



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 59th 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 59TH 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 13th 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 and 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

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.