Constitution that requires a balance budget appropriation. I understand that you have already verified with our Chief Counsel?

Rep. Ogo: Yes, Mr. Speaker. Basically if you look at it, Solid Waste Revolving Fund is a local revenue generated fund pursuant to Public Law 13-42.

The Chair recognized Representative Palacios.

Rep. Palacios: Mr. Speaker, could we have a five-minute recess so I can pull out Public Law 13-42.

The House recessed for lunch at 3:33 p.m.

### **RECESS**

The House reconvened at 3:41 p.m.

Speaker Babauta: We are back to our plenary session and we are still discussing H. B. NO. 15-95, HD1. Representative Palacios.

Rep. Palacios: In defense of my colleague from the First Senatorial District, I believe in looking at the Public Law where he is sourcing his funds from, it is in line and it is legal that the First Senatorial has funds and could be appropriated specifically for their Solid Waste Management Program. Just make sure that it is not for Little League.

The Chair recognized Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. I do understand the intent and I do support the bill but just a minor question on the payment of clean up outstanding obligation. I am just wondering how much do we have? Is \$50,000.00 enough and should we go ahead and increase the amount in this bill?

Rep. Ogo: It is more than enough, Mr. Speaker. The request of the Department of Public Works Acting Resident Director is minimal but the priority here is to have the heavy equipments up and running along with fuel to cover the open dumpsite on Rota so we can minimize the fly infested area. We really need the constant covering of the open dumpsite until such time that Rota is provided by the current administration \$12 Million to have their own Sanitary Landfill. Thank you, Mr. Speaker.

Rep. Tebuteb: It is nice to know that we have minimum obligation or due payment but I did not get the correct answer or is that the correct answer as minimal?

Rep. Ogo: Colleague, I do not have the correct exact amount but within that \$50,000.00, I think the obligation is more than enough to pay off previous obligations for those vendors.

Rep. Tebuteb: Again, I do support the bill, but it is just that I am wondering if it is really enough. As far as I understand, there were also payments to the Feds on the clean up from Typhoon Pongsona or is this exclusive?

Rep. Ogo: Mr. Speaker, if I am not mistaken, according to the Acting Director of Public Works, there are parts of the clean up process that FEMA is able to subsidize. However, they have classification and part of this, there are amounts that FEMA cannot pay and I believe it is less than \$50,000.00 and those classification falls under "B" and "C" under the FEMA standards. FEMA could only fund the "A" category but the "B" and "C", according to the Acting Director, those are supposed to be by the department. So that is their request.

Speaker Babauta: Are you alluding to the local matching of FEMA?

Rep. Ogo: Yes, Mr. Speaker, but part of this "Pongsona" obligation cannot be covered. Some of the vendors requesting for payment...[End of tape 2]

[Beginning of tape 3]

Rep. Ogo...all certain vendors that are not covered under FEMA.

The Chair recognized Representative Kaipat.

Rep. Kaipat: I believe that now I understand it and the members do also.

Speaker Babauta: If you look at the attachment in the back, I guess the payments of the vendors and the beautification projects is continued to be an un-ended programs. So we have one from Public Law 14-61, 14-70 and now we are having another one, which is which?

Rep. Palacios: And this leads me to my next question, Mr. Speaker.

Speaker Babauta: Let me recognize Representative Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. I would like to offer an oral amendment to change the sentence on line 11 to say, “of outstanding clean up obligations”. Switch the “clean up” and “outstanding”.

Speaker Babauta: Discussion.

The oral amendment offered by Representative Kaipat was seconded and carried by voice vote.

Speaker Babauta: Motion carries. Vice Speaker.

Vice Speaker Quitugua: Again, Mr. Speaker, this is just a legal clarification. During the Fourteenth Legislature, there were bills that we were asked to recall so that we could strike off the sentence, “funds appropriated by this Act shall not be subject to Fiscal Year limitation.” Is this a different interpretation now in the Fifteenth Legislature?

The Chair recognized Legal Counsel Villagomez.

*Legal Counsel Antonette R. Villagomez: I am not sure if we are talking about the same thing, but I believe that sentence that you are referring to on line 15 was basically a sentence that the previous administration did not like. I guess the previous Governor did not like to have appropriation bills not be subject to Fiscal Year limitation. So I think that was his recommendation not to include it. I believe he was not vetoing bills but line iteming parts of the bill. But again, in my opinion, it is the purview of the Legislature whether or not you want to include a Fiscal Year limitation or not but then again, the Governor will be the one approving this bill so it will be up to him in the end. I believe it was just a policy. I did not receive any formal memorandum regarding the legal restriction on any Fiscal Year limitation or reprogramming provisions of appropriation bills.*

Vice Speaker Quitugua: It is not under the budget?

*Legal Counsel Antonette R. Villagomez: Not that I am aware of. We can take another recess and come back and verify because I cannot say for sure. I am just speaking from what I recalled regarding that issue.*

Vice Speaker Quitugua: Mr. Speaker, I support the bill but just to make sure that after all these efforts and passage, the Governor would veto it saying that because of this phrase “Fiscal Year limitation” and...

Speaker Babauta: To clarify, Representative Palacios.

Rep. Palacios: I would recommend that we take it away or take it out because this is an operational cost and it should be...when you have an operation within a Fiscal Year, it cease to exist. We usually put this phraseology in CIP projects, which extends over and beyond a fiscal year. So I would suggest and let me make that amendment to delete on line 15 to delete, “nor subject to fiscal year limitation.” Delete that out and put a period (.) after reprogram.

Speaker Babauta: Discussion on the oral floor amendment. Representative Ogo.

Rep. Ogo: Mr. Speaker, with that striking out of that oral amendment, I believe that if the Governor signs this, it would only take a month to finish the \$50 k. Thank you, Mr. Speaker.

Rep. Palacios: If you really need it then you would finish it.

The oral floor amendment offered by Representative Palacios was seconded and carried by voice vote.

Speaker Babauta: Motion carries. We are still discussing H. B. NO. 15-95, HD3. Representative Waki.

Rep. Waki: Thank you, Mr. Speaker. When we look back at some of the use of the Revolving Fund during Fiscal Year 2004 and 2005, if the Solid Waste Project is really important, why is it that \$262,000.00 in Fiscal year went to various program, \$247,000.00 in Fiscal Year 2005 went to beautification projects and then appropriate \$90,000.00 for Landfill equipment and Typhoon vendor payments after the fact that they could have used the \$500,000.00 prior? It is interesting that there is only \$53,000.00 left in the account and we are going to appropriate \$50,000.00 but we do not know where is it going? It is understandable if it is for equipment but do we have the numbers? We love to give the money over but it is nice to know if we have \$20,000.00 in parts needed and \$30,000.00 for vendor payments and who is it going to, but I just wonder where all these money is been going to various projects other than the landfill? To me it is just like, I do not even think that this money is going to the landfill. That is just what I feel and I am sorry Representative Ogo, but I just do not see that the money is been spend wisely in the last two years. Now, you need \$50,000.00 but you do not know how much really are you going to spend so I just do not feel that you have justified enough at least to me. I am sorry but that is just the way I am and I need to know what you are going to use it for. If you do that then I am in agreement to do it but I do not see any numbers and you are willing to use up \$50,000.00. Why not just use up the \$53,549.00? It is there. Why leave anything in it? Just take it, but the bottom line is I would like to know where is it going to go. You can give the programming authority to the Rota Resident Director of Public Works but he can take it and put it in some other projects and not into the landfill. That is my only concern. I appreciate the report but I am just worried because \$500,000.00 went into something else and not to the landfill and the vendors of Pongsona, which was three years ago. It just makes me wonder sometimes. That is just my concern and if you have an answer for me, it would be nice because I am just kind of worried as to where this money is going to this time.

The Chair recognized Representative Ogo.

Rep. Ogo: Let me just try to justify this peanuts money, Mr. Speaker.

Speaker Babauta: Proceed with the peanuts justification.

Rep. Ogo: Like I said, once the Governor signs this, it would just evaporate like nothing. Basically, we have heavy equipment that is sitting there that needs to continuously cover garbage on the island of Rota so when you go there, you do not see any garbage in front you. Okay. We need fuel to keep this running. We need about \$10 to \$15 Thousand dollars on heavy equipment parts. That is as far as I know. We do not know if they need more parts, but I understand that they need to purchase parts to have the heavy equipment running. To run the equipment every other day takes a lot of money and fuel. So just those two alone will probably cost \$20 to \$30 Thousand and you are left off

with \$20,000.00 and they would probably use that to pay the vendors that have been waiting for the past two years. Like I said, this peanut money will evaporate in about a month after the Governor signs it into law. Basically, the appropriation just states right there as to what are they going to be used for.

Speaker Babauta: Maybe to shorten the discussion on this and apiece our colleagues concern, would you be kind enough to request from Rota primarily DPW to give this House a copy of what is pending from Public Law 14-61 and Public Law 14-79 as it pertains to this legislation?

Rep. Ogo: The amount available?

Speaker Babauta: No. What has been paid out of those appropriations and what H. B. NO. 15-95 intents to...

Rep. Ogo: That is not a problem, Mr. Speaker. I will specifically request for those.

Speaker Babauta: We sincerely appreciate that. Continue Representative Waki.

Rep. Waki: Thank you, Mr. Speaker. Like I said, whenever we are going to even make out a Purchase Order to buy anything, you get a quotation. Usually when you are going to pay for an invoice, you have an invoice. We can appropriate money all the time and maybe this is an old habit we had just to give the money because it is there, but I think we should try to be a little bit more physically what they call it responsible and just get the numbers, payments and the money that we need to make. If it is not enough and it is just peanuts then at least we see that it is peanuts. But I am saying that you are talking about clean-up outstanding obligation from Typhoon Pongsona, which was over three years ago and the \$500,000.00 did not go to any of that. That is why I am questioning it because the money was appropriated for different reasons and now after the fact, people are still waiting for payments. I am just saying that we need to really just say that the money is going to here and if it is not enough then it is fine but we will look for some money later on from somewhere else. I want to see it go to where it is suppose to go. That is all. Nothing more. Nothing less. Thank you.

Speaker Babauta: Thank you for that healthy concern. Representative Dela Cruz.

Rep. Dela Cruz: Thank you, Mr. Speaker. I guess Congressman Waki is just wanting to find out what kind and how much peanuts is going to be bought for \$50,000.00.

The Chair recognized Representative Torres.

Rep. Torres: Thank you, Mr. Speaker. I am supporting this bill but I think that if the Governor sees this bill, he would probably send us a letter officially that we restrict him on Public Law 15-1 and here we are appropriating. Siempre ilek-na in restrict yu ya hamyo man gugupot. Thank you.

Speaker Babauta: Noted. Representative Yumul.

Rep. Yumul: Thank you, Mr. Speaker. This is just in light with Congressman Waki's comments. It is true that we should as much as possible try to itemize in a perfect world and the way the Legislature and the Administration operates. Sometimes you cannot just put numbers in specifically

for a purchase of collateral equipments and what not because as you know, this bill could be entertain today but it could be sign into law many months from now, and when that happens, pricing is subject to change as we all know, Matson like to increase fuel surcharge. Although I understand his comments that it is good to see everything broken down but again at the same swing, we need to be also cognizant that prices are not subject to stay in one particular area. We see prices fluctuate like in fuel jumping up and down within a matter of weeks. Although, I do like his comments, it is very important that we do get some kind of justification. I do caution the members that if we are going to be making appropriations bill that we try not to be specific to the penny otherwise we run into this problems coming back and making further amendments. Thank you.

The Chair recognized Representative Palacios.

Rep. Palacios: Thank you, Mr. Speaker. I share the concern brought by Representative Waki in almost a totally different way. I am the author of Public Law 13-42, which created the Solid Waste Revolving Fund, and we did it with a lot of heavy heart in the Thirteenth Legislature because what it did was impose additional excise tax specifically to address our dump or to make the Saipan landfill operational. That was a requirement otherwise EPA at the time was not going to permit or issue a license to operate the landfill because they wanted some assurance that we will have adequate funding to operate the landfill. That is why we went ahead and created what is termed as Beautification Tax, but in actuality it was not really a beautification tax but it was to fund the operation of the landfill and the other solid waste management program. Over the years in the last four years, every year, I stand in front of the Legislature whenever I see an appropriation, which is highly inappropriate for other funding of other things aside from the actual Solid Waste Management System. I share Congressman Waki's concern. The First Senatorial District have in the past done a wholesale appropriation completely with no connection or whatsoever to a Solid Waste Management Program; buying cars and all that, but I am happy to see that this appropriation is specifically for the open dump in Rota. Whenever the First and Second Senatorial District appropriates funds, I say it is there slush fund. You would not believe what they use or how they use some of this money for, but at least today, I can say that I will support this because it is for the operations of their dump. I hope that we do not see appropriations for any other various projects other than addressing the solid waste management program. That is what this fund is for. Thank you.

Speaker Babauta: I understand also that recently the Office of Public Auditor have established a permanent office in Rota so I guess we should not be bothered about the \$50,000.00 anymore. Representative Yumul, another amendment?

Rep. Yumul: Mr. Speaker, just as a final note. I know that there are a lot of questions here coming from the members of this House should we then consider putting in another section to mandate that the Department of Public Works make a report upon completion of this expenditure to provide to us the Legislature within one year.

Speaker Babauta: Representative Palacios, is that in the original provision of the enabling?

Rep. Palacios: No.

The Chair recognized Representative Waki.

Rep. Waki: Given the fact that based on what Congressman Palacios was mentioning that at least it is going towards the bill set aside for the Solid Waste, and even though it is peanuts, I will support it. That is not a problem but I just wished that in the future that we have a little bit more information to help us make these decisions but if nothing else, a report may not be necessary and we just hope that the money is strictly used for solid waste. Please understand that \$50,000.00 is never peanuts. \$50,000.00 is Fifty Thousand and a lot of people in any Senatorial District could use that for different programs for assistance. I will tell you that it is not a drop in the bucket right at this point in time, and \$50,000.00 is Fifty Thousand. Thank you.

The Chair recognized Representative Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. I think we are all in agreement here that as long as this money over much it is being expended for its intended purpose then it is not a problem, and I believe that our Honorable colleague from Rota did say that it is not a problem for him to provide further information on the justification. So I think that if you just provide that then there should not be any problem. As we said, there are safeguards build into this and I am sure that you are going to assure or ensure that as this money is disbursed that they obviously follow the law. Thank you.

The Chair recognized Representative Ogo.

Rep. Ogo: Basically, Mr. Speaker, I just want to share to everyone that I have trust and faith on our Resident Director of Public Works that he will do follow Section 2 of this bill. Thank you, Mr. Speaker.

Speaker Babauta: Thank you. We are now voting on H. B. NO. 15-95, HD3. Clerk, roll call.

The roll called on the motion to pass H. B. NO. 15-95, HD3 on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	absent
Rep. Candido B. Taman	absent
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: H. B. NO. 15-95, HD3 hereby passes the House on First and Final Reading.

## MISCELLANEOUS BUSINESS

None

## ANNOUNCEMENTS

The Chair recognized Representative Ada.

Rep. Ada: Wednesday afternoon...

Rep. Ogo: Mr. Speaker, on Wednesday afternoon is Ways and Means at 1:30 p.m.

Rep. Ada: So can we do it in the morning, please for Commerce and Tourism?

Speaker Babauta: You check whose day is that then you can arrange.

Rep. Ada: No. I will stick to my day but what happens if beyond our circumstances that we cannot meet on Monday?

Speaker Babauta: Okay then discuss with the Chairman of Ways and Means if you can have it on Wednesday morning.

Rep. Ada: Okay.

The Chair recognized Representative Tenorio.

Rep. Tenorio: Mr. Speaker, under Miscellaneous.

## MISCELLANEOUS BUSINESS

Rep. Tenorio: Mr. Speaker, I think it is timely that we call the Chairman and the Executive Director for the Retirement Fund to maybe assess the Legislature of what is going on. There are some rumors going around that there may be payless paydays for the retirees and we want to know what is going on before that happens. I would like to request the Chair if he could make the arrangements...

Speaker Babauta: So noted. The Chair would make the request. Representative Torres.

Rep. Torres: Mr. Speaker, to add to what Representative Tenorio's request. Can you expedite that invitation because I understand that the Administrator has been given a walking paper already, which might not be able to accommodate us?

Speaker Babauta: I would do that request depending on their schedule too. Representative Waki.

## ANNOUNCEMENTS

Rep. Waki: Just a reminder that tomorrow at 11:00 a.m is the funeral for Ms. Bobby Arriola Mizutani's mom. She has been a long time employee here in the Legislature and we appreciate your attendance at the funeral at the Cathedral. Thank you very much.

The Chair recognized Representative Palacios.

Rep. Palacios: Thank you, Mr. Speaker. Just a request for the Chairman of Commerce and Tourism, I think I have five legislations in your committee. Could you be so kind and check on them and see how they are doing since you are meeting this week? Thank you.

Rep. Ada: We have a busy schedule this week and I think everybody has their own committee so I guess I do not have any choice but to schedule it for Monday in the morning.

Speaker Babauta: Who is meeting on Wednesday?

Rep. Ogo: Ways and Means, Mr. Speaker.

Speaker Babauta: Is that the Committee's day? So you want to arrange your meeting with the Chairman on Commerce and Tourism?

Rep. Ogo: No problem, Mr. Speaker, because I have mine in the afternoon.

Rep. Ada: Okay. Wednesday morning at 8:00 a.m. in my conference room.

Speaker Babauta: Once again, I would continue to urge the Standing Committee Chairs to vigorously work on bills. Anything that is not of controversy technical amendments, please see to it that we act on it immediately. Representative Torres.

Rep. Torres: Thank you. Just to remind the Chairman for Commerce and Tourism, I appeal to the Chairman to keep in mind our Silver Club bill please.

The Chair recognized Representative Yumul.

Rep. Yumul: Mr. Speaker, we are having conflicts with the Senate. They are not enthusiastic about that bill because it does not generate any revenue. It just aims to give these citizens from abroad a four-year residency. In other words, another class of nonresident but a \$200.00 fee for four-years, no revenue generations such as mandating required condominium purchase or lease. So I need to get back to our Congressman here on the real intent of the bill because it seems that we are just trying to create another class of nonresidents, but they are retirees.

Speaker Babauta: The initial investment on the Silver Market is what? \$150,000.00?

Rep. Yumul: No. Congressman Torres' bill does not address that. It just addresses that if you are over the age of 55, can show proof of retirement income, then you can be given a four-year residency. I am not sure of the mechanics but it basically allows these guys to stay for four-years with a \$200.00 fee.

Speaker Babauta: Clarify that with our Tax Code because as I understand it, it allows for a deduction or a taxable income without as it presently does.

Rep. Yumul: We are also waiting for SEDC's comments regarding these types of investors and up to date, they have not provided our office...

Speaker Babauta: Usually, the SEDC supports removing that provision from taxing investors like the Silver Market with their earned income without and that is their pensions abroad tax to be waived. So it is a lengthy debate but it is worthwhile. Please continue working on those. Chairman Ada.

Rep. Ada: I think we should meet with our counterpart from the Senate so we avoid having to introduce two similar bills. It is going to be a waste of time to try to get these two together. Thank you.

Speaker Babauta: Okay. Floor Leader, motion for recess.

Floor Leader Deleon Guerrero: So moved, Mr. Speaker, for recess subject to the call of the Chair.

The House recessed at 4:18 p.m.

Respectfully submitted,

/s/  
Sheila T. Herwin, Journal Clerk  
House of Representatives

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**APPEARANCE OF LOCAL BILLS**

**SECOND APPEARANCE**

NONE

**THIRD APPEARANCE:**

H. L. B. NO. 15-24: To amend Section 3(c) of Saipan Local Law No. 13-16; and for other purposes.

H. L. B. NO. 15-25: To name the street located in Capitol Hill, off of Savanna Road between Agrigan Lane and Guguan Drive, as "Norita Lane".

H. L. B. NO. 15-26: Naming the Port of Saipan the Capt. George F. Fleming / Port of Saipan in recognition of his contributions in the development and modernization of Saipan's seaport facility and the islands economy.





# House Journal

## FIRST REGULAR SESSION, 2006

Eleventh Day

March 31, 2006

The House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature convened its Eleventh Day, First Regular Session on March 31, 2006, at 1:38 p.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Oscar M. Babauta, Speaker of the House, presided.

A moment of silence was observed.

The Clerk called the roll and fifteen members were present; Representatives Martin B. Ada, Edwin P. Aldan, and Manuel A. Tenorio came in late.

Speaker Babauta: A quorum is duly established for today's session. Representative Ada and Representative Tenorio are on their way; Representative Aldan asked to be excused. Correction, Representative Aldan is now present in the Chamber; he is present for the record. I will call for a short recess to present a Resolution to one of our official guests in the Gallery. We would like to welcome the Public Auditor and the Senior Management Staff who are here this afternoon for the presentation of the Resolution to Ms. Deanna Atalig Sablan.

The Chair declared the House recessed at 1:40 p.m.

RECESS

Representative Tenorio took his seat in the Chamber during recess.

The House reconvened at 1:47 p.m.

### ADOPTION OF JOURNALS

None

### INTRODUCTION OF BILLS

Speaker Babauta: We are back in session. Clerk, please let the record reflect the Representative Tenorio is present. I recognized Representative Tenorio, under privilege.

Rep. Tenorio: Mr. Speaker, I would like to let the record show that I am present.

Speaker Babauta: Thank you, it is noted.

H. B. NO. 15-112: A Bill for an Act to amend Public Law 12-61 governing the deposit security required of funds of the CNMI Government and its various agencies, including autonomous entities; and for other purposes.

Offered by: Representative Joseph P. Deleon Guerrero and five others

Referred to: Committee on Ways and Means

H. B. NO. 15-113: A Bill for an Act to require the Department of Finance, Division of Revenue and Taxation's periodic inspection of sale receipts in the CNMI by amending Chapter 15, Division 5, Title 4 of the Commonwealth Code; and for other purposes.

Offered by: Representative Ray N. Yumul and one other

Referred to: Committee on Ways and Means

H. B. NO. 15-114: A Bill for an Act to mandate the Secretary of the Department of Public Works to utilize Federal Highway Administration Grants towards the design and construction of Guardrails and other highway improvements along a portion of Chalan Pale Arnold, known as 1000 Curve Road; and for other purposes.

Offered by: Representative Ray N. Yumul and four others

Referred to: Committee on Public Utilities, Transportation, and Communication and  
Committee Federal and Foreign Relations

H. B. NO. 15-115: A Bill for an Act to reduce by 10 percent the salaries pursuant to the uniform salary schedules set forth in 1 CMC § 8213; and for other purposes.

Offered by: Representative Absalon V. Waki, Jr. and four others

Referred to: Committee on Ways and Means

H. B. NO. 15-116: A Bill for an Act to amend the retirement provisions of class I members to encourage members to retire upon completing 20 years of credited service; and for other purposes.

Offered by: Representative Oscar M. Babauta and nine others

Referred to: Committee on Health, Education, and Welfare

### **INTRODUCTION OF RESOLUTIONS**

H. R. NO. 15-43: A House Resolution commemorating the Northern Marianas College's 25<sup>th</sup> Year Anniversary and Fourth Annual Charter Day Celebration, and Recognizing the College's Rich Tradition of Quality and Excellence in Post-Secondary Education.

Offered by: Representative Justo S. Quitugua and seventeen others

Vice Speaker Quitugua: Mr. Speaker, I would like to request that H. R. NO. 15-43 be placed on the Resolution Calendar. Further, I would like for it to be introduced by the Committee of the Whole.

None of the members objected.

Speaker Babauta: Without objection, so ordered.

H. R. NO. 15-44: A House Resolution requesting that the CNMI Office of the Governor and the CNMI Office of the Attorney General review and take appropriate actions in the matter of the Grant of Easement to Lay and Operate Pipeline Agreement between the Commonwealth Ports Authority and Mobil Oil Mariana Islands, Inc.

Offered by: Representative Ray N. Yumul and seventeen others

Rep. Yumul: If there is no objection, Mr. Speaker, I would like to request to place this Resolution on the Resolution Calendar and introduced by the Committee of the Whole.

Several members voiced “no objection”.

Speaker Babauta: There is no objection, so ordered.

H. R. NO. 15-45: A House Resolution to express profound recognition, honor, and commend Cecilia Teregeyo Lisua’s induction into the Northern Marianas Sports Hall of Fame on February 17, 2006.

Offered by: Representative Arnold I. Palacios and seventeen others

Rep. Palacios: I would like to invite others to join me in sponsoring this Resolution, and I would also like to ask that this Resolution is placed on today’s Resolution Calendar.

Speaker Babauta: Is there any objection to the request for introduction by the Committee of the Whole?

There was no objection raised.

Speaker Babauta: So ordered. I recognize Representative Tenorio.

Rep. Tenorio: Mr. Speaker, I would like to ask for the indulgence of the members to go back to Introduction of Bills.

The members did not object.

### **INTRODUCTION OF BILLS**

The Chair recognized Representative Tenorio.

H. B. NO. 15-117: A Bill for an Act to extend the renewal period of a long-term business certificate to five years.

Offered by: Representative Manuel A. Tenorio and one other

Referred to: Committee on Commerce and Tourism

Speaker Babauta: Any further introduction? If none, we move to Item 5, Messages from the Governor.

### **MESSAGES FROM THE GOVERNOR**

GOV. COMM. 15-56 – (3/27/06) – Certification of vacant positions for (3) Environmental Health Trainee II at the Department of Public Health.

GOV. COMM. 15-57 – (3/27/06) – Certification of vacant position for Administrative Specialist II at the Department of Commerce.

GOV. COMM. 15-58 – (3/28/06) – Certification of vacant position for Building Maintenance Man at the Department of Lands and Natural Resources.

The Chair recognized Representative Torres.

Rep. Torres: Mr. Speaker, I think there is one message that is not included in the Agenda.

Speaker Babauta: What message is that, Representative Torres?

Rep. Torres: The message by the Governor delegating the Lieutenant Governor as the manager of CUC, effective immediately. I think that message should be included in today's Agenda.

Speaker Babauta: My Office has not received an official communication yet. If there is one, I will definitely include it in the next session's Order of Business.

Rep. Torres: Thank you.

### SENATE COMMUNICATIONS

None

### HOUSE COMMUNICATIONS

The Chair recognized Representative Palacios.

Rep. Palacios: Thank you, Mr. Speaker. I would like to take note of Representative Torres' communication.

Speaker Babauta: Without objection, we will include that in today's Order of Business. For the members' benefit, the communication is numbered as HSE. COMM. 15-4, please write it down. It is a memorandum from Representative Torres to the Speaker of the House concerning the Mobil and Shell land use issue.

HSE. COMM. RES. NO. 15-4: A memorandum from Rep. Torres to the Speaker regarding the lease agreements of Mobil Marianas and Shell Marianas.

Speaker Babauta: Proceed, Minority Leader.

Rep. Palacios: Thank you, Mr. Speaker. I would like to thank the House Committee on Natural Resources and the House Legal Counsel, Mr. Catlett for a very timely response to our request for a legal opinion. I hope that we attach this legal opinion to the Resolution that we adopted last week, H. R. NO. 15-35. Thank you, Mr. Speaker.

Speaker Babauta: So noted, Minority Leader. To respond verbally to Representative Torres' Memorandum of March 31, 2006 – Just for your information, Representative Torres, the Resolution was transmitted yesterday to the Office of the Governor. We are all hoping that the Governor presently has that in his hands and have his legal team review the Resolution.

Rep. Torres: Thank you, Mr. Speaker.

There was no further discussion.

Speaker Babauta: Representative Tebuteb.

Rep. Tebuteb: Mr. Speaker, I am waiting to see if we are going down to Communications from the Resident Representative.

There was no objection raised.

**COMMUNICATIONS FROM THE JUDICIAL BRANCH**

None

**COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE**

None

The Chair recognized Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. I received an e-mail copy of a letter from the Washington Representative addressed to you and the Senate President on the Commonwealth Address. Do you have any take on that?

Speaker Babauta: Can you clarify?

Rep. Tebuteb: On the e-mail addressed to you ....

Speaker Babauta: I did reply to the Washington Representative indicating that the proposed line up of events for April 21, 2006 will be the Governor's Address followed by a short state of our utility affairs report by our Lieutenant Governor, then the Resident Representative's Report. There is a concern as to the so-called traditional method of the event. We all know that the traditional method sometimes become un-traditional in some cases. However, diplomatically I have replied to the Resident Representative that we would heed to his concern. The Senate President called me this morning wanting to have a meeting with the Office of the Governor. Hopefully, it will be squared-off by early next week or before we go into Joint Session. I recognize the Minority Leader.

Rep. Palacios: I was going to raise the same concern, Mr. Speaker. I received a copy of the same e-mail and just so that we are consistent with the House Joint Resolution, now that you have said that the Leadership of the Legislature are working on that with the Office of the Governor, I will leave it at that and hope that things are resolved accordingly in the manner that is agreeable to everyone.

Speaker Babauta: Actually, the purpose of including the Lieutenant Governor in the joint session is for the thorough information with respect to the utilities. Since he is now charged with overseeing the utilities' affairs we wanted him to report the conditions thoroughly so that once and for all the entire people of the Commonwealth and not only the Legislature are aware of our utility investment as we have built those facilities and machines in the last several decades. I hope that all of us are amenable to include him in the joint session. With respect to the order, we will work it out diplomatically. Thank you. Is there any other concern? I recognize Representative Joe Deleon Guerrero.

Rep. J. Deleon Guerrero: Just for the record also that the Resident Representative does not object to having the Lieutenant Governor present the state of CUC. I think the concern he has is with respect to the protocol, the line up or tradition and to be consistent with the Joint Resolution. That is his request.

Speaker Babauta: Thank you, Representative Deleon Guerrero. We will take a short recess for the duplication of the resolutions.

The House recessed at 2:03 p.m.

RECESS

Representative Ada took his seat in the Chamber during recess.

The House reconvened at 2:17 p.m.

Speaker Babauta: Before we proceed under Resolution Calendar, Clerk, please note that Representative Ada is now present.

**COMMUNICATIONS FROM DEPARTMENTS & AGENCIES**

None

**OTHER COMMUNICATIONS**

None

**REPORTS OF STANDING COMMITTEES**

None

**REPORTS OF SPECIAL AND CONFERENCE COMMITTEES**

None

**UNFINISHED BUSINESS**

None

**RESOLUTION CALENDAR**

Speaker Babauta: I recognize the Floor Leader.

Floor Leader F. Deleon Guerrero: Mr. Speaker, I move for the suspension of pertinent House Rules to place H. R. NO. 15-43, H. R. NO. 15-44, and H. R. NO. 15-45.

The motion was seconded and carried by voice vote.

Speaker Babauta: Floor Leader.

Floor Leader F. Deleon Guerrero: Mr. Speaker, I now move for the adoption of H. R. NO. 15-43, H. R. NO. 15-44, and H. R. NO. 15-45.

The motion was seconded.

**H. R. No. 15-43:** COMMEMORATING THE NORTHERN MARIANAS COLLEGE'S 25<sup>TH</sup> YEAR ANNIVERSARY AND FOURTH ANNUAL CHARTER DAY CELEBRATION, AND RECOGNIZING THE COLLEGE'S RICH TRADITION OF QUALITY AND EXCELLENCE IN POST-SECONDARY EDUCATION.

**H. R. No. 15-44:** REQUESTING THAT THE CNMI OFFICE OF THE GOVERNOR AND THE CNMI OFFICE OF THE ATTORNEY GENERAL REVIEW AND TAKE APPROPRIATE ACTIONS IN THE MATTER OF THE GRANT OF EASEMENT TO LAY AND OPERATE PIPELINE AGREEMENT BETWEEN THE COMMONWEALTH PORTS AUTHORITY AND MOBIL OIL MARIANA ISLANDS, INC.

**H. R. No. 15-45:** TO EXPRESS PROFOUND RECOGNITION, HONOR, AND COMMEND CECILIA TEREGEYO LISUA'S INDUCTION INTO THE NORTHERN MARIANAS SPORTS HALL OF FAME ON FEBRUARY 17, 2006.

Speaker Babauta: Discussion on any of the Resolutions by the Committee of the Whole? Clerk, please take note the that resolutions are introduced by the Committee of the Whole.

There was no discussion and the motion to adopt H. R. NO. 15-43, H. R. NO. 15-44, and H. R. NO. 15-45 was carried by voice vote.

Speaker Babauta: The motion is carried. H. R. NO. 15-43, 15-44, and 15-45 are hereby adopted.

## **BILL CALENDAR**

None

## **MISCELLANEOUS BUSINESS**

The Chair recognized the Minority Leader.

Minority Leader Palacios: Thank you, Mr. Speaker. Mr. Speaker, today is the last day of March, tomorrow is April 1<sup>st</sup>. Are we going to get a budget package from the Executive Branch soon?

Speaker Babauta: April 1<sup>st</sup>.

Minority Leader Palacios: Exactly my point.

Speaker Babauta: On a serious note, I would assure the members that the Chair would make sure that the budget package is transmitted to the legislature as required by pertinent laws. Chairman Ogo, do you have any knowledge of that?

Chairman Ogo: Yes, Mr. Speaker, during the FMC (Financial Management Committee) meeting this past Tuesday, I specifically requested for them to make sure that they provide us with the 2007 budget proposal by Monday.

Speaker Babauta: Thank you very much. You may continue, Minority Leader.

Minority Leader Palacios: Perhaps, Mr. Speaker, when we receive that and if the Chairman of the Committee of Ways and Means is to hold public hearings or deliberations on the 2007 budget proposal that H. B. NO. 15-115 is also included in the public hearing as well as S. B. NO. 15-40, which is an equivalent legislation from the Senate's side, I am hoping that it be done concurrently because it has to be done that way. The budget has to reflect the proposal under H. B. NO. 15-115 and S. B. NO. 15-40. It is a recommendation only, Mr. Speaker.

Speaker Babauta: Thank you for the recommendation, Mr. Minority Leader. I assume you are also a member of the Committee on Ways and Means and the Committee is tasked to oversee the Fiscal Year 2007 Budget. I also urge the Chair and the members of the Committee on Ways and Means to vigorously pursue the enactment of a budget. If it warrants a joint review, please do so. Thank you. We now move to Announcements.

### ANNOUNCEMENT

Speaker Babauta: I would like to announce that the Speaker received an official letter of invitation requesting for my appearance and at the same time asking the Speaker to invite all of you to join the Northern Marianas College's Silver Anniversary celebration. The institution was established 25 years ago and this will take place at five o'clock this evening at the south field, I guess it is the empty field by the NMC Gym. So if you have the time, please join the Board of Regents, Faculty, and Staff of NMC. I recognize Chairman Ada.

Chairman Ada: There will be a Commerce and Tourism Committee Meeting on Monday at 9:30 a.m. in the Committee's Conference Room.

Speaker Babauta: I believe the committees are continuously working. I assume they have committee reports for next week. So, hopefully, we will have a session next week before Holy Week.

Chairman Ogo: Mr. Speaker, I was just wondering about the referral of H. B. NO. 15-115, which is the 10% salary reduction – is it going to the Committee on Health, Education, and Welfare?

Speaker Babauta: Since you asked that question, I am now officially referring H. B. NO. 15-115 to the Committee on Ways and Means. I am tasking the Committee on Ways and Means to expediently and carefully review the legislation.

Chairman Ogo: [Tape cutoff]

Speaker Babauta: Mr. Chairman, may I also suggest that the schedule be kept intact so that the other members will reschedule whatever commitment they have so that the change in plans does not affect their office schedules too. I recognized Representative Torres.

Rep. Torres: Mr. Speaker, the Governor is asking for immediate action on this legislation by the Legislature. Why the delay?

Speaker Babauta: I have always believed, Representative Torres, in the legislative process. We can have something that is better than the input of the committee that would primarily help the committee and, of course, the rest of the House members when we deliberate on the passage of this legislation, which is a very commendable thing to do. You may continue.

Rep. Torres: Because I pledged my support to the Governor to act on whatever help he needs from us. So I am urging the members to act sooner.

Speaker Babauta: Thank you, Representative Torres. I hope that the comment you made this afternoon can be conveyed by all of us, primarily with our friends from the media who are here. Your sincerity is most appreciated by the people of the Northern Marianas. Thank you very much, Representative Torres. I recognize the Minority Leader.

Minority Leader Palacios: On one particular issue, Mr. Speaker, I know that in the 14<sup>th</sup> and even the early part of the 15<sup>th</sup> Legislature we have several private schools that are leasing public lands coming up for the proposed extension of their leases. Last week, I read in the newspaper that Kingfisher has submitted a request for the extension of its lease and I am wondering where we are at with the Department of Public Lands (DPL) whether the DPL has transmitted any communication to us regarding the lease extension. If not, then perhaps the Committee on Natural Resources needs to communicate with the Executive Officer of the DPL to find out about some of these leases. Some of these schools, in particular, are running out of time and needs to be addressed.

Speaker Babauta: Thank you for your insight and information. The last that I know is that Kingfisher is now engaging discussions with the Department of Public Lands to exercise their option and that is the extension. Probably all of us know the procedure in that the request would have to come from the Department of Public Lands to the Legislature on any lease or extension. Similarly, I would encourage the Chairman of Natural Resources to have a dialogue, unofficially, with the Department of Public Lands just to find out how soon or when is the tentative time for those requests to be presented, and take note to include the Minority Leader's concern -- I believe the Marianas Baptist Academy is one and other non-profit private institutions leasing public lands for educational purposes -- so that when we have a joint public hearing with respect to the extensions, we will hear them all at one time so that we do not have to go back and forth. I recognize Chairman Aldan.

Chairman Aldan: Mr. Speaker, I did receive a package from the legal counsel for Kingfisher. He stated that they have officially sent documents to the MPLA now Department of Public Lands for the Kingfisher lease extension proposal three weeks ago. However, I have no idea about the schools or private institutions whose leases are up for renewal. I have not received any document. According to the Department of Public Lands, the requests will come.

Speaker Babauta: Perhaps, you can give them a call after the session this afternoon and find out if you can briefly meet with them next week just to toss the idea as to the tentative time that they are planning to submit the requests to the legislature because the official request obviously would have to come from the Department itself. Thank you. I recognize Representative Taman.

Rep. Taman: Thank you, Mr. Speaker. Something keeps bogging my mind regarding H. R. NO. 15-1 and I would like to be corrected if I am mistaken. My understanding of H. R. NO. 15-1 is it is interim rules to govern the manner in which we conduct our sessions. In that same resolution, it also spells out that an Ad Hoc Committee will be established to review the interim rules and make recommendation to the House. I have not learned yet, and please correct me if I am wrong if there is already an Ad Hoc Committee that reviewed that interim rules. Otherwise are operating under interim rules up until this point.

Speaker Babauta: That reminds me to inform everybody that there is an Ad Hoc Committee officially established. I believe the Floor Leader, Representative Waki, and the Minority Leader are members. So in due time, Representative Taman, in due time. Your patience and understanding is appreciated. I recognize the Floor Leader.

Floor Leader F. Deleon Guerrero: Mr. Speaker, in that regards, for information, I am waiting until after Holy Week.

Speaker Babauta: I recognize Chairman Ogo.

Chairman Ogo: Mr. Speaker, a correction on the tentative dates for the public hearing on H. B. NO. 15-115. I thank my colleague Representative Kaipat for reminding me about Holy Week. We will have our hearing on Monday, April 10 on Rota, Tuesday, April 11 on Tinian, and Wednesday, April 12 on Saipan. Thank you.

Speaker Babauta: Thank you for recognizing that tradition. If there is no further announcement, I recognize the Floor Leader for a motion to adjourn subject to the call of the Chair.

### **ADJOURNMENT**

Floor Leader Florencio Deleon Guerrero moved to adjourn subject to the call of the Chair; it was seconded and carried by voice vote.

The House adjourned at 2:34 p.m., subject to the Call of the Chair.

Respectfully submitted,

/s/

Sheila Ann T. Herwin, Journal Clerk  
House of Representatives

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### **APPEARANCE OF LOCAL BILLS**

None