



House Journal

THIRD SPECIAL SESSION, 2006

ADOPTED: July 28, 2006

First Day

June 12, 2006

The House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature convened its First Day, Third Special Session on June 12, 2006, at 10:12 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 fifteen members were present. Representatives Florencio T. Deleon Guerrero, Candido B. Taman, and Absalan V. Waki, Jr. were absent.

ADOPTION OF JOURNALS

None

INTRODUCTION OF BILLS

H. B. NO. 15-134: A Bill for an Act to amend 6 CMC § 3112, the Commonwealth Anti-Loitering Statute; and for other purposes.

Offered by: Rep. Jacinta M. Kaipat

H. B. NO. 15-135: A Bill for an Act to amend the effective date of the Retirement Fund Contribution period in 1 CMC § 8362; and for other purposes.

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

H. B. NO. 15-136: A Bill for an Act to amend 6 CMC Section 1434 (b) to clarify that the offense of resisting arrest applies to those who resist arrest by parole officers of the Board of Parole; and for other purposes.

Offered by: Rep. Jacinta M. Kaipat

H. B. NO. 15-137: A Bill for an Act to authorize the Commonwealth Government to suspend the government obligations (employer contributions) owing to the Northern Mariana Islands Retirement Fund for the remainder of fiscal year 2006 and fiscal year 2007; and for other purposes.

Offered by: Rep. Justo S. Quitugua

H. B. NO. 15-138: A Bill for an Act to authorize the Commonwealth Government to offset private landowners' financial obligations to the government or acquire government property as an offset against their land compensation claims by amending Public Law 13-17; and for other purposes.

Offered by: Rep. Ray N. Yumul
Referred to: Committee on Natural Resources

H. B. NO. 15-139: A Bill for an Act to amend Title 1 CMC § 8365 to establish that the Northern Marianas Retirement Fund receive its tax revenue from the hotel occupancy tax and alcoholic container tax directly into a special fund within the Department of Finance; and for other purposes.

Offered by: Rep. Stanley T. McGinnis Torres
Referred to: Committee on Ways and Means

H. B. NO. 15-140: A Bill for an Act to amend 3 CMC § 1312(b)(2) to raise the educational qualifications of the members of the Northern Marianas College's Board of Regents (BOR); to amend 3 CMC § 1316 to provide for improved financial oversight of the Northern Marianas College (NMC) that will create a more reliable system and disclosure of collections and expenditures which will maintain fiscal stability for accreditation reasons; to amend 3 CMC § 1322 to raise the educational qualifications of the NMC President; and for other purposes.

Offered by: Rep. Stanley T. McGinnis Torres
Referred to: Committee on Health, Education and Welfare

H. B. NO. 15-141: A Bill for an Act to amend Article 3 under Title 1, Chapter 13, to provide for the Department of Public Lands to lease to the United States Postal Service and the United States International Broadcasting Bureau public lands at a minimum charge; and for other purposes.

Offered by: Rep. Stanley T. McGinnis Torres and five others
Referred to: Committee on Natural Resources

H. B. NO. 15-142: A Bill for an Act to amend Title 9 CMC § 2104 to provide for the Secretary of Finance, or his/her designee, to allow exemptions from paying vehicle registration fees for Congressional Medal of Honor and/or Purple Heart recipients; and for other purposes.

Offered by: Rep. Stanley T. McGinnis Torres and six others
Referred to: Committee on Ways and Means

H. B. NO. 15-143: A Bill for an Act to suspend the application of 4 CMC §§ 1708, 1711, and 1714 thru 1717 for a period of two years; and for other purposes.

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

H. B. NO. 15-144: A Bill for an Act to amend 2 CMC § 4483 by adding a new subsection (c); and for other purposes.

Offered by: Rep. Manuel A. Tenorio and five others

H. B. NO. 15-145: A Bill for an Act to prohibit businesses engaged in mining or extracting pozzolan from applying for a qualifying certificate by amending 4 CMC § 50202(14); and for other purposes.

Offered by: Rep. Manuel A. Tenorio and six others

H. B. NO. 15-146: A Bill for an Act to create the Second Marianas Political Status Commission; to authorize the appropriation of \$200,000 in advance funding for the operations and activities of the Commission; to authorize the appropriation of additional funds sufficient to carry out the work of the Commission; and for other purposes.

Offered by: Rep. Stanley T. McGinnis Torres

H. B. NO. 15-147: A Bill for an Act to require the Department of Public Works coordinate with government agencies to provide recycle bins to all schools and public places; and for other purposes.

Offered by: Rep. Martin B. Ada

Referred to: Committees on Health, Education and Welfare and Natural Resources

INTRODUCTION OF RESOLUTIONS

HSE. COMM. RES. NO. 15-3: To recognize and congratulate Mr. James Sison for his contributions to the CNMI community, primarily the youth, and for being an advocate of teen health issues.

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

HSE. COMM. RES. NO. 15-4: To recognize and congratulate Mr. Mark Yebra for his contributions to the CNMI community, primarily the youth, and for being an advocate of teen health issues.

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

HSE. COMM. RES. NO. 15-5: To recognize and congratulate Miss Tatiana Guevarra for her contributions to the CNMI community, primarily the youth, and for being an advocate of teen health issues.

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

HSE. COMM. RES. NO. 15-6: To recognize and congratulate Miss Semona Igama for her contributions to the CNMI community, primarily the youth, and for being an advocate of teen health issues.

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

HSE. COMM. RES. NO. 15-7: To recognize and congratulate Mr. Robert Mojica for his contributions to the CNMI community, primarily the youth, and for being an advocate of teen health issues.

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

HSE. COMM. RES. NO. 15-8: To recognize and congratulate Miss Anna Kim for her contributions to the CNMI community, primarily the youth, for being an advocate of teen health issues.

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

HSE. COMM. RES. NO. 15-9: To recognize and congratulate Miss Kimberly Sablan for her contributions to the CNMI community, primarily the youth, and for being an advocate of teen health issues.

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

HSE. COMM. RES. NO. 15-10: To recognize and commend Jacqueline Ayuyu Quitugua for her dedication to the CNMI youth and for her contributions to the CNMI community.

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

HSE. COMM. RES. NO. 15-11: To recognize and commend Sharleen B. Crisostimo for her commitment and contributions to the youth of the CNMI.

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

H. R. NO. 15-55: To recognize and congratulate Miss Joleen Togawa Salas for being the recipient of the 2006 CNMI Division of Environmental Quality's Young Environmental Hero Award.

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

H. R. NO. 15-56: A House Resolution recognizing and commending the Commonwealth Ports Authority and the Saipan International Airports Aircraft Rescue & Fire Fighting Department for recently receiving a superlative grade of A+ from the Federal Aviation Administration (FAA) Inspectors in their Tri-Annual Airport Disaster Drill.

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

H. R. NO. 15-57: A House Resolution to recognize and commend Mr. Jang Young Kuk, the owner of Jin Young Americana, Inc. for his efforts in recycling plastic bags on Saipan.

Offered by: Rep. Martin B. Ada and seventeen others

H. J. R. No. 15-6: To authorize Governor Benigno R. Fitial to reprogram and reprioritize up to \$15 Million in Section 702 Funds for the Rehabilitation of Power Plants operated by the Commonwealth Utilities Corporation, and for other purposes.

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

H. J. R. No. 15-7: To express the full support of the CNMI Legislature for the purchase of a Marine Research Vessel and for a follow-up CDBG Grant for the Marine and Environmental Sciences Research and Education Program at Northern Marianas College.

Offered by: Rep. Jacinta M. Kaipat

MESSAGES FROM THE GOVERNOR

GOV. COMM. 15-94 (5/17/06) – Certification of vacant positions for Trades Helper (6), Carpenter, Clerk I, Account II (2), Building Maintenance Man (2), Painter Foreman, Equipment Operator I, Accountant Clerk II, Master Technician, Asst. Director for Roads Y Grounds, Asst. Director for Operation & Maintenance, Asst. Director for TAHE, 702 CIP Project Coordinator, Equipment Maintenance Superintendent at the Department of Public Works.

GOV. COMM. 15-95 (5/17/06) – Certification of vacant position for Public Defender at the Office of Public Defender.

GOV. COMM. 15-96 (5/17/06) – Certification of vacant positions for Physician Assistant (2) at the Tinian Health Center.

GOV. COMM. 15-97 (5/15/06) – Certification of vacant positions for Labor Law Enforcement Trainee (2) and Clerk III at the Department of Labor.

GOV. COMM. 15-98 (5/23/06) – Certification of vacant position for Labor Law Enforcement Officer at the Department of Labor.

GOV. COMM. 15-99 (5/24/06) – Certification of vacant position for Chief of Administration at the Office of the Mayor of Saipan.

GOV. COMM. 15-100 (5/31/06) – Certification of vacant position for Response/Recovery Coordinator Assistant (restructured) at the Emergency Management Office.

GOV. COMM. 15-101 (5/31/06) – Certification of vacant position for Receptionist (restructured) at the Emergency Management Office.

GOV. COMM. 15-102 (5/31/06) – Certification of vacant position for Communications Operator (restructured) at the Emergency Management Office.

GOV. COMM. 15-103 (5/31/06) – Certification of vacant position for Geophysical Technical Assistant (restructured) at the Emergency Management Office.

Gov. COMM. 15-104 (5/31/06) – Certification of vacant position for Electronics Technician Assistant (restructured) at the Emergency Management Office.

Gov. COMM. 15-105 (5/31/06) – Certification of vacant position for Trades Helper (restructured) at the Emergency Management Office.

Gov. COMM. 15-106 (5/31/06) – Certification of vacant position for Communications Officer (restructured) at the Emergency Management Office.

Gov. COMM. 15-107 (5/31/06) – Certification of vacant position for Agriculture Quarantine Inspector I at the Department of Lands and Natural Resources, Rota.

Gov. COMM. 15-108 (5/31/06) – Certification of vacant positions for Fishery Technician (2) at the Division of Fish and Wildlife, DLNR.

Gov. COMM. 15-109 (6/2/06) – Informing the House that he has **disapproved** H. B. No. 15-60, HS1, “Fire Safety Enhancement Act of 2006”. [*Deadline for consideration 8/2/06*]

Gov. COMM. 15-110 (6/5/06) – Informing the House that he signed H. B. No. 15-29, SD1, To repeal and reenact § 2(B) of PL 14-32, and for other purposes. [**Became Public Law No. 15-11**]

Gov. COMM. 15-111 (6/6/06) – Informing the House that he signed H. B. No. 15-64, HS1, HD3, CDA-CUC Write off. [**Became Public Law No. 15-12**]

There was no discussion.

SENATE COMMUNICATIONS

The Chair recognized the Floor Leader.

Acting Floor Leader Lizama: Thank you, Mr. Speaker. Thank you, Mr. Speaker, I move to accept SEN. COMM. 15-45 through SEN. COMM. 15-60.

SEN. COMM. 15-45 (5/19/06) - Retransmitting S. B. No. 15-45, SD1, entitled, “To amend Public Law No. 15-2; and to authorize the DPL to assess mining permit fees; recognize and validate all commercial mining permits existing as of February 22, 2006; and for other purposes,” which was passed by the Senate on May 11, 2006. (*For action*)

SEN. COMM. 15-46 (5/22/06) – Transmitting a certified copy of S. R. NO. 15-11, “To commend and recognize the outstanding leadership of Mrs. Cecilia Taitano Celes in the successful coordination of the 25th Flame Tree Arts Festival”. (For info)

SEN. COMM. 15-47 (5/22/06) –Transmitting a certified copy of S. R. NO. 15-12, “Endorsing and supporting the petitions of the local farmers and fishermen on their rightful assignment to the Garapan fishing base as the venue for the Saipan Public Market and to encourage and persuade Governor Benigno R. Fitial and the Department of Lands and Natural Resources Secretary Dr. Ignacio Dela Cruz to reassess their intention of relocating said venue in the interest of the petitioners and the people of Saipan.” (For info)

SEN. COMM. 15-48 (5/22/06) – Transmitting a certified copy of S. R. NO. 15-14, SD1, “Supporting and endorsing the joint venture of J.G. Sablan Rock Quarry Inc, and Bridgecreek International corporation on the Pagan Mining Project and ask Governor Benigno Fitial to reinstate the project permit for the benefit of the people of the CNMI in its present financial turmoil.” (For info)

SEN. COMM. 15-49 (5/31/06) – Returning without amendment H. C. R. NO. 15-1, HS1 (Approving FY '07 Revenues and Resources) which was adopted by the Senate on May 30, 2006.

SEN. COMM. 15-50 (5/31/06) – Transmitting the corrected page for S. R. NO. 15-14, SD1 (See SEN. COMM. 15-48).

SEN. COMM. 15-51 (5/31/06) – Transmitting S. J. R. NO. 15-8, Commending and thanking the Honorable Daniel Kahikina Akaka, United States Senator from Hawaii, for his advocacy within the United States Senate on behalf of the people of the Commonwealth of the Northern Mariana Islands. (*For action*)

SEN. COMM. 15-52 (5/31/06) – Transmitting S. J. R. NO. 15-9, Commending and thanking the Honorable Pete V. Domenici, United States Senator from New Mexico, for his advocacy within the United States Senate on behalf of the people of the Commonwealth of the Northern Mariana Islands. (*For action*)

SEN. COMM. 15-53 (5/31/06) – Transmitting S. J. R. NO. 15-10, Commending and thanking the Honorable Jeff Bingaman, United States Senator from New Mexico, for his advocacy within the United States Senate on behalf of the people of the Commonwealth of the Northern Mariana Islands. (*For action*)

SEN. COMM. 15-54 (5/31/06) – Transmitting S. J. R. NO. 15-11, Commending and thanking the Honorable Lisa Murkowski, United States Senator from Alaska, for her advocacy within the United States Senate on behalf of the people of the Commonwealth of the Northern Mariana Islands. (*For action*)

SEN. COMM. 15-55 (5/31/06) – Transmitting S. B. NO. 15-38, SS1, To establish requirement for the use of renewable energy, energy efficient and for other energy and cost-saving measures; and to amend Title 4 of the Commonwealth Code, Division 8, by adding a new Chapter 6, Energy, Articles 2-8; and for other purposes. (*For action*)

SEN. COMM. 15-56 (5/31/06) – Transmitting S. B. NO. 15-41, SD1, To repeal the Public Employee Legal Defense and Indemnification Act 7 CMC §§ 2301-2307 (Public Law 5-12 as amended by Public Law 9-8), and to amend the Government Liability Act to provide for dismissal and/or representation of Commonwealth Employees in court actions; to clarify the extent of Government Tort Liability; and for other purposes. (*For action*)

SEN. COMM. 15-57 (5/31/06) – Transmitting S. B. NO. 15-47, To create portable individual retirement account for all new public employees who are hired on or after January 1, 2007; to provide the conditions under which certain Class I members of the Retirement Fund may transfer

from the existing defined benefit plan to the new defined contribution plan; to establish a Northern Mariana Islands Public Employees' Defined Contribution Retirement Plan; to vest the administration of the Plan with the Administrator of the Northern Marianas Retirement Fund and his or her designees; to add new Sections 8451-8478 to Title 1 of the Commonwealth Code; to add a new subsection (k) to Section 1701 of Title 4 of the Commonwealth Code; and for other purposes. (*For action*)

SEN. COMM. 15-58 (5/31/06) – Transmitting S. B. NO. 15-46, To amend the Commonwealth Code to allow persons not of Northern Marianas Descent to obtain permanent and/or long term interests in condominiums under certain circumstances and within the limits provided by N.M.I. Const. Art. XII; and for other purposes. (*For action*)

SEN. COMM. 15-59 (6/5/06) – Transmitting a certified copy of S. R. NO. 15-16, “To commend and congratulate Miss Anne Rase Atalig for graduating Valedictorian of the Class of 2006 from the Academy of Our Lady of Guam and for bringing honor and distinction to the people of the CNMI.” (For info)

SEN. COMM. 15-60 (6/5/06) – Transmitting a certified copy of S. R. NO. 15-17, “To commend Mrs. Karen Prosser for her commitment and dedication to the youth of the Commonwealth of the Northern Mariana Islands under the Junior Statesmen of America program.” (For info)

The motion to accept all the Senate Communications was carried by voice vote.

Speaker Babauta: The motion carries. I recognize the Floor Leader

Acting Floor Leader Lizama: Thank you, Mr. Speaker, suspension motion to accept pertinent rules, Rule IX, Section 11 to accept the following Senate Communications: SEN. COMM. 15-45 as S. B. NO. 15-45, SEN. COMM. 15-51 as S. J. R. NO. 15-8, SEN. COMM. 15-57 as S. B. NO. 15-47, and SEN. COMM. 15-58 as S. B. NO. 15-46.

Speaker Babauta: For clarification, Floor Leader, did you include SEN. COMM. 15-53, SEN. COMM. 15-54 and SEN. COMM. 15-55? Those are the same one as SEN. COMM. 15-51 and SEN. COMM. 15-52.

Acting Floor Leader Lizama: Yes, Mr. Speaker.

Speaker Babauta: You want to offer a subsidiary motion to include Rule IX, Section 15.

Acting Floor Leader Lizama: So moved, Mr. Speaker.

The motion to place S. B. NO. 15-45, SD1, S. J. R. NO. 15-8, S. J. R. NO. 15-9, S. J. R. NO. 15-10, S. J. R. NO. 15-11, S. B. NO. 15-38, SS1, S. B. NO. 15-41, SD1, S. B. NO. 15-47 and S. B. NO. 15-46 on today's Order of Business was seconded and carried by voice vote.

Speaker Babauta: The motion is carried. All those Senate Communications that are enumerated are hereby placed on the respective Calendar. Thank you.

HOUSE COMMUNICATIONS

DEPT. & AGENCY COMM. 15-16: (6/1/06) – From Ms. Linda Cabrera acknowledging receipt of H. R. NO. 15-52.

DEPT. & AGENCY COMM. 15-17: (5/2306) – From Ms. Linda Cabrera acknowledging receipt of H. R. NO. 15-51 and H. R. NO. 15-53.

There was no discussion.

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.

Acting Floor Leader Lizama: Mr. Speaker, we have S. C. R. NO. 15-27 reporting on H. B. NO. 15-7 and S. C. R. NO. 15-28 reporting on H. B. NO. 15-83.

The motion was seconded.

There was no discussion on the reports; and, the motion was carried by voice vote.

Speaker Babauta: The motion carries. I recognize the Floor Leader for a motion to adopt the committee reports.

Acting Floor Leader Lizama moved for the adoption of S. C. R. NO. 15-27 and S. C. R. NO. 15-28 and the motion was seconded.

S. C. R. NO. 15-27: Reporting on H. B. NO. 15-7, entitled, “To authorize the Department of Public Works to seek innovative financing pursuant to the direct assignment of FHA funds, for the financing, design, and construction of Commonwealth projects listed in the Territorial Transportation Improvement Plan (TTIP) for Fiscal Years 2006-2008; and for other purposes”. *Your Committee on Ways and Means recommends passage of the bill in the form of a substitute.*

S. C. R. NO. 15-28: Reporting on H. B. NO. 15-83, entitled, “To reappropriate \$1,400,000.00 from the Puerto Rico Dump closure under fiscal year 2003 to the Public School System for the construction of six (6) additional classrooms (2nd floor) at Garapan Elementary School, for renovation at Oleai Elementary School, and to cover the shortfall of Kagman Elementary and High School; and for other purposes.” *Your Committee on Ways and Means recommends passage of the bill as amended.*

Speaker Babauta: Discussion. I recognize the Minority Leader.

Rep. Palacios: Thank you, Mr. Speaker. The letter that I just requested to be inserted under the Miscellaneous Communication pertains and relates to H. B. NO. 15-55, which is under S. C. R. NO. 15-34. I am wondering whether we can hold off on this Committee Report. Is that okay or should we wait until the Bill Calendar.

The Chair recognized Representative Dela Cruz.

Rep. Dela Cruz: Thank you, Mr. Speaker. I am not sure or prevue to the letter that Congressman Palacios has looked at and about to disseminate. I was just going to ask for recess to see what the letter’s about.

Speaker Babauta: What we can do is continue discussion on the Committee Report and if the letter needs to be addressed then we can take it back on the Bill Calendar if that is amendable to the members.

There was no objection.

Speaker Babauta: We will continue discussing on the motion to adopt those Standing Committee Reports as enumerated by the Floor Leader and I will continue to allow discussions on any of the Committee Reports only. Ready. I recognize Representative Yumul.

Rep. Yumul: Just a minor technical on the Committee Reports. The Floor Leader forgot to include certain Committee Substitute and Drafts and if the Clerk could just take note.

Speaker Babauta: Please state your clarification to the Clerk.

Rep. Yumul: For example, S. C. R. NO. 15-29 reports on H. B. NO. 15-17, CS1, and S. C. R. NO. 15-30 actually reports on H. B. NO. 15-14, CD1. That is all, Mr. Speaker.

The Chair recognized the Minority Leader.

Rep. Palacios: Mr. Speaker, another question. On S. C. R. NO. 15-32 relative to H. B. NO. 15-114, this is regarding the guardrail on Sadog Tasi, and I believe that we had already addressed that by appropriating funds for this particular project. Maybe the Vice Speaker can clarify further.

The Chair recognized the Vice Speaker.

Vice Speaker Quitugua: That is correct, Mr. Speaker. However, I have a floor amendment to this legislation.

Speaker Babauta: I guess the consensus that was discussed during our previous session was to generalize the bill

REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

None

UNFINISHED BUSINESS

None

RESOLUTION CALENDAR

Acting Floor Leader Lizama: Thank you, Mr. Speaker I move to suspend Rule IX, Section 9, 10 and 11 for placement and adoption of HSE. COMM. RES. NO. 15-3 through HSE. COMM. RES. NO. 15-11, H. R. NO. 15-55 to H. R. NO. 15-57, H. J. R. NO. 15-6 and H. J. R. NO. 15-7, and S. J. R. NO. 15-8 to S. J. R. NO. 15-11.

The motion to suspend pertinent House Rules for the adoption of HSE. COMM. RES. NO. 15-3 through HSE. COMM. RES. NO. 15-11, H. R. NO. 15-55 to H. R. NO. 15-57, H. J. R. NO. 15-6 and H. J. R. NO. 15-7, and S. J. R. NO. 15-8 to S. J. R. NO. 15-11 on the Calendar was seconded and carried by voice vote.

Speaker Babauta: The motion carries. I recognize the Floor Leader.

Acting Floor Leader Lizama: Mr. Speaker, I move for the adoption of HSE. COMM. RES. NO. 15-3 through HSE. COMM. RES. NO. 15-11.

The motion was seconded.

HSE. COMM. RES. NO. 15-3: To recognize and congratulate Mr. James Sison for his contributions to the CNMI community, primarily the youth, and for being an advocate of teen health issues.

HSE. COMM. RES. NO. 15-4: To recognize and congratulate Mr. Mark Yebra for his contributions to the CNMI community, primarily the youth, and for being an advocate of teen health issues.

HSE. COMM. RES. NO. 15-5: To recognize and congratulate Miss Tatiana Guevarra for her contributions to the CNMI community, primarily the youth, and for being an advocate of teen health issues.

HSE. COMM. RES. NO. 15-6: To recognize and congratulate Miss Semona Igama for her contributions to the CNMI community, primarily the youth, and for being an advocate of teen health issues.

HSE. COMM. RES. NO. 15-7: To recognize and congratulate Mr. Robert Mojica for his contributions to the CNMI community, primarily the youth, and for being an advocate of teen health issues.

HSE. COMM. RES. NO. 15-8: To recognize and congratulate Miss Anna Kim for her contributions to the CNMI community, primarily the youth, for being an advocate of teen health issues.

HSE. COMM. RES. NO. 15-9: To recognize and congratulate Miss Kimberly Sablan for her contributions to the CNMI community, primarily the youth, and for being an advocate of teen health issues.

HSE. COMM. RES. NO. 15-10: To recognize and commend Jacqueline Ayuyu Quitugua for her dedication to the CNMI youth and for her contributions to the CNMI community.

HSE. COMM. RES. NO. 15-11: To recognize and commend Sharleen B. Crisostimo for her commitment and contributions to the youth of the CNMI.

Speaker Babauta: Discussion.

There being no discussion, the motion to adopt HSE. COMM. RES. NO. 15-3 through HSE. COMM. RES. NO. 15-11 was carried by voice vote.

Speaker Babauta: The motion carries. Floor Leader.

Acting Floor Leader Lizama: Thank you, Mr. Speaker. I now move for the adoption on H. R. NO. 15-55, H. R. NO. 15-56 and H. R. NO. 15-57.

Speaker Babauta: Discussion.

The motion was seconded.

H. R. NO. 15-55: To recognize and congratulate Miss Joleen Togawa Salas for being the recipient of the 2006 CNMI Division of Environmental Quality's Young Environmental Hero Award.

H. R. NO. 15-56: A House Resolution recognizing and commending the Commonwealth Ports Authority and the Saipan International Airports Aircraft Rescue & Fire Fighting Department for recently receiving a superlative grade of A+ from the Federal Aviation Administration (FAA) Inspectors in their Tri-Annual Airport Disaster Drill.

H. R. NO. 15-57: A House Resolution to recognize and commend Mr. Jang Young Kuk, the owner of Jin Young Americana, Inc. for his efforts in recycling plastic bags on Saipan.

The motion to adopt H. R. NO. 15-55, H. R. NO. 15-56 and H. R. NO. 15-57 was carried by voice vote.

Speaker Babauta: The motion carries. H. R. NO. 15-55, H. R. NO. 15-56 and H. R. NO. 15-57 is hereby adopted. I recognize the Floor Leader.

Acting Floor Leader Lizama: Thank you, Mr. Speaker. So moved, for the adoption of H. J. R. No. 15-6 and H. J. R. NO. 15-7.

The motion was seconded.

H. J. R. NO. 15-6: To authorize Governor Benigno R. Fitial to reprogram and reprioritize up to \$15 Million in Section 702 Funds for the Rehabilitation of Power Plants operated by the Commonwealth Utilities Corporation, and for other purposes.

H. J. R. NO. 15-7: To express the full support of the CNMI Legislature for the purchase of a Marine Research Vessel and for a follow-up CDBG Grant for the Marine and Environmental Sciences Research and Education Program at Northern Marianas College.

Speaker Babauta: Discussion on any of the Resolutions? I recognize the Minority Leader.

Rep. Palacios: Mr. Speaker, I would like to amend H. J. R. NO. 15-6. On the Second line of the heading, please change the number “\$15 Million” to “\$20 Million.” On line 13 of page 1, change “\$15” to “\$20 Million” and on page 2, line 13, change the “\$15 Million” to \$20 Million” and also the wording on line 12 to “Twenty Million.”

The oral floor amendment was seconded.

Speaker Babauta: Discussion on the amendment. Representative Dela Cruz.

Rep. Dela Cruz: Thank you, Mr. Speaker. On page 1, line 13, just for clarification. It says \$20 Million dollars to repair and rehabilitate power plant facilities on Saipan, Tinian and Rota. I believe Tinian is under DLT arrangement with CUC, I am not sure what repair or rehabilitation but is this the new power plant or?

Speaker Babauta: Minority Leader, do you want to respond to that clarification?

Rep. Palacios: Actually, I believe you are right. Tinian does not need to be rehabilitated so I think we can take out Tinian.

Speaker Babauta: Subsidiary motion, Representative Dela Cruz, proceed. You want to make the subsidiary motion or the Minority Leader?

Rep. Palacios: So moved, Mr. Speaker, to delete the...let me defer, Mr. Speaker, and ask my colleague from Tinian if there is something that he would like to insert.

The Chair recognized Representative Aldan.

Rep. Aldan: As we all know when Telesource took over the new power plant, there is an existing old power plant that I believe Rota has been asking to take those engines out. We have had survey on that particular engine and those engines are still running, and now for us to give it to Rota, we need to appropriate money to have them dig that thing out and ship it to Rota. It is not a small price

to pay. It is in a figure of almost half a million dollars because the oil and all those things have to be removed completely from the building. This has been a negotiation between the delegation between Rota and Tinian and we have no funding for that money.

Speaker Babauta: Probably removing Tinian from being cited on that line would allow Rota to absorb the cost since they are the receiving a point as I would assumed if they would still want to receive those engines. Let me recognize Representative Yumul.

Rep. Yumul: Mr. Speaker, perhaps maybe we can accommodate Tinian's concern by making a subsidiary motion to the first motion to instead rewrite line 13 to say, "Power plant facilities on Saipan and Rota, and government owned power plant on Tinian."

Speaker Babauta: Is that a comment or a form of subsidiary motion?

Rep. Yumul: So moved, Mr. Speaker.

The subsidiary motion was seconded.

Speaker Babauta: Can you clarify again your motion?

Rep. Yumul: Yes, Mr. Speaker. On line 13, "Power plant facilities on Saipan and Rota, and government owned power plant on Tinian."

Speaker Babauta: Any second? Discussion. Representative Ogo.

Rep. Ogo: Mr. Speaker, basically what I understand from Representative Aldan is saying and that Representative Yumul did a good amendment because the environmental clean up right after Rota takes that engine out of Tinian, that is what I believe what my good colleague's intention is to include Tinian in that funding for environmental clean up. Thank you.

Speaker Babauta: Well, this House also hopes that Rota would contribute that environmental clean up and not just leave Tinian alone hanging in the mess. Ready?

The subsidiary motion offered by Representative Palacios and Representative Yumul carried by voice vote.

Speaker Babauta: We are still discussing H. J. R. NO. 15-6 as amended and H. J. R. NO. 15-7. Ready?

The motion to adopt H. J. R. NO. 15-6 as amended and H. J. R. NO. 15-7 was carried by voice vote.

Speaker Babauta: The motion carries. I recognize the Floor Leader.

Acting Floor Leader Lizama: So moved, Mr. Speaker, for the adoption of S. J. R. NO. 15-8, S. J. R. NO. 15-9, S. J. R. NO. 15-10 and S. J. R. NO. 15-11.

The adoption motion of S. J. R. NO. 15-8, S. J. R. NO. 15-9, S. J. R. NO. 15-10 and S. J. R. NO. 15-11 seconded and carried by voice vote.

Speaker Babauta: The motion carries. Are you ready for the Bill Calendar? I recognize the Floor Leader for the suspension motion.

BILL CALENDAR

Acting Floor Leader Lizama: Mr. Speaker, I move to suspend Rule IX, Section 9, 10 and 11 for the placement and passage of H. B. NO. 15-135.

Speaker Babauta: Floor Leader, I think we acknowledge the request of the members to include H. B. NO. 15-134, H. B. NO. 15-135, H. B. NO. 15-136, H. B. NO. 15-137, H. B. NO. 15-138, H. B. NO. 15-143, H. B. NO. 15-144 and H. B. NO. 15-145.

Acting Floor Leader Lizama: So moved, Mr. Speaker.

Speaker Babauta: I think a suspension motion would be in order for the placement of those House Bills that were introduced this morning.

Acting Floor Leader Lizama: So moved, Mr. Speaker.

Speaker Babauta: You want to restate your motion, Floor Leader.

Acting Floor Leader Lizama: Short recess, Mr. Speaker.

Speaker Babauta: Short recess.

The House recessed at 10:35 a.m.

RECESS

The House reconvened at 10:50 a.m.

Speaker Babauta: We are back to our plenary session. I recognize the Floor Leader.

Acting Floor Leader Lizama: Thank you, Mr. Speaker. I move to suspend pertinent rules, Rule IX, Section 9, 10 and 11 for the placement and adoption motion on First and Final Reading on H. B. NO. 15-134, H. B. NO. 15-135, H. B. NO. 15-136, H. B. NO. 15-137, H. B. NO. 15-138, H. B. NO. 15-143, H. B. NO. 15-144, H. B. NO. 15-145 and H. B. NO. 15-146.

The suspension motion was seconded and carried by voice vote.

Speaker Babauta: The motion carries. I recognize Representative Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. Before I vote on the passage of H. B. NO. 15-145, I would just like to ask the author to give us some information on this particular bill.

Speaker Babauta: Okay. I will recognize you when we come down on that particular bill.

Rep. Ada: Privilege, Mr. Speaker.

Speaker Babauta: State your privilege.

Rep. Ada: Can you also include H. B. NO. 15-147 in today's Calendar?

There was no objection.

Speaker Babauta: With no objection, Floor Leader, could you do a subsidiary motion to include.

Rep. Ada: One more, Mr. Speaker.

Speaker Babauta: Proceed, Representative Ada.

Rep. Ada: I would like to recall H. B. NO. 15-67 from the Committee on Natural Resources.

Speaker Babauta: Can we have that number again?

Rep. Ada: It is H. B. NO. 15-67. There has been a formal letter of request.

Speaker Babauta: Can I recognize the Chairman of the Natural Resources to give its full authority on the record and on the floor.

Rep. Aldan: Mr. Speaker, the said bill has been transferred out from the said committee. We have given Representative Ada the copy and it has been signed off already.

Speaker Babauta: So in essence, you are attesting that the recall from your committee is fully authorized.

Rep. Aldan: Yes, Mr. Speaker.

Speaker Babauta: Clerk, so noted. Continue, Floor Leader on H. B. NO. 15-7 and H. B. NO. 15-83.

Acting Floor Leader Lizama: So moved, Mr. Speaker, to include H. B. NO. 15-7 and H. B. NO. 15-83.

The motion to include H. B. NO. 15-7, H. B. NO. 15-83 and H. B. NO. 15-147 on today's Calendar was seconded and carried by voice vote.

Speaker Babauta: The motion carries. Since the Floor Leader have offered the original motion under the Senate Communications pursuant to Rule IX, Section 15, S. B. NO. 15-45, S. B. NO. 15-39, SS1, S. B. NO. 15-41, SD1, S. B. NO. 15-47 and S. B. NO. 15-46 are automatically placed now in our Calendar for our action. I recognize the Floor Leader.

Acting Floor Leader Lizama: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 15-137 on First and Final Reading.

The motion was seconded.

H. B. No. 15-137: A BILL FOR AN ACT TO AUTHORIZE THE COMMONWEALTH GOVERNMENT TO SUSPEND THE GOVERNMENT OBLIGATIONS (EMPLOYER CONTRIBUTIONS) OWING TO THE NORTHERN MARIANA ISLANDS RETIREMENT FUND FOR THE REMAINDER OF FISCAL YEAR 2006 AND FISCAL YEAR 2007; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. I recognize Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: Thank you, Mr. Speaker. This bill proposes to authorize the government to suspend its obligations that it owes to the Retirement Fund for the remainder of FY 2006, which is about 3 ½ months left and for the remainder of FY 2007. We are looking at an impact and I believe that the government owes the Retirement Fund in monthly employer share of roughly \$2.6 Million a month because it pays \$1.3 Million per pay period. If you calculate that times the 15 months that it proposes to suspend, and this is not including what it has not paid to date. If I am not mistaken, it has not paid since April 1st of this year. We are looking at over \$40 Million dollars that will not be paid in employers share. Mr. Speaker and members, while I understand the issue here of how the government has not been paying its full share and how it claims it cannot pay, we cannot allow this to happen. The reason we cannot allow it to happen is because of our constitutional mandate. This is a constitutional issue for those that are not aware. Article 3, Section 20 of the Constitution says that membership in this employee retirement system of the CNMI shall constitute a contractual relationship and that accrued benefits of this system shall neither be diminished nor impaired. Members, there is a contract between the employer and the employee in this retirement system. If one party reneges does not comply with its part then there is a Constitutional violation. If it is one party as in the CNMI government fails to remit its share and it affects the benefits of the employees, that is a Constitutional violation. I can go on and on about the fiscal impacts that will happen. We have discussed this issue and we have heard it during the public hearing. I would like to ask our legal counsel to give us his legal opinion whether this bill in its current form by suspending the governments obligation, employer contribution to the Retirement Fund whether that would create a violation of our Constitution.

Speaker Babauta: Without objection, we will continue this recording and we will allow both counsels to deliberate or respond not only to Representative Deleon Guerrero but to any other member who has legal concerns. Proceed, legal counsel.

Legal Counsel Joe Bermudes: *I guess I signed my name to the bill so I am going to have to support it. You are right. Article 3, Section 20 does say that benefits shall not be diminished or impaired. If this bill goes through and the people that are getting their pension currently do not get paid then that is clearly a violation. What the bill does is it suspends the employers contribution and it is not a write-off. It will just suspend it for one fiscal year and three months and that will not affect the payment of the pension. We have heard in the past that the Retirement Fund can survive for the next ten years. The government has not been paying the employer contribution since I think 1995. Surely, the Retirement Fund has threatened to suit the government but we have not seen that happen yet. With respect to the employer contribution for example myself, I am not vested, but if at a point*

where some of us who are retired and when we get to that point where we are going to retire and they say that there is no money, then we have a cause of action against the government. Like I said, if the suspension prevents the Retirement Fund from paying the pension, those who are receiving money right now, then it is clearly unconstitutional, but like I said, the Retirement Fund can survive or pay its pensioners for the next ten years absent the employer contribution since 1995.

The Chair recognized Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: You may have touched on one of the constitutional issues that it may not be affected. However, you did not touch on the other point and that is there is a contractual relationship between the employer and the employee. As far as I am concern with this contractual relationship, the benefits of the employee are protected by the Constitution. Such benefits include employer contribution. That is one of the benefits. You start taking that away and you are affecting their rights, their benefits and therefore, it would be a violation. Secondly, regarding them not paying in the past, it is misleading what you said. There have been payments that were made. It was not to the full amount but payments have been made. Only now was there no payments period. Lastly, I want to ask...[end of tape 1 side A]

[beginning of tape 1 side B]

Rep. Joseph Deleon Guerrero:...and make it law. They have not been paying. So why make a law to say that you are authorized not to pay? Is there a legal issue here? Is it potentially liable for a suit that we have to now authorize the CNMI government not to pay its share? Why not just let them continue not to pay and whenever they can, they will? Why do we have to legalize the non-payment to the Retirement Fund?

Legal Counsel Joe Bermudes: *Again the bill is only to suspend it and the government will pay in the future. What the bill does is allows the budget authority to move some funds. That is why this bill came with other bills as a companion so that it will allow the budget authority to move some funds in the government to remedy its fiscal crisis for the remainder of the fiscal year.*

Rep. Joseph Deleon Guerrero: So you mean to say that the reason we are doing this so that we can use the general fund to provide essential public services, right? So suspend its payments to the Retirement Fund so we can address our other government obligation. Why did anybody not say so? This is not government's fund. This is the retirees' fund. Why are we tapping into that? Let us deal with the general fund in other ways. We have a bill forthcoming that I just introduced today that will provide some alternative source of funding for the government to use for its other obligations. There are other bills that have been introduced that will also address this issue. Let us not tap the retirees' fund. Let us not jeopardize and continue to bleed or to create a sinking fund. Let us not get into that. H. B. NO. 15-143 has been introduced today that will suspend tax rebate for the next two years so this government can use it to fund its other obligations. Let us not touch the retirees' fund. Let us look for other alternative resources. Thank you.

The Chair recognized the Minority Leader.

Rep. Palacios: Thank you, Mr. Speaker. Am I correct, Legal Counsel that this bill does not wipe off and indeed the government will end up owing the fifteen months of employers' contribution?

Legal Counsel Joe Bermudes: Absolutely.

Rep. Palacios: Okay. What that means and I want everyone to understand is that we will in effect increase our unfunded liability and that will be an unfunded liability to be addressed at a later date to the tune of \$40 Million dollars. The employers' contribution from the central government is \$2.6 Million a month and over a fifteen month period you will probably come to close \$40 Million. That is the figure that we will owe the Retirement Fund. Another figure that I had requested from the Retirement Fund to kind of put some of these issues into prospective is that it will then force the Retirement Fund to liquidate assets in the amount of close to \$70 Million dollars to pay pensions for this period. The Retirement Fund will be liquidating its assets to pay the present retirees over the fifteen months period. This is very important because we apparently only have close to \$490 Million dollars. If we annualize that, and hope that we do not have to come back to this issue again, but if we do, the fund benefit plan will basically be insolvent in seven or eight or maybe ten years at the most. This is a very difficult issue, Mr. Speaker, that I wrangled with over the weekend and reflected on it, fully mindful of the impact to the Fund. I was not aware that we were looking at fifteen months of employers Holiday. I thought we were looking at maybe another fiscal year and therefore, the impact will not be as high. I reflected on this issue over the weekend because as an individual elected to public office, I also have compassion to our people particularly those that are facing termination. So those are the issues that came. I hope that the number is there to pass this in this House, but I hope that we are conscious also of our obligation not just for the present employees but for those that will be retiring and those that have retired. One of the issues that I cannot resolve, Mr. Speaker and members is that with the \$40 Million dollars, this will avail \$40 Million dollars to our central government. Maybe I can ask the author because he had drafted this or have worked on it, where exactly if – perhaps there is a plan that is not attached to the legislation perhaps there is a plan as to how an what we are going to spend this \$40 Million dollars that we are taking away from the employers' contribution. What are we going to spend it on? Perhaps he can clarify that to...

The Chair recognized the Vice Speaker.

Vice Speaker Quitugua: Mr. Speaker, my intention when I was looking at this bill is that since the government is not paying its obligation to the Retirement Fund anyway because there is no money to pay, instead of continuously illegally not paying its contribution to the Fund, therefore this bill is to make the non-payment legal until such time that the government is capable of repaying what it owes to the Fund. Mr. Speaker, in the bill also, it reminds the Secretary of Finance that if there are funds identified that is collected beyond what is appropriated, that these funds go to the Retirement Fund to offset the suspension amount to the Retirement Fund.

Speaker Babauta: I guess the Minority Leader's concern was how would the \$40 Million be addressed and distributed in terms of...

Rep. Palacios: Let me clarify that, Mr. Speaker. You are right. I did not have a reservation about where I stand in the beginning on this issue, but with the issuance of the termination letters to hundreds or thousands of government employees and coincident or cleverly time it does not really matter. The fact of the matter is that we are looking at people that are going to be unemployed. So is this \$40 Million dollars specifically to ensure that these ungraded or employees continue to be employed? Is that the reason?

Speaker Babauta: Well, to clarify that, I do not know if you overheard our meeting last week together with the Secretary of Finance, Tony Muna together with the Vice Speaker, but we were assured not necessarily at personnel cost but operational costs that are to be justified towards the end of the fiscal year and the next year, I think this government is running shortfall to the tune of \$51 Million dollars by the end of fiscal year. So yes, you are absolutely correct. It would fund operational cost for our local government in the Commonwealth entirely both personnel and operational side. That was the assurance we had last week. Before I recognize the closing of the debate, I recognize Representative Tenorio.

Rep. Tenorio: Thank you, Mr. Speaker. Dididi kulan confuse yu sa mana halom talo I \$40 Million which is actually a public debt borrowing. My concern here is that, is the Retirement Fund guaranteed in the interim of this suspension period the interest for the money that is due them by virtue of the statute? Number two, that we have to dig into the funds to pay the retirees now and by doing so, you are denying them the interest from the fund alone. You are creating more problems, Mr. Speaker. I realized the necessity of addressing the issue now that we have. We all have a big problem. This government like the Governor said is broke. Yet we continue to hire people and remove people. What is happening, Mr. Speaker? I do not think this Legislature have ever been assessed of the amount of money that is saved by removing people. In fact, I think I read in the paper sometime ago that we actually are spending more money now. So where is the savings? Now we have to dig into the Retirement Fund. We have to issue out notices of termination and harass people now to come over here and check their Legislators to not let this happen. We are caught in a quack mire of problem here, Mr. Speaker. Damn if you do and damn if you don't. You got the numbers and this does not need unlike the H. B. NO. 15-132. This does not need majority of 2/3 votes. It is very simple that this would go through. You have the numbers. Is this the right way of approaching the problem? Are we out of options? Is there any investment left? We have investment coming in everyday and I read it in the paper. They are coming in and having ribbon-cuttings. What happened to the CIP Funds? There is no activity going on. Why can the government not use that to generate some economic activities? Why can they not use that CIP Funds to pay these problem? You cannot use borrowed money to pay for fuel. That is why I do not see that bill anymore which is H. B. NO. 15-132 because it will be Unconstitutional. I do not know who is the legal counsel that drafted that, but he knows very well that you cannot have public debts to pay for operational expenses. We know what is happening and this is not being piece meal. Take it away from the 2/3 majority and let it go into the simple majority vote. If you pass it, then fine. I join my colleagues, Mr. Speaker, in opposing this bill. There are other alternatives as Representative Deleon Guerrero introduced a bill along with Representative Palacios to prolong the actuarial which is something that we ought to look at instead of getting our fingers or our hands wet in this issue. We are all in and I understand the situation. Makkat linala pago. Lao ti nesesario na ufan ma harass i employees ya para ufan masangani na check i Kongresu-mu sa ottimo checho-mu otro simana. Atan, Mr. Speaker, hayi na emplyao siha manma harass ni para umana fan suha. It is those people that are making low income. Taya man harass Judges or lawyers, engineers or even the Legislature. Hita pago manma harass. Lao taya guaha. I will go through a cut if I have to go through a cut. Austerity measures, Mr. Speaker, is still what you see around and a lot of things going around that could save the government money and here is that money to pay for the power bills and what have you. We as the Minority from the very beginning worked with the government and with the administration and with the Majority by passing substantive legislation and the reprogramming authority. The Governor can use that and reprogram some of the funds to stimulate the economy.

We have resources in Pagan and a task force is supposed to address the issue, but we have resources there that is untapped. It is there to be harvested and for heaven sake, let us get this thing going. It will create employment and it will contribute to the revenue of the Commonwealth. These are the things that are positive and we should not delay for whatever reason. That is not going to hurt anybody. It is not going to hurt the taxpayers or the retirees. It is just a contrary and it will contribute to ailing economic problem. Hu fafaisen, Mr. Speaker, i man gatchong-ta siha na pot fabot hasson maolek hamyo ni esti na bill sa tatungo'-ha na makkat pinadesisiña i Gobietno-ta pago lao guaha otro na solution. Atan esti yan eyi siha ni para ufan ma introdusi pago na ega'an that we have to work on and let us hope that we can come up with something palatable for all of us at the end of the day. Thank you.

The Chair recognized Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. For the record, if the intent is really as what you have mentioned maybe it would be appropriate for us to take a break and put in the whole intent of the bill and it is a very sensitive issue. The Minority has and continue to offer solutions for the past few months and we continue to do it today like the rebate suspension, CIP and for that matter, why not MPLT. The Fiscal Year 2005, I believe the actual revenue or the revenue was at \$228 Million less \$10 Million because of debt services which gives us about \$218 Million, but the expenditure exceeded that up to \$2 Million. For the next six to eight months, I believe the report that came from the Administration pegged it at about 99 percent for the next six to eight months. So on the fiscal emergency that we face, we all understand that, but if really the intent is as such as you had mentioned, Mr. Speaker, I would suggest that we put it in that people so that we also protect the integrity of the Retirement. And if the workers are being threatened then we put that so that they are not mistreated. Thank you, Mr. Speaker.

Speaker Babauta: I guess the deliberation is official in terms of allowing our discussion be recorded and be written in the Journal so all of our statement should be part of the legislation. Ready? I recognize the Minority Leader.

Rep. Palacios: Mr. Speaker, before we go in and vote on this issue, like I said, the dynamic change when the employees were given the sixty days notice. We are all human beings and we feel each other. We are a small community. It also surprised me when there was a little bit of disappointment that we cannot guarantee that not all these people, if we pass this legislation, I believe that it is incumbent that we make sure and we guarantee that all those employees that were given their walking papers are reemployed. If we do not do this we are going to end up terminating people and I want to make sure that we need to language this that all those employees that were given their sixty day notice of termination be employed and will be guaranteed employment. That is the issue that we need to take a look at, Mr. Speaker. So can I ask for the indulgence of the members for a five minute recess so I can sit down with you, Mr. Speaker or with the Vice Speaker and offer some language to amend?

Speaker Babauta: I guess you are dealing with 1 CMC § 8100 on the various sections of the law and also 1 CMC § 7200 of the Planning and Budgeting Act. That would be tremendous impact as...I know where you are alluding to already and I foresee a substantial change that would further drag this government down later on. I urge the indulgence of the members if we can move on with this bill and we will tackle that at a later time.

Rep. Palacios: So can I offer an amendment on my own without...

Speaker Babauta: I see already that the bill is full of blue ink so I humbly request for your cooperation so that...

Rep. Palacios: Yes, Mr. Speaker, you are getting our cooperation and that is why we are engaging and...

Speaker Babauta: Of course, that is understandable.

Rep. Palacios: I do not think that it is going to change the legislation.

Speaker Babauta: I would sit here and stand with you and a commitment has been made so let us work with those commitments. There are guidelines that are established both through statutes and through rules and regulations that we do not want to divert from those guidelines primarily civil service system.

Rep. Palacios: Again, Mr. Speaker, I am trying to impress that since Friday, we gave all our ungraded contract employees their notice as required by law or regulation, but what I am saying is that they are coming here basically begging us to save their livelihood. My thought here is that, please, if we are going to pass this legislation, let us guarantee that every single one of them will not be terminated immediately, and that if their contract expires six month down the road, then the government has the authority to sit down and review its availability of fund and say, yes we have the fund and you are still an essential employee and that is the time to negotiate this, at the end of their contract. But I want a commitment and that is why they are here. If we do all this and some of them get rehired back and some of them are still terminated, it would be a big disservice both to our Retirement Fund and to those employees that are terminated. Enao ha nesisita para ta atan and if it takes three months down the road for their contract to expire and the department says, we cannot do it anymore then that is fine.

Speaker Babauta: That is the reason why I continue to prod the Committee on Ways and Means to establish and as required by our Constitution to establish an firm FTE ceilings for this government so that once and for all, we do not have to come back again and start arguing about how much do we need to fund additional FTE's or reduce FTE's. Mr. Chairman, be mindful of that and include that in your deliberation in the Committee because I think it is about time that we seriously need to address this situation because we have more payroll than services in this government. I do not know whether that equals the amount of our services that the Legislature in general that have executed programs administered by various agencies of the government and various branches would continue to have enough funds to continue those services. Let me just call for a very short recess.

The House recessed at 11:05 a.m.

RECESS

The House reconvened at 11:09 a.m.

Speaker Babauta: We are back to our plenary session. I would like to get rid of this one bill and we break for lunch and we will come back at 2:00 p.m. We are still discussing H. B. NO. 15-137 and I recognize the Vice Speaker.

Vice Speaker Quitugua: Mr. Speaker, I just want to put this on the record that if the suspension is going to alleviate the further termination of the employees that were given notices, I want to put it on record that on Thursday last week, witnessed the Minority Leader in the Senate Chamber, the Secretary of Finance and the Special Assistant for Planning and Budget, I posed the question to them that, if such legislation is passed, are these employees still going to have their jobs and it was clear a yes answer. I want to put that on record.

Speaker Babauta: Thank you. For the last time, I recognize Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: Thank you, Mr. Speaker. I want to offer an oral floor amendment on page 2, line 5 after the last word, "Act." Remove the period and insert, "with interest." So it shall read, "Provided however that in the event that a budget surplus is realized, the Secretary of Finance shall remit the identified surplus to the Fund to cover the employee contributions suspended under this Act with interest." That is because as this suspension is made, the Retirement Fund will have no choice but to touch their earnings and interest that is currently being invested to pay for this suspension. So it is only fair that when it is paid back that it also includes the interest that is due to them.

Speaker Babauta: Any second?

The oral floor amendment offered by Representative Joseph Deleon Guerrero was seconded.

Speaker Babauta: Discussion. I recognize Representative Yumul.

Rep. Yumul: At what interest rate are you recommending or is there prescribe guideline somewhere in the book?

Rep. Joseph Deleon Guerrero: I was going to say that let the Retirement Fund figure out how much interest it cost them and that shall be the prevailing rate.

Speaker Babauta: That is an oral floor amendment that he offered. Unless you want to clarify your oral floor amendment, Representative Deleon Guerrero.

Rep. Joseph Deleon Guerrero: Let me restate it. Insert, "with interest based on current prevailing rates." I would like to let the legal counsel clarify that further if it needs clarification.

Speaker Babauta: There is a motion on the floor offered by Representative Joseph Deleon Guerrero. We are still discussing the oral floor amendment. Is everybody clear with the amendment? Ready.

The oral floor amendment offered by Representative Deleon Guerrero was carried by voice vote.

Speaker Babauta: The motion carries. I recognize Representative Yumul.

Rep. Yumul: Mr. Speaker, technical amendment here. On page 2, line 1 as it reads, “1 CMC § 8362 for the remainder of Fiscal Year 2006 retroactive to March 1st.”

The oral floor amendment offered by Representative Yumul was seconded and carried by voice vote.

Speaker Babauta: The motion carries. We are now voting on H. B. No. 15-137, HD2. Clerk, call the roll.

The Clerk called the roll on the motion to pass H. B. No. 15-137, HD2 on First and Final Reading:

Rep. Martin B. Ada	yes
With repayment and interest...	
Rep. Edwin P. Aldan	yes
For our brothers and sisters...	
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	excused
Rep. Joseph P. Deleon Guerrero	no
I am sorry, I cannot...	
Rep. Jacinta M. Kaipat	
To save those who are trying to save their jobs...	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
With a heavy heart and a lot of reservation about taking funds from the Retirement Fund and impacting it so that we can at least guarantee continue livelihood of some of our people that are going to be affected if we do not, I vote “yes” and sincerely apologize to my Minority members for crossing the isle.	
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	no
With so much delivery and deliberation made on this bill, I am still not convinced that the Administration will follow through with maintaining the employees that have been served and have yet to be served. I still think that there are other measures that could be taken and my vote is, “no.”	
Rep. Candido B. Taman	excused
Rep. Ramon A. Tebuteb	yes
With reservation...	
Rep. Manuel A. Tenorio	no
Mr. Speaker, I am counting \$123 Million owed to the Retirement and I do not know how much more this would come in and I do not know in the next twenty-five years that it will be able to pay this people. There is so much that this government owes and there are other alternative that needs to be looked at. I am not sure that this is in the best interest of the retirees and the best interest of the Funds. My heart cries for those people that have been served with their papers. However I vote here is going to go through because it is a simple majority but my conscience will not let me do it so I follow my two other colleagues by saying, “no.”	
Rep. Stanley T. Torres	yes
To keep the Executive Brach honest with their promise to guarantee that no firing...	
Rep. Absalon V. Waki, Jr.	excused
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 12 “yes”, H. B. NO. 15-137, HD2 hereby passes the House on First and Final Reading. We need to take a break and we will come back at 2:00 p.m. for the remainder of the bill as suggested by the Vice Speaker and the Minority Leader.

The House recessed for lunch at 11:50 a.m.

RECESS

The House reconvened at 11:59 a.m.

The House recessed for lunch at 12:10 p.m. and reconvened at 2:43 p.m.

Speaker Babauta:...[**Tape cut off**]...For his bill to be placed on the Calendar is requesting the body to withdraw his motion and refer his bill back to the Committee that the Speaker would be assigning later on. Without objection in deferment of H. B. NO. 15-147.

There was no objection.

Speaker Babauta: Clerk, note please that H. B. NO. 15-147 is hereby introduced only. With the indulgence of the members, it is requested by the Chair to go back to item number 3 under Introduction of Bills.

There was no objection.

INTRODUCTION OF BILLS

H. B. NO. 15-148: A Bill for an Act to amend Title 4 Section 50138 of the Commonwealth Code regarding the sale of cigarettes, and for other purposes.

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

H. B. NO. 15-149: A Bill for an Act to amend parts of 1 CMC 6101 et seq., and for other purposes.

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

Speaker Babauta: Without objection we go back to item number 16.

BILL CALENDAR

The Chair recognized the Floor Leader.

Acting Floor Leader Lizama: Thank you, Mr. Speaker, I move for the passage on First and Final Reading H. B. NO. 15-135.

The motion was seconded.

H. B. No. 15-135: A BILL FOR AN ACT TO AMEND THE EFFECTIVE DATE OF THE RETIREMENT FUND CONTRIBUTION PERIOD IN 1 CMC § 8362; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. Roll call.

The Clerk called the roll on the motion to pass H. B. No. 15-135 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	excused
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	excused
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	absent during voting
Rep. Absalon V. Waki, Jr.	excused
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 14 “yes” H. B. NO. 15-135 hereby passes the House on First and Final Reading. As you may know, this is the companion bill as a result of the passage of H. B. NO. 15-137. Continue, Floor Leader.

Acting Floor Leader Lizama: I now move for the passage of S. B. No. 15-45, SD1.

The motion was seconded.

S. B. No. 15-45, SD1: A BILL FOR AN ACT TO AMEND PUBLIC LAW NO. 15-2; AND TO AUTHORIZE THE DPL TO ASSESS MINING PERMIT FEES; RECOGNIZE AND VALIDATE ALL COMMERCIAL MINING PERMITS EXISTING AS OF FEBRUARY 22, 2006; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. I recognize the Vice Speaker.

Vice Speaker Quitugua: Thank you, Mr. Speaker. I have a floor amendment on the Senate Bill.

Speaker Babauta: Please pass your amendment so that everybody could follow.

Vice Speaker Quitugua: On page 4, after Section 5, to add a new “Section 6” to be inserted. The affected subsections will be renumbered accordingly.

Speaker Babauta: Continue, Vice Speaker.

Vice Speaker Quitugua: On the floor amendment, Mr. Speaker, on Section 6, line 4 at the end of the sentence where it says Public School System, insert the phrase, “beginning January 1, 2007.”

Speaker Babauta: Vice Speaker, let us clarify this first. Would you like to offer a motion to officially amend so that we may discuss.

Vice Speaker Quitugua: So moved, Mr. Speaker.

Speaker Babauta: Discussion on the written amendment.

The written floor amendment offered by the Vice Speaker was seconded.

Speaker Babauta: Now I recognize the Vice Speaker for the oral amendment to the written amendment.

Vice Speaker Quitugua: A subsidiary oral amendment to the written amendment on line 4. After the words Public School System, remove the period and insert, “beginning January 1, 2007.”

The oral amendment offered by the Vice Speaker was carried by voice vote.

Speaker Babauta: The motion carries. We are still deliberating on the S. B. NO. 15-45, SD1. I recognize Representative Tebuteb.

Rep. Tebuteb: I am just curious on Senate Bill that says partial (a).

Speaker Babauta: Clarify that again.

Rep. Tebuteb: I am on the Senate Bill on page 4 under Section 5 on the next page on line 5. I am just curious on the partials, its designated areas and I am curious where exactly is partial (a) or all the partials.

Speaker Babauta: Representative Palacios, do you have the answer? I want to recognize Chairwoman Kaipat.

Rep. Kaipat: The area that you are referring to is the actual area that was permitted to JG Sablan, which is, if you look at a map of Pagan, and you are looking at the round part of the island, in the middle there is a skinny part there, well, half of that was permitted to JG Sablan. The lower half of that is the further divided to be (b) and (c). So “A” is the upper part. Does that answer your question, Representative Tebuteb?

Speaker Babauta: Are you satisfied? Representative Palacios, do you have that information with you?

Rep. Palacios:...[inaudible]...microphone off

Speaker Babauta: Representative Tebuteb, if you would like, we can ask Chairwoman Kaipat to continue to enlighten you and the members and all of us. Are you okay now?

Rep. Tebuteb: I guess so, Mr. Speaker.

Speaker Babauta: We are now voting for S. B. NO. 15-45, SD1, HD2. Clerk, call the roll.

The Clerk called the roll on the motion to pass S. B. NO. 15-45, SD1, HD2 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	excused
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	abstained
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	excused
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	excused
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	abstained

Speaker Babauta: By a vote of 13 “yes”, S. B. NO. 15-45, SD1, HD2 hereby passes the House on First and Final Reading. I recognize the Floor Leader.

Acting Floor Leader Lizama: Thank you, Mr. Speaker. I now move for the passage of S. B. NO. 15-38, SS1 on First and Final Reading.

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

Rep. Yumul: Thank you, Mr. Speaker. This is in regards to page 19, line 12, Article 8 under renewable energy technology tax treatment and tax credit. I believe that the Senate could not make appropriate tax credit because they are not empowered to do so in terms of giving tax credits to businesses or...

Speaker Babauta: I understand you have the amendment with you?

Rep. Yumul: Actually I do not, Mr. Speaker. It is not ready but...

Speaker Babauta: What happened nai? I thought you have it.

Rep. Yumul: I just wanted to bring that up that if we are ready to pass it as is, we can, but otherwise...

Speaker Babauta: That being the case, without objection, I would like to refer this back to the respective committee for...

Rep. Yumul: Actually, with that said, Mr. Speaker, the Senate President did say that it is okay if this goes without the tax credits. Otherwise, I could weep up something real fast right now not to exceed \$1,000.00 in the procurement of this...

Speaker Babauta: The strategy calls for you to do that and...

Rep. Yumul: I so moved, Mr. Speaker.

Speaker Babauta: As you look at the bill, the pertinent section is reserved so please crank up the bill for...we might continue Wednesday so that you can sight that section.

Rep. Yumul: It is on page 19, line 12.

Speaker Babauta: Right. That particular article is reserved for that purposes. Short recess.

The House recessed at 2:45 p.m.

RECESS

The House reconvened at 2:47 p.m.

Speaker Babauta: We are back into our plenary session. Floor Leader, can you restate your motion for SEN. COMM. NO. 15-55.

Acting Floor Leader Lizama: I Withdrawal my motion, Mr. Speaker, and place it for First Reading only.

Speaker Babauta: There is a motion on the floor for the passage on First Reading only. Any second?

The withdrawal of SEN. COMM. NO. 15-55 was seconded and passed on First Reading, was carried by voice vote.

Speaker Babauta: The motion carries. SEN. COMM. NO. 15-55 is hereby passed on First Reading only and remain on the Calendar. I recognize the Floor Leader.

Acting Floor Leader Lizama: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 15-41, SD1.

The motion was seconded.

S. B. No. 15-41, SD1: A BILL FOR AN ACT TO REPEAL THE PUBLIC EMPLOYEE LEGAL DEFENSE AND INDEMNIFICATION ACT, 7 CMC §§ 2301-2307 (PUBLIC LAW 5-12, AS AMENDED BY PUBLIC LAW 9-68), AND TO AMEND THE GOVERNMENT LIABILITY ACT TO PROVIDE FOR DISMISSAN AND/OR

REPRESENTATION OF COMMONWEALTH EMPLOYEES IN COURT ACTIONS; TO CALRIFY THE EXTEND OF GOVERNMENT TORT LIABILITY; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. Roll call.

The Clerk called the roll on the motion to pass S. B. NO. 15-41, SD1 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	excused
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	excused
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	abstained
Rep. Absalon V. Waki, Jr.	excused
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 14 “yes”, S. B. NO. 15-41, SD1 passes the House on First and Final Reading. Floor Leader.

Acting Floor Leader Lizama: So moved, Mr. Speaker, for the passage of S. B. NO. 15-47.

The motion was seconded.

S. B. NO. 15-47: A BILL FOR AN ACT TO CREATE PORTABLE INDIVIDUAL RETIREMENT ACCOUNTS FOR ALL NEW PUBLIC EMPLOYEES WHO ARE HIRED ON OR AFTER JANUARY 1, 2007; TO PROVIDE THE CONDITIONS UNDER WHICH CERTAIN CLASS I MEMBERS OF THE RETIREMENT FUND MAY TRANSFER FROM THE EXISTING DEFINED BENEFIT PLAN TO THE NEW DEFINED CONTRIBUTION PLAN; TO ESTABLISH A NORTHERN MARIANA ISLANDS PUBLIC EMPLOYEES’ DEFINED CONTRIBUTION RETIREMENT PLAN; TO VEST THE ADMINISTRATION OF THE PLAN WITH THE ADMINISTRATOR OF THE NORTHERN MARIANAS RETIREMENT FUND AND HIS OR HER DESIGNEES; TO ADD NEW SECTIONS 8451 – 8478 TO TITLE 1 OF THE COMMONWEALTH CODE; TO ADD A NEW SUBSECTION (K) TO SECTION 1701 OF TITLE 4 OF THE COMMONWEALTH CODE; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. I recognize the Vice Speaker.

Vice Speaker Quitugua: I have a written floor amendment, Mr. Speaker.

The written floor amendment was seconded.

Speaker Babauta: Discussion on the written amendment offered by the Vice Speaker? Vice Speaker, you want to highlight your floor amendment?

Vice Speaker Quitugua: On page 11, Section 8456 on “Membership in Defined Contribution Plan”, beginning with line 8 on the word, “Beginning”, the amendment reads, “Beginning on the effective date determined under Section 8454, and to the fullest extent permitted by law, the Northern Mariana Islands public employees’ Defined Contribution Retirement Plan shall be the single retirement program offered by the Commonwealth for all employees whose first time CNMI Government employment commences on or after that date.” Following that paragraph, Mr. Speaker, “Unless otherwise provided by Federal Law and Section 8457, all first time public employees who are hired on or after the effective date determined under Section 8454 shall be enrolled in the Defined Contribution Plan. A public employee who was previously a member of the Defined Benefit Plan and who has an interruption in government service but has not received any retirement benefits from the Defined Benefit Plan including but not limited to contributions withdrawals, shall be reinstated to the Defined Benefit Plan by written request upon being rehired as a public employee if that rehiring occurs within five years of the termination date of the employees most recent CNMI government employment and that employee meet the requirements of this Chapter.” After that, on the same page, Mr. Speaker, cross out line 15 all the way to line 20 where it starts with “No such new employee.” Mr. Speaker, that being in order, going down to line 26 on the same page, delete the entire section or entire paragraph starting with the paragraph, “To the fullest.” Delete the entire paragraph except for the last sentence which reads, “In all cases where a question exist as to the readmission of the membership in a retirement plan, the Administrator shall decide the question with the assistance of the plan’s legal counsel.”

Speaker Babauta: Discussion on the written floor amendment offered by the Vice Speaker.

The written floor amendment offered by the Vice Speaker was seconded and carried by voice vote.

Speaker Babauta: The motion carries. We are still discussing S. B. NO. 15-47, HD1. I recognize Representative Tenorio.

Rep. Tenorio: Thank you, Mr. Speaker. My concern here is that first of all, this is a very lengthy bill and I know that it is substantive and it would affect the existing retirement program. I just received this and I do not have the chance to even look at it, but why are they making this mandatory? Is there any reason why this has to be mandatory? What does it accomplish and what benefits or how does it affect the existing retirement program where it relies on the membership to continue the program? Is there anybody in the audience, Mr. Speaker, that could elaborate more on this?

The Chair recognized the Vice Speaker.

Vice Speaker Quitugua: My understanding, Mr. Speaker, it enhances the current or the present Defined Contribution Plan, and I believe to make the Plan more of a reliable and self sustaining.

The Chair recognized Representative Tenorio.

Rep. Tenorio: How does it affect the existing retirement program for those people that their retirement program is like a Social Security where you have people that are coming in and contribute to the program? How would that affect the existing program and where do they get their revenues?

Speaker Babauta: Let me add a little bit of the issue here or rather the concern that is raised by Representative Tenorio. What this is purported to do is cap the program, the Defined Benefit Plan as called for in the bill effective January 2007. So in essence, January 2007, any new government employee that would come in would have to be enrolled in this program. At the same time, the bill also gives choices to the present government employees, an open enrollment for a period of one-year from January 2007 to 2008 to avail themselves if they want to transfer from the Defined Benefit Plan to the DC Plan which in this case is this one. The amendment that the Vice Speaker offered is a protection provision that would allow present government employees who have accumulated and have accrued benefit to the extent of ten years below. For instance, you resign tomorrow to join a private firm for the next three years, having vested five to seven years, after three years in the private firm you want to come back, this provision that the Vice Speaker offered would allow you to go back to the retirement plan and not the DC plan.

Rep. Tenorio: There is no option here.

Speaker Babauta: There is.

Rep. Tenorio: I stand corrected, but I understand that there are some existing statutes that are earmarked for the Retirement. How does this plan proposed to distribute that to the new program and the old program. What are the mechanisms involved and are there any constitutional problem?

The Chair recognized Representative Yumul.

Rep. Yumul: Thank you, Mr. Speaker. We need to remember here that the Constitution still mandates the CNMI government to make access for retirement benefits. So the direct contribution plan in my opinion here basically says that you will have payments. The payments that you will be receiving from the Retirement Plan will be solely based on your investment, "limited." The Retirement Fund will probably give some options similar to a 401 K as to where do you want your money invested in. So if you choose wisely, obviously, your payments upon retirement age will be so much but if you did not make good choices perhaps, it might be nominal. The Constitution still says that you must receive payments so it is still protected, but as far as lump-sum the entire amount, I know you brought up the question of how the allocations will be redistributed if you guys decide to make your own investment choices or how much of your investment are you going to be able to transfer into that plan that needs to be worked out. Regardless of what we chose, the retirees will always be protected regardless whether they are in the existing plan or the define contribution plan.

Rep. Tenorio: Thank you. Mr. Speaker...

Speaker Babauta: Continue.

Rep. Tenorio: If you look at the existing retirees right now and you cut that, you require people to go into this new program, the only protection right now, we just passed a bill that will suspend the employer's contribution, and that is a huge amount plus there is a \$123 Million that we owe the

Retirement Fund, and they are digging now into the assets of the Retirement Fund. By law you are mandating everybody to start with this. Number one, would the government continue to put out its employer's share and how much and there is going to be no contribution from the new members except for those that are currently existing in government services which perhaps in a short period of time will cease to exist because either they retire or they are in that frame of – whether they are nearing retirement. The only protection that I see is their investment, their assets, but in a couple of years you are going to have to dig into that assets right now and nobody can guarantee that the investment portfolio is going to continue to be beneficial to be profitable. So to me, there is no...I hate to say this but there is no guarantee that these people who are going to retire now will even see their retirement benefits in the years to come. I mean, I might be reading this thing wrong, but that is the way I looked at it, once you start sectioning out the retirees like at a new class that we are creating here, and there is a methodologist not complete here. I am bringing this up because this is a very substantive and very important bill which in my opinion would affect tremendously the retirement program. I stand corrected, Mr. Speaker.

The Chair recognized Representative Palacios.

Rep. Palacios: Thank you, Mr. Speaker. I fully understand Representative Tenorio's concern. That legislation also that we just passed which is H. B. NO. 15-135 will help in this regards because that legislation would extent the mandate as to when we will be fully funded from forty years to sixty years. It gives us additional twenty five years from 2020. The other issues even if we are not paying and the government still owes, eventually, over the forty year period, I think that the government would begin to hopefully payback. They should be unless the Commonwealth's economy really collapse because the Defined Contribution Plan would make it affordable for the government. The extension of the date as to when we are going to fully funded would decrease the government's obligation under the Defined Benefit Plan also. So in that regards, it helps that the government would be able to catch up to its obligations.

The Chair recognized Representative Tenorio.

Rep. Tenorio: To me, the bill that we just passed, it helps the government because it spreads out the responsibility and lower down the government's contribution. It does not help the retirees at all. There is no new money coming in with this. There is no new money at all. I am looking at it from the stand point of investment and the continuity of the program. That is my worry and maybe like I said, I am not an accountant or a CPA or what, but just common sense. Thank you.

The Chair recognized Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: Forgive me if I am going to reiterate this issue but the intent of the Defined Contribution Plan is good. There is no mistaken about that. In that respect, I support it. However, and this is a big however, the problem is there are two components to this. We can go ahead with the Defined Contribution so long as we do not leave out in the cold the existing retirees and the vested employees. The way the system works, it is like a Social Security Plan. Right now existing employees pay for those that are retired. We are the ones that are paying it in. We are paying for them. When all the members come their turn when they retire, the new members would pay for them. Now, here is the problem. When you have new members that are paying into their own accounts, who will pay for us and the retirees? That is what is absent here. That is what is

silent here. When you consider that, not only is the government now doing things like suspending its payments to pay for retirees, not suspending its payment which could also go to its investment, when it does things like that and then you are going to create a new system that will add on an additional 4% to the existing liabilities. We basically just made a policy today that we are going to suspend payments. We are not sure when is it going to be paid again. We want to borrow from the Fund and so forth. In other words, the prevailing direction right now is going to eat into the fund. There is only two ways I see it to restore the existing Defined Benefit Plan. We should not forget the people that are in this plan. One is either to some miracle, the investment managers are able to balloon their interest and we will have our fund at a Billion dollars in the very near future then it can be self sustaining. But until such time that it reaches that point, there should be payment being made into this Defined Benefit Plan. We are creating a new system, ya eyi gue ileklek-na si Representative Tenorio yan si Representative Palacios, na we should look at it as a whole approach and not just piece-meal. The big question is, will the CNMI continue to fund the Defined Benefit Plan in addition to this new Defined Contribution Plan? That is the question of the day. Can we afford it?

The Chair recognized Representative Palacios.

Rep. Palacios: It will. The plan will because we are not going to do away with the Benefit Plan. We are just adding on a new plan. The Benefit Plan will continue to have members and not everybody all of a sudden be gone. They will still have members. In fact, if you read the new amendment that the Vice Speaker just came up with and we just adopted, it even allows where it amends the situation where if you are less than ten years and you quit government service and you come back, your automatically in the Defined Contribution, where this one now that we just adopted an amendment that allows you to choose which one you want. We will also have members contributing to that plan and the government's contribution to that plan on their behalf continue to pay into the fund to the Benefit Plan. Perhaps in the first, it is going to kind of shock the system with this thing, but I think it will eventually adjust itself.

Rep. Joseph Deleon Guerrero: Here is the flaw with that. You have retirees that are continuing to grow. You have current employees right now who are paying into the system for these retirees that are continuing to grow. In the future these existing employees will be retiring so you have a limited and the number will go down as far as employees paying into this plan. Who will be subsidizing the growing number of retirees? Remember, now we have stopped the system here and now we have DC Plan of which employees are going to be paying into their own accounts. Dumadankulo mas i liability ya dumikiki i man apapasi halom gi i plan. Parehu ha in terms of employee contribution guatu guine ni para u inapasi eyu siha i retirees yan i employer. Tumutunok nai siempre.

Speaker Babauta: I wonder how much can we realize also through a...of the members several years down the line.

Rep. Joseph Deleon Guerrero: Mr. Speaker, ti gof klaru yu tarabia. The Retirement Board had asked to study this matter. They do not even have a position on this matter. Enao ha para bai hu gagao na maila ya ta atan maolek.

Speaker Babauta: Representative Yumul, is this similar to 401K?

Rep. Yumul: Yes. The new plan should be. I understand the Representative's concern because everybody to my left, I can tell you, Mr. Speaker, is vested and you have got more than ten years under your belt. I am using myself as an example; I only have three years of service. So the question here really centers on people like myself who are less than ten years and what would we want. Of course, the goal is to be vested and anybody who wants to make that ten year or greater would be locked in and you cannot withdraw but if you are...I do not want to use that word trans in but if an employee only thinks of working such as the contractual employees' one year, two years or three years, of course there is going to be a lot of flux that will be coming in and going out. Some probably would not even touched their 401 K because the CNMI, when we looked at the number of businesses that offers 401 K programs, there is very little and I predict that majority of these employees will chose to leave it. Mind you also, if I were to leave at the end of this term and I cash out, I am going to pay a big tax and that is government money again right there. So the CNMI will receive that benefit. Employees again, the retirees, we have to remember the Constitution has mandated that you will be paid the Defined Benefit Plan or the system that is currently in existence. You will get your retirement based on your years of service and your vestment. You will be pretty much taken care of and everybody else would obviously try to subsidize through the payments being made in and being made out is going to be a lot of influx like what the Minority Leader said, but eventually in the long run, it will stabilize itself. Again, I do recognize your concern and I would be too if I was nearing retirement age. I would want to make sure that everything is set so that when I would start collecting retirement, I would be guaranteed that. I do feel for everybody when the Retirement Fund, every time the time of the month comes around and Retirement Fund makes comments like they cannot make it or...[end of tape 2 side a]

[beginning of tape 2 side b]

Rep. Yumul:...so I do feel for these retirees but I think in the long run it would be okay. Thank you, Mr. Speaker.

Speaker Babauta: Do you have a floor amendment that you want to offer, Representative Yumul?

Rep. Yumul: No.

The Chair recognized Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: I do not know if there is a federal law or what kind of law when you are outside of like our current CNMI retirement program, like in the private sector, even those with 401 K plans, have to pay into FICA and Social Security? Is that true? And if we do change our retirement to a 401 K plan, is that going to be a requirement?

Speaker Babauta: We opted out from the U.S. Social Security System when we adopted the Retirement in lieu of the Social Security.

Rep. Joseph Deleon Guerrero: Right, with our current system.

Speaker Babauta: So this is...

Rep. Joseph Deleon Guerrero: Going back now to...

Speaker Babauta: No. This is a separate Retirement Program for the government employees only. So in essence...

Rep. Joseph Deleon Guerrero: Ti siguru yu lokue. I do not know but somebody mentioned that...and even with the private sector employees that they do pay into FICA. Even with the 401 K.

Speaker Babauta: The private sector does but not the government.

Rep. Joseph Deleon Guerrero: Enague ti hu tungo kao para uma apply teniki guini na case.

Speaker Babauta: This is a mirror image of 401 K to relief eyu i employer contribution nai.

Rep. Joseph Deleon Guerrero: Pues esta i Retirement Fund have given their formal support of this bill? Have they issued any position paper?

Speaker Babauta: Other than the \$40 Million I believe. I recognize the Minority Leader.

Rep. Palacios: I was just talking to my colleague here and we were saying that I think we can buy the time because if we amend this, it has to go back up to the Senate and then we can formulate and give the Retirement Fund this and say, give us your thoughts. I have talked with some of the Retirement Fund employees and in general, they do support this. Why they have not been given the opportunity to informally comment on it by the Senate, I do not know, but perhaps this is the time we should just give them this formally. I mean, we already amend this and if we pass it, it has to go up to the Senate anyways. That would give us time. Thank you.

Speaker Babauta: Ready. Clerk, call the roll for S. B. NO. 15-47, HD1.

The Clerk called the roll on the motion to pass S. B. NO. 15-47, 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	excused
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	excused
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	abstained
Mr. Speaker, there are 2,600 retirees out there who rely solely on the Retirement. I do not know enough about this bill to actually give out any intelligence in voting, so with that respect, Mr. Speaker, I have to abstain from voting. Thank you.	
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	excused
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 14 “yes”, S. B. NO. 15-47, HD1 hereby passes the House on First and Final Reading. I recognize the Floor Leader.

Acting Floor Leader Lizama: So moved, Mr. Speaker, for the passage of S. B. NO. 15-46.

The motion was seconded.

S. B. NO. 15-46: A Bill for an Act to amend the Commonwealth Code to allow persons not of Northern Marianas descent to obtain permanent and/or long-term interests in condominiums under certain circumstances and within the limits provided by N.M.I. Const. art. XII; and for other purposes.

Speaker Babauta: Discussion. Clerk, roll call.

The Clerk called the roll on the motion to pass S. B. NO. 15-46 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	excused
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	excused
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	abstained

Mr. Speaker, the Senate transmitted this bill on the 31st of May. Did the House Committee look at this bill?

Speaker Babauta: Representative Torres when this bill was transmitted, the House was not in session so it was left out under the Senate Communication on the Calendar for the House’s disposition.

Rep. Torres: I thought there is a law already governing the condominium. Did we not do this in the 8th or the 9th Legislature?

Speaker Babauta: No.

Rep. Absalon V. Waki, Jr.	excused
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 14 “yes”, S. B. NO. 15-46 passes the House on First and Final Reading. Floor Leader.

Acting Floor Leader Lizama: Thank you, Mr. Speaker. I now move for the passage of H. B. NO. 15-134.

The motion was seconded.

H. B. No. 15-134: A BILL FOR AN ACT TO AMEND 6 CMC § 3112, THE COMMONWEALTH ANTI-LOITERING STATUTE; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. Clerk, call the roll.

The Clerk called the roll on the motion to pass H. B. NO. 15-134 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	excused
Rep. Joseph P. Deleon Guerrero	absent during voting
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	excused
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	excused
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 14 “yes”, H. B. NO. 15-134 passes the House on First and Final Reading. I recognize the Floor Leader.

Acting Floor Leader Lizama: So moved, Mr. Speaker, for the passage of H. B. NO. 15-136.

The motion was seconded.

H. B. No. 15-136: A BILL FOR AN ACT TO AMEND 6 CMC SECTION 1434 (B) TO CLARIFY THAT THE OFFENSE OF RESISTING ARREST APPLIES TO THOSE WHO RESIST ARREST BY PAROLE OFFICERS OF THE BOARD OF PAROLE; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. I recognize the Representative Yumul.

Rep. Yumul: Mr. Speaker, the question here is, if we pass this measure or this bill, will the Parole Officer basically be arresting anybody or this is strictly just for people under their control?

Speaker Babauta: Parolees. If you like the Chairwoman could further answer to that.

Rep. Yumul: It does not say that in the amendment.

The Chair recognized Representative Kaipat.

Rep. Kaipat: Well, obviously it is the people who will be under them would be the Parolees and this is intended for their protection and if they resist arrest then they would be the once to...

Rep. Yumul: I am just concern that these officers may go out and think that they can arrest anybody.

Rep. Kaipat: I do not think that your fears are well founded. You can rest assure that these are professional men and they know what they are doing.

Rep. Yumul: Thank you.

Speaker Babauta: Clerk, roll call.

The Clerk called the roll on the motion to pass H. B. NO. 15-136 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	excused
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	excused
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	excused
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 15 “yes”, H. B. NO. 15-134 passes the House on First and Final Reading. Floor Leader.

Acting Floor Leader Lizama: So moved, Mr. Speaker, for the passage on First and Final Reading H. B. NO. 15-138.

The motion was seconded.

H. B. No. 15-138: A BILL FOR AN ACT TO AUTHORIZE THE COMMONWEALTH GOVERNMENT TO OFFSET PRIVATE LANDOWNERS’ FINANCIAL OBLIGATIONS TO THE GOVERNMENT OR ACQUIRE GOVERNMENT PROPERTY AS AN OFFSET AGAINST THEIR LAND COMPENSATION CLAIMS BY AMENDING PUBLIC LAW 13-17; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. Let me just ask for a clarification from the author. This purports to relief recipients of P.L. 13-17?

Rep. Yumul: Negative, Mr. Speaker, this are just for those that were not considered for land compensation under the Public Law. These are those that are excluded because of the MPLA boards' decision. I think they chose thirteen or fourteen recipients and the rest have not been compensated.

Speaker Babauta: Okay. I recognize Representative Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. Will the author just explain this bill? I am not sure that I am comfortable voting on this. I need more information on this.

Rep. Yumul: There are land owners that their land has been taken for public purposes of course and the reasons for their taken of course is listed in the findings under page 1, such as power, sewer, water lines, utility easements and wetlands. These are basically properties that were not considered priority. They were secondary to roadways and more critical easements. Their properties were already assessed at the time of taking and the Governor of those periods have signed that the properties were in fact taken for specific purpose. Unfortunately, Public Law 13-17 could not compensate everybody and these are land owners that were left out and still waiting to be compensated. The bill basically just says that we want to give options for them to get compensated. It does not mean that they will be compensated in the alternative. Those would still have to be negotiated.

Speaker Babauta: This is bartering?

Rep. Yumul: Yes, Mr. Speaker. Again, some owners probably would not want it and just probably wait for cash which is understandable but at least this allows them to tool. There might be a land owner that has excessive amount of fees with CHC for example and they can offset this. So this is basically what we are trying to do.

Speaker Babauta: It calls for you to require CUC, for instance, if their telephone pole is in your property to adjust your utility rate equivalent to whatever the fair market rental that you would assess.

Rep. Yumul: Mr. Speaker, in fact, you bring up a very good point. Right now, there are some easement issues for many, many years with CUC but there is no end inside. So technically, maybe if we look at some of these properties, the non-payment of utilities have already far exceeded the property at the time of taking. This is a possibility to get it resolved. Thank you.

Speaker Babauta: Because it is a violation of law to deface government property whether it is in your property and there is no violation of law when government owes you. So I guess this is a timely bill to give relief to our citizens. I recognize, Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: Thank you, Mr. Speaker. While I do understand the intent of the bill, and while I do sympathize with land claimants who have not been compensated, there is a bit of a caution here in terms of the policy direction that we are taking again. That is, the issue at stake is land and if that agency MPLA or DPL does not compensate you, we are basically allowing for other agencies to compensate you whether it is CUC or Northern Marianas Housing Corporation. We are basically using other resources to compensate you for a land resource. The concern that I have is it

may encourage people for example, if I had land worth \$50,000.00, I may go and secure a loan with CDA or MIHA knowingly that I do not have any intent to pay it back, knowing that I can use this as an offset, so we maybe hurting, for example, CDA's loan assets or at the expense of CDA to compensate for land. I do not know. Is that a good policy decision? Perhaps maybe using MPLT to compensate maybe more in line with the resources that is taken.

Speaker Babauta: You want to further clarify that, Representative Yumul.

Rep. Yumul: Thank you, Mr. Speaker. Representative Guerrero, did bring up some good points. However, personally, I hope for example, CDA does not go blindly into thinking that they can easily make loans. I am pretty sure that they would check the credit and go through the proper procedures. My personal opinion, I think that would be a fraud or scam perpetuated by this person knowing that he is going to enter into a contract with no intentions to pay. There are laws for those types of people. MPLT is a consideration but the Vice Speaker brought to my attention two Public Laws 10-29 and 12-27 that are currently impeding MPLT to make between \$1.2 Million dollars a year in payments into the general fund. If these two Public Laws for example where to be removed or taken out, of course, we could always come back and require MPLT to make these payments back to those agencies that were bartered with the owners. That is still a possibility in the near term.

Rep. Joseph Deleon Guerrero: Even though it is not the intent, if the ultimate result is that let us say, CDA loses \$2 Million because people have used this opportunity to get compensated through CDA for loans that they had and we write it off, how would CDA get compensated back so that they can continue with their micro-loan programs or economic development?

Rep. Yumul: The real intent here actually, we really should look at MPLT as a source of funding because this is public property and only indigenous descent can own the property so it is only fair to say that MPLT is the right revenue stream. I will give you a better example. Let us say a land claimant picks up a \$100,000.00 tab with CHC and CHC agrees to forgive the debt because this property would be bartered in exchanged, MPLT at a later time can come and compensate CHC. This is just a possibility. Of course, I am just speaking out of opportunities here.

Rep. Joseph Deleon Guerrero: But nothing also mandates MPLT to pay CHC...

Rep. Yumul: The purpose of this bill is basically is to try to get the land claimants some kind of relief now. They may need assistance and they are not being compensated and it does not look like we are ever going to try to compensate them so it is just an opportunity to give them resolve.

Speaker Babauta: Any more relief comment? I recognize Representative Tenorio.

Rep. Tenorio: I think this is a good bill. At least it gives some relief to people that owes the government and do not have any other recourse of payment other than land. The Government can confiscate the land and sell it or put it on auction. A lot of our people owes the CDA or the government in many forms like the Utility, Public Works, CDA and what have you and this would give them the opportunity to at least get this off their or relief them from this obligation by being able to utilize whatever land they have for payment. This is an addition to the CNMI revenue. So I urge my colleagues to support this bill.

The Chair recognized Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. There is some fine line on the way I was looking at this one because Public Law 13-17 takes the money for land compensation from the fuel tax from the general obligation. I am just wondering, I am a land owner and I do not have obligations or debt to the government, in this instance so it does not really help a lot to those who do not owe anything to the government. With amending this Public Law which is 13-17 on funds for land compensation, where would we go?

Speaker Babauta: Yes. I am afraid I am also in the same line with you and I would like to clarify from the author whether this in any event require depending land claimants or land owners pending payment that would require Public Land to request the land owner or for that matter compel the owner to deduct certain amount from the original value?

Rep. Yumul: No, Mr. Speaker. H. B. NO. 15-138 should it become law does not make any insinuation. It does not force a land claimant and an agency to be forced to go to the table. It is just a tool. It is there if you need it and if you do not utilize it, it is not going to hurt the perspective claims. I am pretty sure, Congressman Tebuteb, would want to wait out and see if the next legislature can come up with multi-million bond and get settled. I know that he would want to get paid. I wish we could help you but...it is not going to make any difference.

Speaker Babauta: It is either we do it now or we do not. I recognize Representative Kaipat.

Rep. Kaipat: Mr. Speaker, I am just wondering if the author had got this one out for comments because I feel like I need to get more comments on this bill from other affected agencies.

Rep. Yumul: I spoke with a few land owners and they are not really too enthusiastic. Of course, everybody prefers money as much as possible cash is what is needed, but it was reiterated that in the event, few years from now if a catastrophic for health reasons, for example, a family member needs assistance, this tool is there for them. They may not utilize it now or they might not utilize it ever but at least they will feel some sort of comfort knowing that if they decide to come to the table with any agency and it make sure that all parties involve are satisfied with the bartering and that is the only time it would take place. This is not going to force anybody to do anything.

Rep. Kaipat: Thank you. I understand that and I would also like to hear what the Attorney General's Office has to say and other agencies, and for that matter, I would like to make a motion that we will refer this to a committee so that we can solicit more comments and we can do our homework and study it further and see how our policy would affect this, whether it is good or bad. I hear what you are saying and they are good intentions and unless the sky is falling over our heads right now, I really think that it would be prudent for us to take the time to solicit more comments.

Rep. Yumul: I think for these claimants, the sky has definitely fell on them and they have not receive any compensation as far back as the 70's. It is not a new issue that has been hashed out. Everything is on the table. In fact, I did received comments unofficially from the Circuit Courts and the Superior Court has no issues with this. They actually applaud the measure as being a good move to get claims settled outside the court.

Rep. Kaipat: It may be but I am not comfortable yet at this point to give an answer and my colleagues may feel differently but I just feel like we need to just have a round of committee to work on this particular bill to get the comments from the DPL as well as the Attorney General's Office and see what they think about this and it would be interesting to then take this up and debate about the policy that we are heading. If we are shifting in a different direction then we all should be aware of what changes or the ramifications are.

Speaker Babauta: Let me recognize Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: If that was a motion then I second it. Think about this. It almost relieves MPLA of their responsibility. If they know that other agencies resources can be used to compensate land claimants for them renegeing on their responsibility, it may encourage them not to pursue compensation. Ya ilek-na, polu ya i CUC yan CDA, I pumalu hu inapasi. You see what I mean?

Rep. Yumul: I think, Mr. Speaker, we have already done that when we passed Public Law 13-17. MPLA is not paying for this bond repayment. The funding is coming from another source.

Speaker Babauta: To further comfort the bill, I recognize Representative Tebuteb.

Rep. Tebuteb: I do also support the motion made by Representative Kaipat and I believe the regulations that Public Law 13-17 allowed is already in place and this is basically what they have practiced.

The motion was seconded.

Speaker Babauta: Okay the Chairwoman had made a motion to defer action and it was seconded and after that we had short comments. So there is a motion on the floor to defer action of H. B. NO. 15-138.

The motion to defer action on H. B. NO. 15-138 was carried by voice vote.

Speaker Babauta: The motion carries. H. B. NO. 15-138 is deferred and will be referred to a Committee. I recognize the Floor Leader.

Acting Floor Leader Lizama: So moved, Mr. Speaker, for the passage of H. B. NO. 15-143 on First and Final Reading.

The motion was seconded.

H. B. NO. 15-143: A BILL FOR AN ACT TO SUSPEND THE APPLICATION OF 4 CMC §§ 1708, 1711, AND 1714 THRU 1717 FOR A PERIOD OF TWO YEARS; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. I recognize the Vice Speaker.

Vice Speaker Quitugua: I have an oral amendment to the bill, Mr. Speaker.

Speaker Babauta: Proceed.

Vice Speaker Quitugua: On line 7, page 2. The first word at the end of the sentence, the word “This” and the rest of the words in the sentence up to line 9, strike it off.

The oral floor amendment offered by the Vice Speaker was seconded and carried by voice vote.

Speaker Babauta: The motion carries. For the second amendment, I recognize the Vice Speaker.

Vice Speaker Quitugua: This is a very simple oral amendment, Mr. Speaker, on the same page on line 4. To strike out the word, “two” and replace it with “four.” Also on line 7, replace the word “two” to “four.” Thank you, Mr. Speaker.

The motion was seconded.

Speaker Babauta: I recognize Representative Torres.

Rep. Torres:...[inaudible]...[microphone off]...this is more than they have to. What is the last month’s memo from the Secretary of Finance that they would be audited on their under reported tax...how can we...

Speaker Babauta: That is for Tax Year 2005.

Rep. Torres: Yes, but for future we are not going to be collecting tax for the government employees anymore if this is passed.

Speaker Babauta: Well, we have the tendency to exaggerate and under exaggerate also.

Rep. Torres: I am going to have to apply.

Speaker Babauta: In God we trust.

Rep. Torres: I never entered into that program but with this, I am going to apply for reduced tax so I do not have to submit for early return.

Speaker Babauta: Ready on the oral amendment?

The oral amendment offered by the Vice Speaker was seconded and carried by voice vote.

Speaker Babauta: The motion carries. Any more discussion? Clerk, call the roll.

The Clerk called the roll on the motion to pass H. B. No. 15-143, HD2 on First and Final Reading:

Rep. Martin B. Ada	abstained
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	excused

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	excused
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	no
Rep. Absalon V. Waki, Jr.	excused
Rep. Ray N. Yumul	no
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 12 “yes”, H. B. NO. 15-143, HD2 passes the House on First and Final Reading. Floor Leader.

Acting Floor Leader Lizama: So moved, Mr. Speaker, for the passage on First and Final Reading, H. B. NO. 15-144.

The motion was seconded.

H. B. No. 15-144: A BILL FOR AN ACT TO AMEND 2 CMC § 4483 BY ADDING A NEW SUBSECTION (C); AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. Clerk, roll call.

The Clerk called the roll on the motion to pass S. B. NO. 15-144 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	excused
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	excused
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	excused
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 15 “yes”, H. B. NO. 15-144 passes the House on First and Final Reading. [end of tape 2 side b]

[beginning of tape 3 side a]

H. B. No. 15-145: A BILL FOR AN ACT TO PROHIBIT BUSINESSES ENGAGED IN MINING OR EXTRACTING POZZOLAN FROM APPLYING FOR A QUALIFYING CERTIFICATE BY AMENDING 4 CMC § 50202(14); AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion on the motion. Clerk, roll call. I am sorry. I recognize Representative Kaipat or you want to yield to Representative Manny Tenorio? Okay. Short recess.

The House recessed at 4:05 p.m.

RECESS

The House reconvened at 4:15 p.m.

Speaker Babauta: We are back to our plenary session. We continue to discuss H. B. No. 15-145. Clerk, call the roll.

The Clerk called the roll on the motion to pass H. B. No. 15-145 on First and Final Reading:

Rep. Martin B. Ada	no
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	excused
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	excused
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	excused
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 14 “yes”, H. B. No. 15-145 passes the House on First and Final Reading. Floor Leader.

Acting Floor Leader Lizama: So moved, Mr. Speaker, for the passage of H. B. No. 15-146 on First Reading only.

H. B. No. 15-146: A BILL FOR ACT TO CREATE THE SECOND MARIANAS POLITICAL STATUS COMMISSION; TO AUTHORIZE THE APPROPRIATION OF \$200,000 IN ADVANCE FUNDING FOR THE OPERATIONS AND ACTIVITIES OF THE COMMISSION; TO AUTHORIZE THE APPROPRIATION OF ADDITIONAL FUNDS SUFFICIENT TO CARRY OUT THE WORK OF THE COMMISSION; AND FOR OTHER PURPOSE.

The motion to pass H. B. NO. 15-146 on First Reading was seconded and carried by voice vote.

Speaker Babauta: The motion carries. I recognize the Floor Leader.

Acting Floor Leader Lizama: So moved, Mr. Speaker, for the passage of H. B. NO. 15-7, CS1.

H. B. No. 15-7, CS1: A BILL FOR AN ACT TO AUTHORIZE THE DEPARTMENT OF PUBLIC WORKS TO SEEK INNOVATIVE FINANCING PURSUANT TO THE DIRECT ASSIGNMENT OF FHA FUNDS, FOR THE FINANCING, DESIGN, AND CONSTRUCTION OF COMMONWEALTH PROJECTS LISTED IN THE TERRITORIAL TRANSPORTATION IMPROVEMENT PLAN (TTIP) FOR FISCAL YEARS 2006-2008; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion on the motion. Clerk, call the roll.

The Clerk called the roll on the motion to pass H. B. NO. 15-7, HS1 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	excused
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	excused
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	excused
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 15 “yes”, H. B. NO. 15-7, HS1 passes the House on First and Final Reading. Floor Leader.

Acting Floor Leader Lizama: Thank you, Mr. Speaker. I now move for the passage of H. B. NO. 83, CD1.

The motion was seconded.

H. B. No. 15-83, CD1: A BILL FOR AN ACT TO REAPPROPRIATE \$1,400,000.00 FROM THE PUERTO RICO DUMP CLOSURE UNDER FISCAL YEAR 2003 TO THE PUBLIC SCHOOL SYSTEM FOR THE CONSTRUCTION OF SIX (6) ADDITIONAL CLASSROOMS (2ND)

Speaker Babauta: Discussion. Clerk, call the roll.

The Clerk called the roll on the motion to pass H. B. NO. 15-83, 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	excused
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	excused
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	excused
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 15 “yes”, H. B. NO. 15-83, HD1 passes the House on First and Final Reading. Clerk, please correct my passage comment on H. B. NO. 15-7, HS1. We are supposed to reconsider our action on SEN. COMM. 15-55 for Final Reading and I recognize now the Floor Leader, because it was motioned for First Reading only.

Acting Floor Leader Lizama: So moved, Mr. Speaker.

Speaker Babauta: There is a motion on the floor for the passage on Final Reading S. B. NO. 15-38, SS1 and I recognize Representative Yumul.

Rep. Yumul: Thank you, Mr. Speaker. I would like to make a floor amendment to the Senate Bill. I move to submit to the floor a typed written amendment for S. B. NO. 15-38. I so moved.

The written floor amendment offered by Representative Yumul was seconded and carried by voice vote.

Speaker Babauta: The motion carries. We are still discussing S. B. NO. 15-38, SS1, HD1. I would now recognize the typo-error, Chairman Ada.

Rep. Ada: On line number 3 on the bill on page 1, the word “affect” I believe it should be “effect.” Thank you.

Speaker Babauta: Consider that as a typo. I recognize now Representative Dela Cruz.

Rep. Dela Cruz: Thank you, Mr. Speaker. I guess it is just a typo on Page 1, line 6, “economy.”

Rep. Yumul: It is already in the written amendment.

Rep. Dela Cruz: Okay. Sorry.

Speaker Babauta: Disregard that Clerk. Ready.

Several members voiced, “ready.”

Speaker Babauta: Clerk, please call the roll.

The Clerk called the roll on the motion to pass S. B. NO. 15-38, SS1, HD1 on Second and Final Reading:

Rep. Martin B. Ada	yes
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	excused
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	excused
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	excused
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a vote of 15 “yes”, S. B. NO. 15-38, SS1, HD1 passes the House on Second and Final Reading. Representative Yumul, make sure that you sign the original so that it should be officially introduced. Next bill, Floor Leader. No more. Would you make a proper motion to suspend Rule to pass H. B. NO. 15-67 on First and Final Reading.

Acting Floor Leader Lizama: Short recess, Mr. Speaker.

Speaker Babauta: Short recess.

The House recessed at 4:25 p.m.

RECESS

The House reconvened at 4:28 p.m.

Speaker Babauta: We are back into our session and I recognize the Floor Leader.

Acting Floor Leader Lizama: Thank you, Mr. Speaker. Subsidiary motion to suspend Pertinent Rule, Rule IX, Section 9, 10 and 11 for the placement of H. B. NO. 15-67 on First and Final Reading.

The suspension motion to include H. B. NO. 15-67 was seconded and carried by voice vote.

Speaker Babauta: The motion carries. H. B. NO. 15-67 is officially placed on the Calendar. Under privilege, I recognize Representative Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. I have some questions about this bill that I would like to...

Speaker Babauta: Representative Kaipat, once the Floor Leader makes the motion for the adoption then I will recognize you to deliberate on the bill.

Rep. Kaipat: Okay. Thank you.

Speaker Babauta: Floor Leader, motion for passage.

Acting Floor Leader Lizama: So moved, Mr. Speaker, for the passage of H. B. NO. 15-67 on First and Final Reading.

The motion was seconded.

H. B. NO. 15-67: A BILL FOR AN ACT TO PROHIBIT BUSINESSES ENGAGED IN MINING OR EXTRACTING POZZOLAN FROM APPLYING FOR A QUALIFYING CERTIFICATE BY AMENDING 4 CMC § 50202(14); AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. I recognize Chairwoman Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. I just have some questions about this bill from the author. I noticed that this is an unfunded mandate to have Natural Resources and Division of Fish and Wildlife establish this aquaculture development program. I can just imagine that they will be questioning where they will be getting the money from for this. Two, whether this is really something that is also within their own set of responsibilities or jurisdiction to be doing this as opposed to CREES for example. I was wondering if you could enlighten me.

The Chair recognized Representative Ada.

Rep. Ada: Other than CREES, I think the most proper place to have an established aquaculture program, section or division, would be Fish and Wildlife. We stand to lose a lot of Federal Grants just because we do not have a formal aquaculture program. Over the seven years that I have been here in this Chamber, and over the years that I have been traveling to Philippines, Hawaii and Palau, I really envy their program and the development stage that they have right now with Palau. We have the clams here, we have tilapia and we have Pellegrino with this shrimp and still we do not have a program in the very most department that we should have. This program really requires only a couple of persons that I believe Dr. Dela Cruz has the capability to reshuffle within the Fish and Wildlife and it is only assigning couple of people. I have met with Sylvan Igisomar, the Acting Director of Fish and Wildlife couple of weeks ago with a guy from South Pacific Commission on the Fisheries and I am pretty sure Representative Palacios is well verse with this. Mr. Igisomar has no position to this and he is supporting it and we will be meeting with Dr. Dela Cruz to have this section in his office.

Speaker Babauta: Let me ask you this, Representative Ada. How would this impact the commercial industry of aquaculture? Are they going to be a part of the regulatory?

Rep. Ada: Yes, Mr. Speaker. Right now, they are apart of the regulatory. Mr. Pellegrino is exporting shrimp. I was very surprised about this and we need to have this program intact. Fish and Wildlife goes there and monitor the program since its inception.

Speaker Babauta: I support the intent of this bill but if it is going to impede on Commerce again with respect to further aggravating the industry through enact of this law or this bill...

Rep. Ada: As a matter of fact, Mr. Speaker, it does not impede. It guides the industries through its developmental stage and profitability at the end.

Speaker Babauta: Maybe to apiece myself, I would probably ask the Minority Leader. Can you enlighten us on the concerns that we have?

Rep. Palacios: Well, Mr. Speaker, establishing the program itself would not be the one that would impede. If there is a federal law in regards to transporting of species from different jurisdictions, particularly outside of the United States, there has to be some USDA regulations that are in place that has to met. Mr. Pellegrino, when he exports, has to meet certain standards without this program. When we bring in those clams for Representative Ada, that is why it took him four years because he had to get a permit to get it out of Palau. We were lucky that we found an individual who had the permit so we got the clams in from this guy. So there are regulatory issues that needs to be met under the USDA. I think having the program is not going to contribute anymore then what we have already. Having said that, I do not know that the Department of Natural Resources or DLNR or DFW would be the agency that we really need to take a look at. My personal believe is that, perhaps we need to put it in NMC-CREES and have NMC-CREES coordinate the program with Fish and Wildlife. The reason I say that is because NMC-CREES already has a program and it works in conjunction with the University of Guam Marine Lab and it works with the University of Hawaii Aquaculture program and through those two Universities, they access a tremendous amount of USDA program on aquaculture. That is why you have the CTSA and in fact, that is how Palau got all its money. It was not from the Palau Marine Resources. It was through the University of Hawaii Sea Grant Program. I remembered the individual that perfected this clam breeding program in Palau was the first in the world, but it was through a large grant from the University of Hawaii. Usually when Universities give out grants or sub-grants, it gives it to other learning institutions within the area such as University of Guam and NMC-CREES program. I have learned through the years and I applaud my colleague for trying to push for a program, but in my years at Fish and Wildlife, we have had several of our local people trained in aquaculture through Fish and Wildlife when we did not have the NMC-CREES. Some of these individuals ended up working now at the college. I am not sure if they have a formulized aquaculture development program. I am pretty sure they probably have because if you are going to get institutional grant, you have to have a program and it is also through this type of program that Pellegrino was able to go beyond the research level and he got the help from the University of Guam, NMC-CREES and the University of Hawaii. Those agencies between them, they go out to private and develop the commercial site. Now, if you believe that the Division of Fish and Wildlife should be involved in some portion of this program like MMDC, in Palau MMDC is a separate entity from the Department of Marine Resources itself. It is separate. We need to get this type of program away from the regular departmental programs because it is a

program that takes a step away from the government so that it could give it out to and foster commercial development such as Mr. Pellegrino and the Micronesian Landscaping. I know that Mr. Pellegrino right now through his entrepreneur efforts have begun to entice and interest other local small farmers in shrimp. Likewise, we can have that with the clam production. You might want to consider because I am not sure that Dr. Dela Cruz can just reshuffle his staff unless there are other individuals that I do not know of that are newly on board that could do the program that knows much about aquaculture. They would probably have to ask somebody from the outside or entice somebody from NMC-CREES to set up their programs. See, we have the frame work already at CREES and that is something for you to consider. I applaud you for looking at this and perhaps what we need to do is for you to mandate that CREES does this rather than mandate that it goes back to the Department of Natural Resources. That is my concern.

The Chair recognized Representative Ada.

Rep. Ada: Right now, who is handling the clams if you would ask me, it is the enforcement section of Fish and Wildlife that are handling it. As a matter of fact, we had this meeting couple of weeks ago and out of ninety clams, sixty were poached and thirty are left. They have been involved in this and they are working with CREES closely. I have gotten in touch with Mr. John Furey and we have communication to give them the next siblings that are going to be coming from Palau that we have yet to bring in. So we are working closely with them. Establishing this office through our research with the legal counsel, we found out that we have been losing a lot of dollars in grants because we do not have a program and we do not have this program that says, let us apply for this grant. I know that NMC-CREES has been applying for this but this particular clam project, we touched base with Dr. Chen Shen Li from Hawaii and we have had meeting at Coffee Care together with Ross and other agencies that are involved. The social hall next to Nikko Hotel is going to be converted into a research and educational aquaculture development and what we are trying to do here is to establish this office so we have a formal office where we can start competing with these grants and availing with all the resources that are available out there. I have spoken to Dr. Dela Cruz and if you want, we can bring him in and ask him to do a presentation together with NMC-CREES.

Speaker Babauta: I think that is the most logical recommendation and put this on First Reading only because I personally have a concern because one agency is advocating, promoting and assisting our entrepreneurs while the bill intends to create some sort of a regulatory and a policy division in the government that we do not know their ramification if this was enacted. Let me ask you this before the motion is made for First Reading. Is CREES receiving federal grant now?

Rep. Ada: Yes, sir. If I am not mistaken, they are receiving the annual grant that like I said, we do not want to go – because we will be applying for the same grant if Fish and Wildlife has that, but that is only one grant. There are couple of other grants that we could be competing with Guam and Hawaii.

Speaker Babauta: That is precisely my concern and that is we have seen many agencies competing amongst each other.

Rep. Ada: You compete for grants, Mr. Speaker.

Speaker Babauta: You want to stay away from those kind of scenario, Representative Ada.

Rep. Ada: This is not a regulatory. This is actually establishing an aquaculture program or office for that matter. But in any case, I will settle for First Reading only and I will ask Dr. Dela Cruz to come in...

Speaker Babauta: Why don't we do that because the looks of this paragraph or the last sentence is merely adopting a federal law that probably some of us here might not want to have other than the funding.

Rep. Joseph Deleon Guerrero: Clarification, Mr. Speaker.

Speaker Babauta: I recognize Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: First of all, I support the bill, Representative Ada, but you seem to spend a lot of...the emphasis is really on providing or filling the seafood needs of the Commonwealth and you are talking about replacing or building a depleted fisheries and marine stocks and I am just wondering. This maybe a technical question, does aquaculture also encompass mariculture? Because as I understand it, aquaculture is mostly freshwater and...

Rep. Ada: Yes. I have done my homework colleague and aquaculture means fresh water and salt water.

Rep. Joseph Deleon Guerrero: And mariculture is...

Rep. Ada: Mariculture could be just fresh water.

Rep. Joseph Deleon Guerrero: No. No. Marine is salt.

Rep. Ada: Aquaculture involves fresh water and salt water.

Rep. Joseph Deleon Guerrero: Okay, I rest my case. Thank you.

Rep. Palacios: I think we have to also ask CREES to come in because we need to begin to have a plan to move beyond and in fact the entrapanuers already have gone beyond what the government can provide. It is providing the type of economic growth and even opportunity that the government should have seeded in the first place.

Speaker Babauta: It looks like we have a consensus and I ask now the Floor Leader to restate his motion for First Reading only.

Acting Floor Leader Lizama: So moved, Mr. Speaker, to place H. B. NO. 15-67 on First Reading only.

The motion was seconded and H. B. NO. 15-67 was passed on First Reading only and was carried by voice vote.

Speaker Babauta: The motion carries. Because of in the interest of our Legislative Bureau Staffs, I kindly ask that we move on for recess. I would like to thank each and every one of you. We had a successful day in terms of legislations passage and it is one of those legislative days were everybody gets together in one plate with separate spoon of course. I recognize Representative Tebuteb.

MISCELLANEOUS

Rep. Tebuteb: Thank you, Mr. Speaker. During the past week a lot of our people or a lot of our Legislative Bureau staffs have put in tremendous work to help out with the APIL and I would like to commend you, Mr. Speaker, for your leadership in making it successful for all the visiting dignitaries and also to our Representatives to APIL, my hats out to both the fine gentlemen and for hosting also that evening barbecue after the ball game. I have a few suggestions that maybe I can include and see if we could get some closure report from the our good Representative to APIL. There are some concerns that I would like to raise but at this point I cannot in lieu of the reports that I would like to see. I have learned really a lot in just sitting in and listening in to the proceedings that took place, and we have also passed a few bills that we could also incorporate some of those reports from APIL particularly the energy bill that we just passed and other resolutions that we had taken up during the proceedings during the APIL and thank you very much, Mr. Speaker.

Rep. Ada: Rebuttal, Mr. Speaker.

Speaker Babauta: Since Miscellaneous is not a rebuttable and I thank the good colleagues comment commending Representative Ada and Waki and especially the staffs and primarily the Legislative Bureau staffs who have exhaled above and beyond in spite of the short term planning. Personally, I would like to give these people my sincere appreciation and gratitude. I think the coordination have fallen into places where everything is needed and thank you very much. I recognize Representative Ada.

Rep. Ada: Mr. Speaker, it did not stop here. We had a meeting all the way to Rota on Friday about the health issues. Representative Seman knows about this, couple of years ago he attended the PIHOA, Pacific Islands Health Officers Association and that is an extension of an outgrowth. We have an original health counsel in APIL itself from all the 12 countries to discuss about our health issues. We finished on Saturday and as a matter of fact, I am throwing out a suggestion here for Saturday at noon, we are having a bring something potluck type of appreciation, Mr. Speaker.

Speaker Babauta: I would yield to Representative Tebuteb.

Rep. Tebuteb: Certainly, I will volunteer but I just have a very simple question with PIHOA?

Rep. Ada: PIHOA is a name or an organization. It is Pacific Island Health Officers Association. It involves our Public Health Secretaries sharing the issues of the prevalent diseases that we have here and all those stuffs.

Speaker Babauta: Representative Seman was an active member before, right?

Rep. Ada: Yes and I still think he is an active member.

Speaker Babauta: Representative Ada, anything that would help and facilitate and enhance the region's efforts, I kindly encourage you to share those information with the members and disseminate those information because one way or the other, who knows they might want to participate in one of those committees.

Rep. Ada: I will come up with the summary report.

Speaker Babauta: I recognize Representative Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. I do not know how many of our Legislative Bureau staffs that are still around but for those of you who are still in the building and who can hear me, I too would like to state for the record that I would like to add my sincere appreciation for all the hard work that you all put in. Having been a staff here at the Senate before and having coordinated the arrangements for APPU, I certainly understand all the hard work that it requires to put together a successful program, one that really puts the CNMI best foot forward and you all did an excellent job in being goodwill ambassadors of the Commonwealth. I would like to commend each and every single one of you for the great job that you did and judging from the comments at the farewell party, it seems like everyone enjoyed themselves and appreciated all the goodwill gestures. I will be checking you, Mr. Speaker, for some of the gifts that they gave you and see if you could share. Again, I just wanted to say that I too learned a lot from seating in and listening and even participating in the committee of Natural Resources and certainly appreciate the invitation from Palau. So thank you all so very much.

The Chair recognized Representative Torres.

Rep. Torres: Thank you. Just a short concern that I have, the new rules and regulations for the government health insurance. There is a section in there that needs our health committee to look into on the issue of a member of the health whether he, she or a man or a woman may have a child or two that if they are not legally married, one of them will not be eligible to be a dependent and I think the rules and regulation will become final on the 15th of June. Is there a way that our legal counsels would look into it and maybe have an input in how to make it a legal if a man and a woman share...cohabitating.

Speaker Babauta: And your understanding would be only the woman will not be eligible and only the child if the man works.

Rep. Torres: Right. So what if one of the two parents becomes ill and will not be able to be covered on health insurance? It is stated in the new rules and regulation.

Speaker Babauta: And that is under the eligibility criteria.

Rep. Torres: Right.

Speaker Babauta: Legal Counsel Catlett, would you kindly look into that please and get a hold of the government health insurance and please clarify that provision of the rules and regulation. If there is anything that you would like to recommend to the House, please let me know as soon as possible. **[end of tape 3 side a]**

[beginning of tape 3 side b]

Speaker Babauta:...Thank you, Representative Torres. I recognize Representative Tenorio.

Rep. Tenorio: I do not know, Mr. Speaker, it keeps coming back to me. What is the status of not the Puerto Rico Dump but the one in Marpi? The Landfill. I understand that the new development, a lot of the things that they were doing before are not being done and the landfill might be filling up fast that it might not even meet close to what was projected when we initially budgeted for 25 years. This is going to be a very huge concern environmentally and as you can see also there has been a lot of trash being dumped all over the place all around Saipan which is bad for our visitors. So I just wanted to perhaps have the Committee do an oversight on this to give us an assessment on what is happening and what we can do. I know eventually when it comes to funding that it will come back again to the Legislature and I also understand that there is a beautification fund that is being collected.

Speaker Babauta: Well, we passed that in the Thirteenth Legislature and practically it collects certain percent or...

Rep. Tenorio: It would be appropriate for the Representative from Waste Management to come and assess the Legislature on what is going on. Thank you.

Speaker Babauta: Okay. I got your concern and Representative Aldan and Chairman Lizama, can you find out something this week on what the present procedure is now with the Marpi Landfill and how it is being handled presently? Can we get some answers by this week? Vice Speaker, can you get involve in that Government health insurance thing? I recognize Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: Mr. Speaker, motion to adjourn subject to the call of the Chair.

Speaker Babauta: I understand but let me allow the Representative from Rota to comment on Miscellaneous.

Rep. Ogo: Mr. Speaker, I have been wanting to actually update the members and most especially the Committee on Ways and Means, we cannot act on the 2007 Fiscal Year budget due to the fact that we have been waiting for the Administration to submit and they promised that by the May 31st, they would have the necessary information for the Committee to work on the budget. Until now, we have not received that and we spoke about this last week and I just want to inform the members that I really want to work on our budget but we cannot do so until such time the Administration provide the necessary information for all of us. Thank you, Mr. Speaker.

Speaker Babauta: I would make sure that information is relayed to the respective heads of the Administration so that you may get your information this week. I recognize Representative Yumul.

Rep. Yumul: Mr. Speaker, the carnival grounds that has been happening for the last few weeks seems to be very prevalent with the children. They are having a good time spending lots of money but there is a concern with one of the ride vendors, it seems that when they sell their little coupons,

they are not honoring the value of the coupon for the next preceding night and the following. However, on the coupon itself, it states that it is valid for a specific time frame, I believe up to July 9th. There is a growing concern with some of the families down there that one vendor honors tickets to be used multiple nights if they do not use it at the time of purchase but there is another vendor that is not doing it. So it is just a concern, Mr. Speaker.

Speaker Babauta: Okay. Thank you for that information and Representative Ada and Yumul, both of you co-chair the fact-finding coupon. This is serious and we want to find out as to why is it that one allows the multiple use, and please report back to the House on your findings. Floor Leader, motion for recess.

Acting Floor Leader Lizama: So moved, Mr. Speaker, subject to the call of the Chair.

The House adjourned at 5:07 p.m.

Respectfully submitted,

Vicky T. Guerrero, Journal Clerk
House of Representatives

APPEARANCE OF LOCAL BILLS

First Appearance of a local bill is the day of introduction

SECOND APPEARANCE

None

THIRD APPEARANCE:

H. L. B. NO. 15-28: To appropriate \$55,000.00 from the local license fees collected for pachinko slot machines and poker machines in the First Senatorial District; and for other purposes. (Rep. Crispin M. Ogo)

H. L. B. NO. 15-29: To amend section 1 of Tinian Local Law 14-2; and for other purposes. (Rep. Edwin P. Aldan)

H. L. B. NO. 15-30: To amend Saipan Local Law 14-28; and for other purposes. (Rep. Justo S. Quitugua)

H. L. B. NO. 15-31: To establish local hotel occupancy tax in the Second Senatorial District and to create the Tinian Tourism and Beautification Revolving Fund; and for other purposes. (Rep. Edwin P. Aldan)

H. L. B. NO. 15-32: To rename the Apinomw Avenue located in the village of Tanapag to the "SSGT Wilgene Lieto Road", in honor of the late Staff Sergeant Wilgene Christopher Tudela Lieto of the U.S. Army Reserve, for making the courageous and ultimate sacrifice while unselfishly serving in our mother country's fight to liberate the people of Iraq and defend freedom in Operation Iraqi Freedom. (Rep. Joseph P. Deleon Guerrero +15)

H. L. B. NO. 15-33: To rename the Orchid Street located in the village of Garapan to the "CPL Darence Jack Road", in honor of the late Corporal Darence Jack of the U.S. Army Reserve, for making the courageous and ultimate sacrifice while unselfishly serving in our mother country's fight to liberate the people of Iraq and defend freedom in Operation Iraqi Freedom. (Rep. Arnold I. Palacios +15)