



## House Journal

### Sixth Special Session, 2007

**Adopted:**  
July 24, 2007

**First Day**

**June 22, 2007**

The House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature convened its First Day, Sixth Special Session on Friday, June 22, 2007, at 10:18 a.m. in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

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

A moment of silent prayer was observed.

The Clerk called the roll and seventeen members were present. Representative Martin B. Ada was excused.

Speaker Babauta: At this time, I recognize the Floor Leader for a motion to resolve into the Committee of Whole so that we may receive our visitors this morning.

Floor Leader Florencio T. Deleon Guerrero moved to resolve into the Committee of the Whole for presentation of Resolution; was seconded and carried by voice vote.

Speaker Babauta: The motion is carried.

The House went into Committee of the Whole at 10:20 a.m.

### COMMITTEE OF THE WHOLE

The House returned to plenary session at 10:26 a.m.

### ADOPTION OF JOURNALS

Floor Leader Florencio T. Deleon Guerrero moved for the adoption of the Third Day, Second Special Session 2007 Journal; the motion was seconded.

1st Day, Third Special Session, 2007 (05/2/07)

1<sup>st</sup> Day, Fourth Special Session, 2007 (05/15/07)

There was no discussion and the motion to adopt the First Day, Third Special Session, and the First Day; Fourth Special Session 2007 Journals were carried by voice vote.

Speaker Babauta: The motion is carried.

## INTRODUCTION OF BILLS

H. B. NO. 15-271: A Bill for an Act to amend the Alcoholic Beverage Control Act, and for other purposes.

Offered by: Rep. Stanley T. Torres and four others  
Referred to: Committee on Commerce and Tourism

H. B. NO. 15-272: A Bill for an Act to amend 4 CMC § 9353(d) to allow funds deposited in the Special Disability Fund to be invested in Investment Grade U.S. Fixed Income Securities as well as Unrated Securities of the U.S. Treasury and U.S. Government agencies and other publicly traded securities in order to provide for the possibility of achieving a greater rate of return; and for other purposes.

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

H. B. NO. 15-273: A Bill for an Act to amend 4 CMC §§ 8122(c) and (d), as enacted and amended by Public Laws 15-35 and 15-40, respectively; and for other purposes.

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

Speaker Babauta: Representative Yumul, may I humbly ask you that this bill be referred to the Committee because we continue to receive complaints from the public that needs to be addressed. These are critical legislations that warrant the public's attention, and I would like to humbly request the Chairman of Public Utilities to take this bill into consideration expediently with other relevant public utility issues in the community. I recognize the Minority Leader.

Rep. Palacios: Mr. Speaker, I personally do not have any objection to that, but I would like to ask that the good Chairman of the Committee to give a high priority to this legislation because it is a time sensitive issue. It deals with the CUC privatization on how and who makes those decision. We all know that the RFP for CUC's privatization has been led, so this amendment to Public Law 15-35 and 15-40 is time sensitive, and it needs to be addressed and deliberated on the floor, and the House has to make a timely decision on it. Thank you.

Speaker Babauta: Thank you, Minority Leader. Your concerns are noted, and I recognize Chairman Dela Cruz.

Rep. Dela Cruz: Thank you, Mr. Speaker. I am also one of the co-sponsor of this bill, and I feel at this time that we need to move to Calendar, and discuss the issue at hand. I so moved, Mr. Speaker.

There was no objection.

Speaker Babauta: So ordered. H. B. NO. 15-273 will be Calendared.

H. B. NO. 15-274: A Bill for an Act to limit greenhouse gas emissions; and for other purposes.

Offered by: Rep. Jacinta M. Kaipat and one other

Referred to: Committee on Health, Education and Welfare

H. B. NO. 15-275: A Bill for an Act to amend pertinent sections of the Regulated Loan Act of 2000, as codified in 4 CMC § 60101, *et seq.*, to clarify the applicability of the Act and for other purposes.

Offered by: Rep. Justo S. Quitugua

H. B. NO. 15-276: A Bill for an Act to amend 1 CMC § 2304, as enacted by Public Law 3-91, and to amend 1 CMC § 2309, as enacted by Public Law 12-65; and for other purposes.

Offered by: Rep. Stanley T. Torres

Referred to: Committee on Judiciary, Governmental and Operations

H. B. NO. 15-277: A Bill for an Act to authorize Class I Members of the Retirement Fund with fifteen years of actual service contributions to the Retirement Fund to withdraw their contributions; and for other purposes.

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

Speaker Babauta: Any objection to Calendar all three bills offered by the Vice Speaker?

Rep. Waki: Objection, Mr. Speaker.

Speaker Babauta: State your point of objection, Representative Waki.

Rep. Waki: I would just like to remind everybody that we do have our House Rules, and I would like to make sure that we kind of follow them because every time we introduce bills without review and debate them on the floor, it takes up a lot of our time; when if the Committee would just review it, and the author could just go ahead and check with the Chairman to expedite the meetings, and try to get it on the floor after we go through some basic research, some basic thought pattern of something so that we do not spend an hour or two debating, and having to go into recess, having to find more information when the Committee could just find it for us, and get the pertinent comments from the needed agencies or private entities. It would help us to actually make an intelligent decision on certain legislations. I am not saying that just because it is short that there should be no problem, and that even if it is short that we will have to review it, but I just believe that it is proper diligence to review something before we have to debate it on the floor. That is all I am saying, Mr. Speaker. I wish that we could just follow our House Rules, and do it in a proper procedure.

Speaker Babauta: Thank you. Let me also clarify, and I share your concern, and I agree with your comment. Let me also clarify that the Rules provided for requesting individuals or a member – provided that the request is not or rather not otherwise overruled. Since it is a practice and tradition of this Legislature to amicably work together in terms of legislations that are required to be addressed, I hid to those practices, and if it need be that the bill be Calendared and some instances where members normally change their thoughts on the bill, at that point, the Chair would rule that such bill – instead of wasting debates on the floor, I would request that the mover during deliberation would refer that to the Committee. So, at this point, I understand that the request made by the Vice Speaker was not objected by the members. I recognize the Vice Speaker.

Vice Speaker Quitugua: Mr. Speaker, the bills that were introduced were requested by the specific agencies or the affected agencies, and one of the bills – just to clarify the definitions in the statute, and that is a request by an agency. The other one is to allow this particular agency, and we will discuss this during the deliberation, to invest the funds in the Stock Market rather than the current law which is the bonds and in the banks. The agency is asking that if they are allowed to do this, they will receive higher...of the funds that they collect from the government rather than just the 2% interest that they are receiving at this time. Thank you, Mr. Speaker.

Speaker Babauta: Any more bills? I recognize the Minority Leader.

Rep. Palacios: Mr. Speaker, perhaps if these legislations are going to be placed on today's Calendar then I will just wait until – I have a particular concern on one particular bill, but I will wait until we arrive at the Bill Calendar.

Speaker Babauta: Thank you.

H. B. NO. 15-278: A Bill for an Act to ensure the appropriate care and protection of children; to establish childcare standards for child care providers under the guidance and administration of the Public School System; to encourage and assist child care providers in meeting these standards; and for other purposes.

Offered by: Rep. Florencio T. Deleon Guerrero and seventeen others  
Referred to: Committee on Health, Education and Welfare

H. L. B. NO. 15-65: A Local Bill for an Act for the Third Senatorial District to allocate two percent (2%) from the locally appropriated capital improvement projects in the Third Senatorial District that cost \$50,000 or more to the Technical Services Division of the Department of Public Works for administrative costs.

Offered by: Rep. Justo S. Quitugua

H. L. B. NO. 15-66: A Local Appropriation Bill for an Act for the Third Senatorial District to make appropriations from the revenues collected pursuant to Saipan Local Law 11-12, as amended, for Fiscal Year 2008; and for other purposes.

Offered by: Rep. Justo S. Quitugua and one other

H. L. B. NO. 15-67: A Local Bill for an Act for the Second Senatorial District to repeal and reenact Title 10, Division 2, Chapter 3, Article 1; and for other purposes.

Offered by: Rep. Edwin P. Aldan

The Chair recognized Representative Yumul.

Rep. Yumul: I have a question on the Local Bill. As I understand the bill – if the Chairperson is physically absent from the Second Senatorial District, so if the person is on the island of Rota or Saipan, this would kick in the Vice to be the Chairperson?

Speaker Babauta: Chairman Yumul, let me ask you to limit discussion on the introductory part. The bill would be in our Calendar for the next three sessions.

Rep. Yumul: Thank you. I withdraw, Mr. Speaker.

Speaker Babauta: I appreciate your understanding.

## **INTRODUCTION OF RESOLUTIONS**

HSE. COMM. RES. NO. 15-97: A House Commemorative Resolution to recognize and honor Tan Caridad Ogo Kiyoshi as the oldest living person in the Municipality of Tinian and Aguiguan, on the occasion of Mes Man'amko.

Offered by: Rep. Edwin P. Aldan

HSE. COMM. RES. NO. 15-98: A House Commemorative Resolution to pay tribute to the late Honorable Senate President Lutu TS Fuimaono, an esteemed member of the APIL and a dear friend of the Commonwealth of the Northern Mariana Islands.

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

H. R. NO. 15-133: A House Resolution requesting that Governor Benigno R. Fitial terminate his Special Advisor, Richard A. Pierce, for behavior unbecoming a government official and for his repeated use of abusive and foul language towards women.

Offered by: Rep. Stanley T. Torres

H. J. R. NO. 15-23: A House Joint Resolution to express support for the application by Air China Limited, d.b.a. Air China, for an exemption authority pursuant to 49 U.S.C. § 40109(c) to engage in foreign air transportation of persons, property and mail between the island of Saipan of the Northern Mariana Islands and Beijing, China.

Offered by: Rep. Absalon V. Waki, Jr. and seventeen others

H. J. R. NO. 15-24: A House Joint Resolution to authorize the Commonwealth of the Northern Mariana Islands, through its Governor, to submit to the U.S. Department of Housing and Urban Development the Action Plan for the Community Development Block Grant Application No. B-07-ST69-0001; the HOME Investment Partnership Grant Application No. S-07-DC69-0203; and the Emergency Shelter Grant Application No. S-07-DC69-0001; to receive the funds requested therein, and to assume all responsibilities that may be imposed by the U.S. Department of Housing and Urban Development Block Grant, HOME Investment Partnership Program and the Emergency Shelter Grant Programs.

Offered by: Rep. Oscar M. Babauta and seventeen others

The Chair recognized the Minority Leader.

Rep. Palacios: I do not have any objection to being a signatory to that, but I am not sure if this is the appropriate time, but does the Legislature receive any information on the specifics of CDBG, the Block Grant that we submit every year? I believe that it is appropriate that the House of Representative, this body, receives at least a package or a listing of the projects that we are going to support. I do not even know where these funds – because this is an annual Block Grant that NMHC submits to us, and the Board makes a decision on the projects to be funded, and the Governor then signs off on the Block Grant. By large, I do not think this body has been provided the...I know that some of us have received funding support from SDBG for community projects. Sometimes we submit individually to NMHC, but I think for informational purposes, I think that this body should be appraised of the projects that we are basically approving through a Joint Resolution. Thank you.

Speaker Babauta: Just to inform you, you are well aware of the process – we have done this before, members have been receiving copies. Only this time that my office was requested for endorsement without the package, but I have made a note on that yesterday, and I will follow up with the administrator on the copies of that particular package. I recognize the Vice Speaker.

Vice Speaker Quitugua: Mr. Speaker, I think the Chairman of HEW has requested for a copy of the package. What I was told yesterday was that they are forwarding the package to the Chair of HEW.

The Chair recognized Chairman Lizama.

Rep. Lizama: Thank you, Mr. Speaker. Yes, I did request, but as of today, I have not received any package.

Speaker Babauta: Would you be humble enough, when you receive those, could you disseminate that to the entire members including the Speaker's Office.

Rep. Lizama: As soon as I receive it, I will disseminate them to the members.

Speaker Babauta: Thank you. Let us move down to the item number 5.

## MESSAGES FROM THE GOVERNOR

Gov. COMM. 15-258: (5/29/07) Appointment of Mr. Efrain F. Camacho to serve as a member of the PUC representing Engineering/Saipan.

Gov. COMM. 15-259: (5/29/07) From Lt. Governor Villagomez submitting additional exemptions from PL 15-24.

Gov. COMM. 15-260: (5/30/07) From Lt. Governor Villagomez informing the House that he signed into law S. B. NO. 15-80 (Renaming the THC to Lucia "Chiang" Villagomez Arizapa Health Center). [Became **Public Law 15-63**]

Gov. COMM. 15-261: (5/30/07) From Lt. Governor Villagomez informing the House that he signed into law S. B. NO. 15-61, SD1 (Correct errors and inconsistencies in certain public laws). [Became **Public Law 15-64**]

Gov. COMM. 15-262: (5/31/07) From Lt. Governor Villagomez informing the House that he signed into law H. B. NO. 15-241, SD1 (To reappropriate funds for the Mobile Health Clinic & Diabetes Prevention Control Program) [Became **Public Law 15-65**]

Gov. COMM. 15-263: (5/31/07) From Lt. Governor Villagomez informing the House that he signed into law H. L. B. NO. 15-51 (To reappropriate \$50,000 for the Junior Statesmen Foundation). [Became *Saipan Local Law 15-19*]

Gov. COMM. 15-264: (6/12/07) Informing the House that he signed into law H. B. NO. 15-270 (To compensate Mr. Francisco S. Deleon Guerrero as provided in PL 13-17). [Became **Public Law 15-66**]

Gov. COMM. 15-265: (6/13/07) Informing the House that H. B. NO. 15-237, HD1 (To amend 4 CMC § 8122 as amended by PL 15-50) which was overridden by the Legislature became **Public Law 15-67**.

Gov. COMM. 15-266: (6/13/07) Informing the House that H. B. NO. 15-7, HS1, HD1 (CNMI Roadways Innovative Financing Act) which was overridden by the Legislature became **Public Law 15-68**.

Gov. COMM. 15-267: (6/13/07) Informing the House that H. B. NO. 15-162, HD1, SD1 (Family Sick Leave Act) which was overridden by the Legislature became **Public Law 15-69**.

Gov. COMM. 15-268: (6/14/07) Informing the House that he signed into law S. B. NO. 15-76, HD1 (Defined Benefit Plan Reform Act of 2007). [Became **Public Law No. 15-70**]

The Chair recognized the Vice Speaker.

Vice Speaker Quitugua: Mr. Speaker, I would like to thank the House members including the Senate for voting to pass the Sick Leave Bill – correction, to override the Sick Leave Bill, and as soon as that was overridden by the House and the Senate, Mr. Speaker, there were calls that came to the Legislature from individuals who are and will be escorting their family to Hawaii and Manila, and they are thanking us for doing that. Now, they are able to apply their own sick leave to accompany their immediate family member to their referral destination, and again, I want to thank the members for helping out. Thank you.

Speaker Babauta: You are welcome. I recognize the Minority Leader.

Rep. Palacios: Thank you, Mr. Speaker. I am not going to discuss on the overrides, but I would like to reference Gov. COMM. NO. 15-268, Mr. Speaker. I just want to pose, and perhaps have the Vice Speaker be aware that I believe Public Law 15-70 that was just signed into law, I believe includes the changes that is necessary that is being proposed in H. B. NO. 15-277. We would probably

discuss that when we get to the bill, but if I am not mistaken, we allowed for fifteen years – allow for the flexibility to have fifteen years – if we can withdraw it in this bill that just became law, but we can discuss that when we...thank you.

Speaker Babauta: Right, that was the intended changes in the bill. Any more comment?

## SENATE COMMUNICATIONS

SEN. COMM. 15-195: (6/6/07) Informing the House that the Senate overrode the Governor's veto of H. B. NO. 15-7, HS1, SD1. [For info]

SEN. COMM. 15-196: (6/6/07) Informing the House that the Senate overrode the Governor's veto of H. B. NO. 15-162, HD1, SD1. [For info]

SEN. COMM. 15-197: (6/6/07) Informing the House that the Senate overrode the Governor's veto of H. B. NO. 15-237, HD1. [For info]

SEN. COMM. 15-198: (6/6/07) Returning H. B. NO. 15-69, HS1 (Theft of Utility Services Act of 2006), which was passed by the Senate without amendments on June 5, 2007. [For info - Before the Governor]

SEN. COMM. 15-199: (6/6/07) Returning H. B. NO. 15-270 (To compensate Mr. Francisco S. Deleon Guerrero for properties acquired by the government), which was passed by the Senate without amendment on June 5, 2007. [For info – Became PL 15-66]

SEN. COMM. 15-200: (6/6/07) Returning H. J. R. NO. 15-17 (Right-of-Way Manual), which was adopted by the Senate without amendment on June 5, 2007. [For info]

SEN. COMM. 15-201: (6/6/07) Returning H. J. R. NO. 15-20 (Copra Production), which was adopted by the Senate without amendment on June 5, 2007. [For info]

SEN. COMM. 15-202: (6/6/07) Returning H. J. R. NO. 15-21 (Market Agricultural and Fish Products in Guam), which was adopted by the Senate without amendment on June 5, 2007. [For info]

SEN. COMM. 15-203 (6/6/07) Returning H. J. R. NO. 15-22 (Asiana Airlines Inaugural Flight), which was adopted by the Senate without amendment on June 5, 2007. [For info]

SEN. COMM. 15-204: (6/6/07) Informing the House that the Senate accepted the House amendments to S. B. NO. 15-76, HD1 (Retirement Defined Benefit Plan) on June 5, 2007. [For info]

SEN. COMM. 15-205: (6/6/07) Transmitting S. B. NO. 15-89, entitled, "A Bill for an Act to amend the Commonwealth Code to offer job protection to volunteer members of the emergency service agencies who respond to certain disasters and emergencies," which was passed by the Senate on June 5, 2007. [For action]



SEN. COMM. 15-206: (6/6/07) Transmitting S. J. R. NO. 15-18, entitled, “A Senate Joint Resolution requesting the Governor to enter into discussions with the Department of Interior regarding the possibility of expending federal monies to prepay the loan made to construct the capital improve in Susupe known as the ‘Guma Hustisia’,” which was adopted by the Senate on June 5, 2007. [*For action*]

SEN. COMM. 15-207: (6/11/07) Transmitting a certified copy of S. R. NO. 15-48, entitled, “A Senate Resolution relative to honoring and extend a sincere Un Dangkulo Na Si Yu’us Ma’ase to the Honorable Benjamin Taisacan Manglona for his outstanding career as a public servant and a great community leader of the Commonwealth of the Northern Mariana Islands,” which was adopted by the Senate on June 5, 2007. [*For info*]

SEN. COMM. 15-208: (6/11/07) Transmitting a certified copy of S. R. NO. 15-49, entitled, “A Senate Resolution to request that the Governor begin a dialog with the United States Coast Guard to determine the feasibility and advisability of seeking a waiver from applicable regulations and laws such that decommissioned public vessels of the United States of America may be transported to the Commonwealth for disposal,” which was adopted by the Senate on June 5, 2007. [*For info*]

SEN. COMM. 15-209: (6/11/07) Transmitting a certified copy of S. R. NO. 15-48, entitled, “A Senate Resolution relative to congratulate and commend Ms. Jamaica King for her hard work and dedication graduating Salutatorian from Douglas McKay High School in Salem Oregon and bringing great honor to the people of the Commonwealth of the Northern Mariana Islands,” which was adopted by the Senate on June 5, 2007. [*For info*]

SEN. COMM. 15-210: (6/12/07) Returning H. B. NO. 15-252, “CUC Security Deposit Fairness Act of 2007”, which was passed by the Senate without amendment on June 12, 2007. [*For info – Will go to the Governor*]

SEN. COMM. 15-211: (6/12/07) Returning H. B. NO. 15-259, HD1 (\$54,000 Appropriation from Second Sen. Dist. Solid Waste Management Fund), which was passed by the Senate without amendment on June 12, 2007. [*For info – Will go to the Governor*]

SEN. COMM. 15-212: (6/12/07) Returning H. B. NO. 15-265, HD2 (To amend PL 15-28 – Budget Act), which was passed by the Senate with amendments on June 12, 2007, in the form of **H. B. NO. 15-265, HD2, SS1, SD1**. [*For action on Senate amendments*]

SEN. COMM. 15-213: (6/18/07) Transmitting a certified copy of S. R. NO. 15-47, SD1, entitled, “A Senate Joint Resolution to express sincere and heartfelt condolences to the family of the late Specialist Victor Michael Fontanilla of the United States Army, for making the courageous and ultimate sacrifice in our nation’s struggle to bring peace to the people of Iraq.” [*For info*]

The Chair recognized the Floor Leader.

Floor Leader Florencio Deleon Guerrero: So moved, Mr. Speaker, to accept all the Senate Communications that appear on today’s Calendar.

The acceptance motion was seconded and carried by voice vote.

Speaker Babauta: The motion is carried. You may proceed with the first communication, Floor Leader.

Floor Leader Florencio Deleon Guerrero: So moved, Mr. Speaker, to accept S. B. NO. 15-89 under SEN. COMM. NO. 15-205 on First and Final Reading.

The motion was seconded.

**S. B. No. 15-89:** A BILL FOR AN ACT TO AMEND THE COMMONWEALTH CODE TO OFFER JOB PROTECTION TO VOLUNTEER MEMBERS OF THE EMERGENCY SERVICE AGENCIES WHO RESPOND TO CERTAIN DISASTERS AND EMERGENCIES; AND FOR OTHER PURPOSES.

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

The Clerk called the roll on the motion to pass S. B. NO. 15-89 on First and Final Reading:

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

Speaker Babauta: By a unanimous consent, S. B. NO. 15-89 under SEN. COMM. NO. 15-205 passes the House on First and Final Reading. Continue, Floor Leader.

Floor Leader Florencio Deleon Guerrero: So moved, Mr. Speaker, to adopt SEN. COMM. NO. 15-206 reference to S. J. R. NO. 15-18.

The motion was seconded.

**S. J. R. No. 15-18:** A Senate Joint Resolution to requesting the Governor to entire into discussions with the Department of Interior regarding the possibility of expending federal monies to prepay the loan made to construct the capital improve in Susupe known as the ‘Guma Hustisia’.

Speaker Babauta: Discussion. Clerk, call the roll.

The Clerk called the roll on the motion to pass S. J. R. NO. 15-18 on First and Final Reading:

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

Speaker Babauta: SEN. COMM. NO. 15-206 requesting action of the House on S. J. R. NO. 15-18 is hereby adopted. I recognize Representative Torres.

Rep. Torres: I know that we just finished voting to pass S. B. NO. 15-89, can I ask the indulgence of the members to reconsider our action, and maybe place this on the Bill Calendar for slight amendment? Just to let you know that I think we need to insert “Certified FEMA Field Personnel” who are volunteers especially that we in Typhoon point, and people who are certified as FEMA Field Inspectors or Coordinators need to be protected too.

Speaker Babauta: But those individuals are post disaster workers.

Rep. Torres: Yes, but...

Speaker Babauta: I think the intent of the legislation is during emergencies and disasters.

Rep. Torres: And FEMA Field people are considered emergencies too. I mean, we need to expedite the processing of post disaster, and they are volunteers. They should be included in the protection.

Speaker Babauta: Unless, there is an objection, I would like to call for a reconsideration motion, and would you like to make that amendment now, Representative Torres?

There was no objection by the members.

Rep. Torres: Thank you, Mr. Speaker.

Speaker Babauta: Would you officially move for that motion, Representative Torres for reconsideration.

Rep. Torres: I move for reconsideration of S. B. NO.15-89.

The reconsideration motion on S. B. NO. 15-89 was seconded and carried by voice vote.

Speaker Babauta: S. B. NO. 15-89 is back on the floor for discussion. I recognize Representative Torres, we are ready for you. You want to yield to Representative Tebuteb?

Rep. Torres: I will let him do the amendment.

Rep. Yumul: Mr. Speaker, while they are coming up with the appropriate amendment, on page 2, line 17, I have a concern here. The legislation calls for a period of no more than two (2) months that a person cannot be terminated. I am concern that we are putting a time line here when disasters – as we had seen like the Katrina Disaster where it takes many more months and we just do not know – I think we also need to look at this, and ask ourselves if we want to put a time line of two months, or should we just make it appropriate to the condition. In other words, if the Governor still declares a State of Emergency or if there is still existing operations that the time frame be flexible. I know that there are some volunteers that easily go over two months such as the hotshots; if we send our volunteers off-island to assist in forest fire related volunteer work the U.S. Mainland, they would not be back for at least three or four months. Thank you.

Speaker Babauta: I share that concern, but let me go back to Representative Torres' concern. You are trying to include FEMA...

Rep. Torres: Certified FEMA Personnel.

Speaker Babauta: And Representative Yumul just alluded to that particular section. Would Emergency Management Agency cover those?

Rep. Torres: I think we have to be specific and include FEMA Certified because there are FEMA people that are not certified, but we are making it specific that they have to be certified by FEMA to be out on the field investigating or coordinating the assessment of damages.

Speaker Babauta: Right. Presently, the government has the so-called Public Assistance Office that deals with post-disaster matters, and that includes inspections of FEMA funded projects, be it residential or commercial or government that were claimed by the claimants. What is the time frame for these individuals?

Rep. Torres: I agree with Congressman Yumul.

Rep. Palacios: Under the Bill, Mr. Speaker, it is two months.

Rep. Torres: There is a person who is certified that went to the Katrina Disaster – volunteer because he is a certified FEMA personnel. He came back, and I think he lost his job. That is why I wanted that included for any FEMA Certified Field people.

Speaker Babauta: Okay. Let us have a compromise, and I will recognize the Floor Leader to offer a subsidiary motion so that we place this on the Bill Calendar while you perfect the amendment.

Rep. Tebuteb: Already, Mr. Speaker.

Speaker Babauta: You got it already?

Rep. Torres: I guess so.

Speaker Babauta: Okay, I will now recognize Representative Tebuteb for the amendment on S. B. NO. 15-89.

Rep. Tebuteb: Mr. Speaker, I have an oral floor amendment on line 14, page 2, right after the word, “American Red Cross” delete the period “(.)” and insert a comma, “(,) and Federal Emergency Management Agency (FEMA) Certified Field Personnel.” I so moved.

Speaker Babauta: Discussion.

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

Speaker Babauta: The motion is carried. We will continue to discuss, S. B. NO. 15-89, HD1. Ready. Clerk, recall the vote again.

The Clerk called the roll on the motion to pass S. B. NO. 15-89, HD1 on First and Final Reading:

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

Speaker Babauta: By a unanimous consent, S. B. NO. 15-89 as reconsidered by the House is passed in the form of House Draft One. The bill would have to go back to the Senate to accept the House amendment. Floor Leader, your last communication.

Floor Leader Florencio Deleon Guerrero: So moved, Mr. Speaker, to the Senate amendment on H. B. No. 15-265, HD2, SS1, SD1.

The motion was seconded.

Speaker Babauta: The Chair would like to humbly ask the cooperation of the members to move this bill rapidly. I have discussed the context of the legislation with our budget director, Mr. Muna the other day, and he had assured me that the concerns that I have is taken care of. So with due diligence to assist this government up to September 30<sup>th</sup>, I humbly ask for your cooperation in adopting the adjusted Budget for FY 2007. Discussion on the communication? Ready. Clerk, call the roll to accept the Senate amendments on H. B. NO. 15-265, HD2, SS1, SD1, and before we do that, I recognize the Minority Leader.

Rep. Palacios: Thank you, Mr. Speaker. For the record, I want to say that it took many efforts of many members of the House, Senate, and the key staff of the Administration to come up with this draft in an acceptable form which the Senate passed...[**End of Tape 1, Side A**]

Rep. Palacios:...[**Beginning of Tape 1, Side B**]...means for his patience and his diligence to shepherd this issue because it was very important that we address PSS. What this bill entails is not only that are we going to address PSS, but other critical public services. Although we would have like to see 100% reinstatement of the 15% reduction to all these critical agencies, I think that 95% reinstatement level is better than anything less. So that is where we are at, and that is what this legislation – I know that some of us also had grave concerns over certain amendments that were being made in the Senate version...one was the Retirement insertion and the retroactive salary increase of whatnot of key executive branch positions, which we objected to, and the Senate decided put away and hopefully we can deal with those issues on a separate statute, or proposed legislations. I think the amount of time and the long delay that we had in some cases – I personally believe that we took too much time, but at least we are able to come up with a product that I believe would be acceptable to the critical agencies as well as the executive branch, and both Houses of this Legislature. So with that, Mr. Speaker, I urge the support of all the members to accept the amendments, and move forward with this legislation. Thank you.

Speaker Babauta: Thank you, and on the same note, on behalf of the entire members of this House, I would like to thank the Administration for allowing both Mr. Muna, and Mr. Inos to cope and work closely with the members whom participated in the adjusted budget process. Thank you very much. Clerk, you may call the roll now to accept the Senate amendments.

The Clerk called the roll on the motion to pass H. B. NO. 15-265, HD2, SS1, SD1 on First and Final Reading:

Rep. Martin B. Ada	excused
Rep. Edwin P. Aldan	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Jacinta M. Kaipat	yes
Rep. Jesus SN. Lizama	yes
Rep. Crispin M. Ogo	yes
Rep. Arnold I. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Benjamin B. Seman	yes
Rep. Candido B. Taman	yes
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes

Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	yes
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: By a unanimous consent of this House, H. B. No. 15-265, HD2, SS1, SD1, is hereby passed by this House accepting the Senate amendments on First and Final Reading. Mr. Muna, can the Administration wait until Monday morning that we transmit this, or do you want it transmitted today?

Mr. Tony Muna: Monday morning.

Speaker Babauta: Today is Friday, and I want to allow my colleagues to enjoy this day, and so does the staff as you know what day is today. Thank you very much for your understanding. I recognize the Minority Leader.

Rep. Palacios: Thank you, Mr. Speaker. Mr. Speaker, we almost ran into a glitch with this legislation as it was submitted from the Senate, and the significant issue there is the absence of DPS. We have the Police Department on First and Second Senatorial District, but we did not have this on the list from the Senate version. So that was a very big concern. For the record, and to everyone's information, the Speaker was able to discuss this with the Administration, and key staff of the Administration, and I have been assured that the Administration will ensure that our Department of Public Safety also gets its reinstatement and funding level that it needs even without including them into this legislation. I just want that to be reflected in the record. Thank you.

Speaker Babauta: Thank you. Let us move down to item number 7.

## HOUSE COMMUNICATIONS

The Chair recognized Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: I do not know if I am in order here to ask or request the Speaker under House Communication, but what I wanted to ask, Mr. Speaker, if the issue of the recently passed Federal Legislation on Minimum Wage – there are a lot of questions that are being asked, the Saipan Chamber of Commerce recently met with the Federal officials from the U.S. Department of Labor, and I wanted to ask if we can request an audience if not with these Federal officials, but if they are still here, if we can meet up with them before they leave. I also want our own Department of Labor to also be here for us to inquire or pose questions. It is a very confusing issue right now. Even with me, I know about it mainly through media, but I have questions regarding on whether we can pass legislation that could either compliment or could be enacted to ease the burden also on our employers. So, I would like to officially request, Mr. Speaker, that you try to get this meeting as soon as possible.

Speaker Babauta: Thank you, Representative Deleon Guerrero. I think that all of us share those concerns because we have been bombarded by members of the community primarily families that employ domestic helper, farmers, and fishermen. Unless you want to get something like the basic idea of what is transpiring between our Labor Department and that of Mr. Trotter of the Wage and Hour – I understand that the Administration are gearing up or formulating guidelines for our CNMI

employers with the help of Mr. Trotter...when would that happen, I hope that would happens before July 24<sup>th</sup>. We will call a short recess, and if there is no objection from the members, I see Mr. Willens back there – if he can basically enlighten the members of what is transpiring with the Federal CNMI Initiative as far as coming up with the guideline to be implemented pertinent to the minimum wage issue. Okay. We will call for a short recess.

The House recessed at 11:17 a.m.

### **RECESS**

The House reconvened from lunch at 1:51 p.m.

Speaker Babauta: We are back to our plenary session. Without objection, I see no critical matters under item number 10 and 11, so we will move right down to item number 12. Furthermore, without objection, I would like to appoint Chairman Lizama as the Floor Leader pro tem this afternoon.

Rep. Yumul: Mr. Speaker, under item number 11.

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

None

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

None

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

DEPT. & AGENCY COMM. 15-63: From Ms. Linda T. Cabrera (SAPLR) acknowledging receipt of Joint Session Res. 15-4 and Joint Session Res. 15-5, JSD1.

DEPT. & AGENCY COMM. 15-64: (6/6/07) From Ms. Linda T. Cabrera (SAPLR) acknowledging receipt of H. R. NO. 15-119 thru H. R. NO. 15-132.

DEPT. & AGENCY COMM. 15-65: (6/6/07) From Ms. Linda T. Cabrera (SAPLR) acknowledging receipt of H. R. NO. 15-112 thru 15-117.

There was no discussion.

### **OTHER COMMUNICATIONS**

MISC. COMM. 15-12: From Ms. Linda Muna, SNILD Clerk, transmitting a certified copy of SNILD Res. 15-8.

The Chair recognized Representative Yumul.

Rep. Yumul: I am in receipt of a letter from Marianas Racing Association. I believe it was passed out to the members. If in case it has not reached all the members, Representative Ada from Precinct



I, introduced this as Other Communication. Basically, the content of the letter states that the Secretary of Department of Public Lands is giving preference for certain piece of property up in Marpi area for commercial other than community use that is presently in existence right now. If anything, Mr. Speaker, I would ask the Chairman on Natural Resources to open up dialogue, and find out what if any, is the intent of Public Lands – if there is a big investor coming in, maybe perhaps we can try to locate suitable alternate property for this organization.

Speaker Babauta: So noted. I received also a copy, and I guess every member has a copy of that. I am pretty sure that Chairman Ada would communicate with my office, and seek the committee’s assistance in identifying other potential viable place for your organization to conduct your activity. I recognize Representative Torres.

Rep. Torres: Yes, I am just kind of lost in that conversation because I have not seen that letter yet.

Speaker Babauta: They have not given you a copy yet? I understand that everyone was given a copy of that letter. The letter was a reply from DPL to MRA regarding their request to designate partials of land in the northern part for drag racing and other racing activities. So Chairman Aldan, kindly take note on that and talk to Chairman Ada. You might probably get some assistance from our racer, Representative Yumul. We will move down to item number 12.

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

**S. C. R. No. 15-60**: Reporting on H. L. I. NO. 15-14, entitled, “To amend Article IV, Section 5 of the Constitution of the Commonwealth of the Northern Mariana Islands to authorize the election of the chief justice and presiding judge by a majority of the justices and judges, respectively.” *Your Committee on Judiciary and Governmental Operations recommends passage of the initiative.*

**S. C. R. No. 15-61**: Reporting on H. L. I. NO. 15-15, entitled, “To amend Article VI of the Constitution of the Commonwealth of the Northern Mariana Islands to abolish the municipal councils of Rota, Tinian and Aguiguan, and Saipan and the Northern Islands.” *Your Committee on Judiciary and Governmental Operations recommends passage of the initiative.*

**S. C. R. No. 15-62**: Reporting on H. L. I. NO. 15-16, entitled, “To amend Article III, Section 4 of the Constitution of the Northern Mariana Islands to require a runoff election for governor and lieutenant governor if no candidates receive a majority of the votes cast for that office in a general election.” *Your Committee on Judiciary and Governmental Operations recommends passage of the initiative.*

**S. C. R. No. 15-63**: Reporting on H. B. NO. 15-38, entitled, “To repeal and reenact Chapters 4 through 8 of Division 4 of Title 3 of the Commonwealth Code (Nonresident Workers Act), to amend 4 CMC § 5708(a), (b) and (c); and for other purposes.” *Your Committee on Judiciary and Governmental Operations recommends passage of the bill as substituted.*

**S. C. R. No. 15-64**: Reporting on H. B. NO. 15-209, entitled, “To establish financial standards and obligations for adults serving as guardians of minor children; and for other purposes.” *Your Committee on Health, Education, and Welfare recommends passage of the bill.*

**S. C. R. NO. 15-65:** Reporting on H. B. NO. 15-229, entitled, “To repeal and re-enact Chapter 2, Division 1, Title 3 of the Commonwealth Code pertaining to the Chamorro-Carolinian Language Policy Commission; and for other purposes.” *Your Committee on Health, Education, and Welfare recommends passage of the bill as amended.*

**S. C. R. NO. 15-66:** Reporting on H. B. NO. 15-226, entitled, “To Amend Chapter 1 of Division 3 of Title 2 of the Commonwealth Code, and for other purposes.” *Your Committee on Health, Education, and Welfare recommends passage of the bill.*

The Chair recognized the Acting Floor Leader.

Acting Floor Leader Lizama: So moved, Mr. Speaker, to include S. C. R. NO. 15-67 on today’s Order of Business.

The motion was seconded and carried by voice vote.

**S. C. R. NO. 15-67:** Reporting on H. B. NO. 15-39, entitled, “To regulate re-connection fees which the Commonwealth Utilities Corporation, the cable and telephone companies may charge to its subscribers; and for other purposes.” *Your Committee on Public Utilities, Transportation, and Communications recommends passage of the bill in the form of House Substitute One.*

Speaker Babauta: The motion is carried. S. C. R. NO. 15-67 is officially in the Calendar. You may proceed, Floor Leader.

Acting Floor Leader Lizama: So moved, Mr. Speaker, to suspend pertinent rules to adopt all the Standing Committee Reports that appear on today’s Calendar.

The adoption motion was seconded.

Speaker Babauta: Discussion on any of the Committee Reports. I recognize Representative Taman.

Rep. Taman: Clarification, Mr. Speaker.

Speaker Babauta: State your point of clarification.

Rep. Taman: What bill is S. C. R. NO. 15-67 reporting on?

Speaker Babauta: H. B. NO. 15-39.

Rep. Taman: Thank you.

Speaker Babauta: Discussion on any of the Reports.

There being no further discussion, all the Standing Committee Reports were carried by voice vote.

Speaker Babauta: The motion is carried. Those reports are now duly adopted. Floor Leader, under item number 15.

## UNFINISHED BUSINESS

None

## RESOLUTION CALENDAR

The Chair recognized the Acting Floor Leader.

Acting Floor Leader Lizama: So moved, Mr. Speaker, to suspend pertinent House rules for the placement and adoption of H. R. NO. 15-133, HSE. COMM. RES. NO. 15-97, HSE. COMM. RES. NO. 15-98, H. J. R. NO. 15-23 and H. J. R. NO. 15-24.

The suspension motion was seconded and carried by voice vote.

Speaker Babauta: The motion is carried. Adoption motion, Floor Leader for the three Resolutions.

Acting Floor Leader Lizama: So moved, Mr. Speaker for the adoption of HSE. COMM. RES. NO. 15-97 and HSE. COMM. RES. NO. 15-98.

The adoption motion was seconded and carried by voice vote.

**HSE. COMM. RES. NO. 15-97**: A House Commemorative Resolution to recognize and honor Tan Caridad Ogo Kiyoshi as the oldest living person in the Municipality of Tinian and Aguiguan, on the occasion of Mes Man'amko.

**HSE. COMM. RES. NO. 15-98**: A House Commemorative Resolution to pay tribute to the late Honorable Senate President Lutu TS Fuimaono, an esteemed member of the APIL and a dear friend of the Commonwealth of the Northern Mariana Islands.

Speaker Babauta: The motion is carried. Continue, Floor Leader.

Acting Floor Leader Lizama: So moved, Mr. Speaker, for the adoption of H. J. R. NO. 15-23 and H. J. R. NO. 15-24.

The adoption motion was seconded.

**H. J. R. NO. 15-23**: A House Joint Resolution to express support for the application by Air China Limited, d.b.a. Air China, for an exemption authority pursuant to 49 U.S.C. § 40109(c) to engage in foreign air transportation of persons, property and mail between the island of Saipan of the Northern Mariana Islands and Beijing, China.

**H. J. R. NO. 15-24**: A House Joint Resolution to authorize the Commonwealth of the Northern Mariana Islands, through its Governor, to submit to the U.S. Department of Housing and Urban Development the Action Plan for the Community Development Block Grant Application No. B-07-ST69-0001; the HOME Investment Partnership Grant Application No. S-07-DC69-0203; and the

Emergency Shelter Grant Application No. S-07-DC69-0001; to receive the funds requested therein, and to assume all responsibilities that may be imposed by the U.S. Department of Housing and Urban Development Block Grant, HOME Investment Partnership Program and the Emergency Shelter Grant Programs.

Speaker Babauta: Discussion. I recognize Representative Yumul.

Rep. Yumul: Just as a note, H. J. R. NO. 15-23, the China Air – I am in favor of passing this Resolution, but just as a note, the U.S. Department of Transportation was requesting for anyone who wants to file basically any type of communication not in favor of this application. The expiration date was June 15, and it might be mood, so otherwise...

Speaker Babauta: Well, if we support the increase on the air traffic industry, then I urge you that we will try to expedite this Joint Resolution to – that includes the Senate for proper...

Rep. Yumul: Maybe perhaps, we can have our House Resolution also exact or identical so that we can forward this, and not wait for the Senate's concurrence.

Speaker Babauta: It is the disposal of the body.

Rep. Palacios: The Senate are meeting Tuesday.

Rep. Yumul: It is just that the time is of the essence so...

Speaker Babauta: Yes, I understand.

Rep. Yumul: I would like to ask the author if...

Speaker Babauta: Our Washington Representative asked that we support this through a Joint Resolution regardless whether it is a little bit late, but at least our desire is made known to the Department of Transportation. To continue, I recognize Representative Tenorio.

Rep. Tenorio: Thank you, Mr. Speaker. I have a House Resolution actually prepared for this, but when I saw the Joint Resolution, I withdrew it. The Joint Resolution expresses a more concrete support of the entire legislature so we just have to tell the Senate to act on it, Mr. Speaker. Thank you.

Speaker Babauta: Thank you. I recognize the Minority Leader.

Rep. Palacios: This is something I certainly or we should also put – one of the issues that was – I was discussing this with the Washington Representative and I believe it was the Vice President of the Senate, and one of the issues that was brought up is that we need to make sure that the rules pertaining to this China Air bilateral agreements does not in any way hinder other authorized travel agents from – right now we only have two; the Tinian Dynasty and the Century Travel. I do not think that we should limit that, and I want to make sure that any later time that we can allow for other authorized agents that meet the criteria set forth by our local government – I want to be on record that this is an issue that I hope could be worked in the future. Thank you.

The Chair recognized Representative Tenorio.

Rep. Tenorio: Thank you, Mr. Speaker. The route that I think China Airlines is asking is between Beijing and Saipan, right?

Speaker Babauta: Correct.

Rep. Tenorio: Twice a week, correct?

Speaker Babauta: Correct.

Rep. Tenorio: I think we should be all in support of this, Mr. Speaker, especially at a time like this when we need the tourism industry. The sooner we get this thing out, the better for all of us. I just want that on the record, Mr. Speaker. Thank you.

Speaker Babauta: Thank you. I share your concern. Ready.

There being no further discussion, H. J. R. NO. 15-23 and H. J. R. NO. 15-24 was carried by voice vote.

Speaker Babauta: The motion is carried. I recognize again the Floor Leader.

Acting Floor Leader Lizama: So moved, Mr. Speaker, for the adoption of H. R. NO. 15-133.

The motion was seconded.

**H. R. NO. 15-133**: A House Resolution requesting that Governor Benigno R. Fitial terminate his Special Advisor, Richard A. Pierce, for behavior unbecoming a government official and for his repeated use of abusive and foul language towards women.

Speaker Babauta: Discussion. I recognize Representative Torres.

Rep. Torres: Mr. Speaker, I am open to any suggestion of sponsoring it by Committee as a Whole if the...

Speaker Babauta: I was actually recommending suspending adoption on this, and instead assisting you in writing a stronger message to our Governor to rectify other than through a Resolution, if that is amendable to you.

Rep. Torres: I think, Mr. Speaker that by adopting the Resolution is a strong message from us as legislators.

Speaker Babauta: I would leave that prerogative to the individual members to make that desired known at this time.

Rep. Torres: Thank you.

Speaker Babauta: Any more discussion? Did I hear you wanting to take my recommendation or...

Rep. Torres: I am sorry, no.

Speaker Babauta: Okay. I recognize Representative Tenorio.

Rep. Tenorio: Mr. Speaker, my only concern is that I do not know if this body should be telling the Governor how to correct the certain mistake made by one of his employees. I think I agree with you that perhaps the best approach is to try to make him aware that this situation exists, and do whatever is possible.

Speaker Babauta: The situation actually arises out of the legislative hall, and not necessarily antagonizing or criticizing one member, but this issue is as a result of two private individuals outside the legislature. I want you to know that.

Rep. Torres: I object to that, Mr. Speaker.

Rep. Tenorio: Mr. Speaker, I still have the floor. Thank you.

Speaker Babauta: You still have the floor, Representative Tenorio.

Rep. Tenorio: I just feel that this is probably the wrong approach, and I take exception in having my name if it comes to a vote. I will not vote for this Resolution.

Speaker Babauta: And that is the reason why I am trying to clarify with our distinguished colleague.

Rep. Tenorio:...and the facts are not all out yet, and we do not know what...

Speaker Babauta: Absolutely.

Rep. Tenorio:...what we are getting into. That is all, Mr. Speaker, thank you.

Speaker Babauta: In as much as I wholeheartedly want to support each and every one of you, there are certain times where all of us should be cognizant of our duty in voting something that otherwise would impair innocent members in the Chamber. You may continue, Representative Torres.

Rep. Torres: Mr. Speaker, I have to defer with both of you.

Speaker Babauta: Understandable.

Rep. Torres:...in objecting my Resolution. This matter started out against a member of this House, and that is me, and then he went out and told the public that the reporter is a criminal. He accused me and the reporter as partners in crime. He started it, and I attached fax in writing from him, and he did mentioned accusive and abusive words to a lady report, and he called me names. It is in the attachment. What more evidence do you want – if you want to recuse, go ahead and recuse yourself from...

Speaker Babauta: No, no, no. I am not recusing myself. I have to vote with my conscience on this issue. I was just merely explaining to the members that the attachment is a result of an outside conversation between Mr. Pierce and the person involved in the email. That being said, there is a motion on the floor for the adoption of that Resolution, but let me recognize first Chairwoman Kaipat.

Rep. Kaipat: Mr. Speaker, I concur with you, and Representative Tenorio. This is a delicate issue, and I just do not believe that the rest of us ought to enter into this matter that occurred outside. I would like a more diplomatic way of this being resolved without having tainting the rest of us, and involving all of us. I do not wish to be involved in this, and I object, and I will not support this Resolution, but I respect your right, Representative Torres, to do what you want to do. But, I just do not feel that I want to be associated with this. Thank you.

Speaker Babauta: Any more comment, and I recognize the Minority Leader.

Rep. Palacios: Certainly, the avenue that Representative Torres is taking is perhaps very unusual, but certainly, it is his prerogative to go this route rather than writing a letter to the Governor, he can express it in a form of Resolution. In fact, it is not really legally binding on the Governor to adhere to him. This is a serious issue that he brought up. I almost fell off my chair when he read his Resolution, because I cannot believe that a member of this body would introduce such a Resolution until I turned the pages and saw the attachment. I hope that – because the individual in the Resolution itself is a high ranking official of our government. There is no mistake about, and regardless of whether this Resolution passes or not, or whether the Speaker or any member of the House inclusive of Representative Torres follows through with a letter to the Governor with those attachment. I hope that the Administration takes a look at this particular issue because it is serious, and it does – if anything else blemish and tarnish the image being projected by the Executive Branch in having one of its senior, very important policy decision maker in our government engage in this type of communications. I also have my strong reservation to get involve in this, but at the same time, if he believes that he wants to send this message by a Resolution as a member of this House, it certainly is his prerogative, and we cannot question that. The message is fairly clear. It certainly can be put in a more diplomatic statesman like way, but I think he is in order, and he wants it by a Resolution. Thank you.

Speaker Babauta: Well, again, there is no question in prohibiting any member to engage and using the halls of this House to air grievances or whatever that each fails fit. There are also limitations to this engagement of grievances. I am just concern because I for one is the disturbed by reading the attachment, but my concern is dragging the entire members into this scenario will not appropriately allow my conscience to allow for this type of communication, and I was only hoping that we can resolve this through a serious dialogue with the Governor, and let him take note that this is a matter of concern, not only to Representative Torres, but to the entire members, and I hope that it does not perpetuate to other members of this House. I recognize Representative Tenorio.

Rep. Tenorio: For the last time, Mr. Speaker, I want to share with Congressman Torres that I personally do not condone these types of actions. This is a very serious action, but like I said again, what we see here is – maybe there are other things outside that happened. I do not know, but whether or not this is the proper forum, he has that privilege as a legislator to bring this issue out

here, but Chairman Kaipat mentioned that probably there are other diplomatic ways to approach this, and perhaps even send a delegate to the Governor to discuss this issue. I mean, I will not tell the Governor to terminate somebody. Let him do it himself if he has to, or let him correct the situation in whatever manner he deems correct, but I do not condone this. I am citing with Congressman Torres on this particular issue because it is not right, but I just question on whether or not we as legislators should involve ourselves through a form of resolution to address this matter. That is all, Mr. Speaker. Thank you.

The Chair recognized Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: Thank you, Mr. Speaker. I read the email, Mr. Speaker, and I think this was intended to be a private email between two people.

Speaker Babauta: That is what I was alluding to.

Rep. Joseph Deleon Guerrero: And in as much as it disturbs me that the language that was used was profaned, I am one who will not try to interfere with anybody's Constitutional right to free speech, or to express his own personal opinion, but I am not going to get involve in something that is not of my business, Mr. Speaker. I hope that the two gentlemen can meet, and find common ground, and resolve this matter personally and professionally. Thank you, Mr. Speaker.

The Chair recognized Chairman Waki.

Rep. Waki: Thank you, Mr. Speaker. We know that there is a little bit of history following – prior to this particular letter coming out. We all had copies of all the communications, and understandability, Mr. Pierce does have a boss, and for us from the Legislature in this intent, and this is a public document now, to be wanting to submit this to the Governor – being a public document, the public would get to review this, and based on the way it was written, I will not call it professional or statesman like. There are better ways to use words, but to use the words from the email in the Resolution, I believe is not proper. It is not proper as a legislator to use these kinds of languages, and especially to put in a public document. If an individual has a personal issue...

Rep. Torres: Point of order.

Rep. Waki:...with someone...

Speaker Babauta: One moment. State your point of order.

Rep. Torres: I challenge Representative Waki mentioning that it was I who used that word.

Rep. Waki: I am saying, putting it on a public document – to put the words in a public document. Where the words came from was a private document between two individuals, but to put it on a public document is to boast it, and I do not think that we should be doing that.

Rep. Torres: I just want to make it clear that it is not from me, but from Mr. Pierce.



Rep. Waki: That is understood, Mr. Speaker. I understand that clearly, and I would just like to say that if we have a particular issue with an individual, then that should be taken up, and if it is in the capacity that you are asking the Governor to do something about it then I think that you should just personally bring it up to the Governor so he can take whatever actions he needs to do against his employee, but again, to involve the Legislature into something like this – to pull us into it, I think that it is improper and unprofessional. Thank you.

The Chair recognized Representative Kaipat.

Rep. Kaipat: Thank you. Again, I just want to reiterate what I said earlier. I too do not condone this type of language. I want to be emphatic about that, but again, this is a private conversation or email between two individuals, and I cannot stress further that this is quite an intrusion into a matter that we should not be involving ourselves in, and I respectfully request that this be handled in a more diplomatic way without involving the members who are not involved in this. I respect your right to pursue what recourse you need to pursue, but please leave us out of it. Thank you.

The Chair recognized Representative Yumul.

Rep. Yumul: Thank you, Mr. Speaker. This just pertains to the Resolution itself, the content. I know that as legislators, we are not really at privileged to use foul languages in session – the question is on line number 12, page 1, fifth word. If I could suggest to the author to strike that word and insert the word, expletive use, and then cite the document where it is present so that we are not echoing expletives. Since we are not privileged to use such words in session, it should also not be allowed on Resolutions or House Bills for that matter. Along those lines, line 9, to words in that sentence, again, the same citations.

Speaker Babauta: Okay. Take note on that...Minority Leader.

Rep. Palacios: Thank you, Mr. Speaker. I too have again reservations in the way that we are going to do this. Having said that, let me reiterate, this is not just a private conversation. As Representative Waki says, we need the preambles to this type of conversation. It was because of the articles that were being written regarding discussions in this House during a privilege speech by Representative Torres is what started this issue. The subject pertain discussions that were brought up in the House in our sessions, and resulted in an unfortunate. Perhaps letting out some frustrations ended up using some very explicit profane language against a reporter who we all know covers the Legislative Branch. It is unfortunate that such language needed to be thrown by – and again a high ranking government member of the Cabinet. But I believe that since we have discussed this and aired it out, and everyone showed their concerns that these type of communication be private or public forum by a public official or high ranking official in our government – on issue pertaining to those that have been deliberated in the legislature, at least we aired out our opinion that it should not be done this way. I certainly appreciate Representative Torres calling this to our attention, and I hope that Mr. Pierce, Mr. Torres, and Ms. Gemma, the reporter can all sit down and work things out. So I am going to ask my colleague to find it in his heart to withdraw the Resolution so that – I believe that the communication is well pronounced in this Chamber already, we know your sentiments, we know everybody's sentiments about it, and I think that the best diplomatic way to do it, is to withdraw the resolution. I think that the Resolution has served its purpose. Thank you.

Speaker Babauta: Thank you, Minority Leader. At this time, I think that I am on my second paragraph already in my letter. So by the end of the session, it should be hand carried to the Governor. Let me recognize the author.

Rep. Torres: Mr. Speaker, because of my closest colleagues from Precinct III, both side from my left and my right side, convinced me to ask the majority to put my resolution...suspended until further deliberation so that it is not adopted at this time.

Speaker Babauta: I guess to appropriately...

Rep. Torres: Excuse me, Mr. Speaker... Until your letter is finalized, and signed, and I receive a copy from you, then I will take the appropriate action for disposition.

Speaker Babauta: I guess to appropriately resolve this parliamentary procedure; I will now recognize the Floor Leader to withdraw the motion for adoption.

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

The motion to withdraw the adoption of H. R. NO. 15-133 was seconded and carried by voice vote.

Speaker Babauta: The motion is carried. At this time, I respectfully would like to thank the author of the Resolution for recognizing the request of your fellow colleagues in dealing with this diplomatically and professionally. I will never ever allow individuals to antagonize members of this Legislature, be it in the inside of this building, or the outside of this building. There are ways to deals with this, and I thank and compliment, Representative Tenorio for taking the right direction in at least giving the Chair the guidance on how to best deal with this issue. Counsel, I hope that by the end of this session, my signature would be ready in that letter to the Governor with the attached Resolution copy. Okay. Once again members, it is Friday let us try and speed this up. Without objection, we will move down to item number 16. I recognize Representative Aldan.

Rep. Aldan: Mr. Speaker, if there is no objection from the members, can we please move back to Reports of Standing Committee?

There was no objection.

Speaker Babauta: If we are to deliberate again on the Standing Committee, I would allow you for record purposes. I can read your mind so as Chairman Ogo on what you want to – unless you want to do that in Miscellaneous to make your record known that – at any rate...

Rep. Aldan: Was the adoption...

Speaker Babauta: The Committee Report had been already adopted.

Rep. Aldan: So we are voting on it already.

Speaker Babauta: So for the record, whether or not, you and Chairman Ogo have placed your voice vote, nobody knows, but the Chair ruled otherwise that those Committee Reports have been duly adopted by this House. At any rate, you make your sentiments known under item number 16.

Rep. Aldan: Thank you, Mr. Speaker.

## **BILL CALENDAR**

The Chair recognized the Acting Floor Leader.

Acting Floor Leader Lizama: So moved, Mr. Speaker, for the suspension of pertinent rules for placement on today's Calendar, H. B. NO. 15-272, H. B. NO. 15-273, H. B. NO. 15-275 and H. B. NO. 15-277.

The suspension motion was seconded and carried by voice vote.

Speaker Babauta: The motion is carried.

Rep. Palacios: Point of information, Mr. Speaker.

Speaker Babauta: State your point of information.

Rep. Palacios: So the legislations that we have under those Committee Reports are automatically put in the Calendar?

Speaker Babauta: It would be placed.

Rep. Palacios: Thank you.

Speaker Babauta: That would be the next motion, and I recognize the Floor Leader.

Acting Floor Leader Lizama: So moved, Mr. Speaker, I move to suspend pertinent rules to place H. L. I. NO. 15-14, H. L. I. NO. 15-15, H. L. I. NO. 15-16, H. B. NO. 15-38, CS1, H. B. NO. 15-209, H. B. NO. 15-229, H. B. NO. 15-226, and H. B. NO. 15-39 on today's Bill Calendar for action.

The placement motion was seconded and carried by voice vote.

Speaker Babauta: The motion is carried. Let me call for one minute recess.

The House recessed at 2:36 p.m.

## **RECESS**

The House reconvened at 2:47 p.m.

Rep. Kaipat:...**Tape Cut Off...**and I just wanted to share with you the latest regulation. Obviously, they have to be finalized by the appropriate agency, and that would be the Department of Labor. Thank you.

Speaker Babauta: We will continue to discuss the bill as offered by the Chairwoman in a form of Committee Substitute 2. Discussion on the substitute, and I recognize Chairman Waki.

Rep. Waki: Thank you, Mr. Speaker. I am a member of JGO, and we have been deliberating on this particular bill for quite some time, and I spoken along with Chairwoman Kaipat, people from the Labor Department, legal counsel, and 90 plus percent of this bill, I am totally in favor of making changes. There are certain provisions that even I myself have question and got answers, and was not fully satisfied, but at the same time, I felt that we needed to make a definite change to the Foreign Worker's Act. In the last week or so, I have been meeting with different business owners, these are larger business owners, and they just have a concern that is still kind of unclear to them in which could affect their businesses, and as a person of 30 years in private business, I can understand. So it has always been an issue with me on trying to find the palatable reason so that I can just get it off my chest. I have spoken to the legal counsel about it, and when the businesses bring it up to my attention, I still have a slight issue. I think this is the same particular provision in here that most people have an issue with where everything else is kind of worked out, but a lot of these larger businesses do have a question. They are not saying that they do not want this to pass, but they just have a concern on the provision which is on page 43, line 18, which is subsection 4953. Congresswoman, we have talked about this, we had turned it around, and I had always said, why could it not be shorter? That was the only question I asked, once you exit here, which every time you have a contract, you have to leave out of here by 15 days minimum after each year's contract. Now, if you are here for continuous term of about 4 ½ years, you must depart for 6 months. This is an issue where a lot of employers where just asking, well, six months without a particular individual in that place, will there be a department in the government that would properly train qualified individuals for a particular replacement of this position, because six months without that individual, they may not need to bring them back, but what would you do for six months? And someone who had been in the private business where I have had over 100 some employees, I had to managed that, even when one person quits, and I need to hire somebody, and I am without that person for at least two weeks and that position is not covered, I need to bring somebody else to cover that position, and I am interviewing all these people and I have not found that right person. And then if I did hire, I was not sure if that person would last very long, and that person may leave me in the next two weeks or three weeks and it did not work out, so I am in a particular predicament. This was a concern that I bring to this body right now in reference to subsection 4953, and many of you probably talked to people. Like I said, most of everything else in this bill is good, and the exiting is a good...**[End of Tape 2, Side A]**

Rep. Waki:...**Beginning of Tape 2, Side B]**...just the status of whether you are leaving as a worker, and how do you come back? You can come back as a tourist for 90 days and extension of another 60 days where you might be coming back as a tourist, but you may be working. So this is maybe just to kind of like circumvent that grey area. But I am still trying to wonder, is there that many abuses in that particular area because if we do not have consensual transfer anymore. I think that the consensual transfer was an issue, we had addressed that issue, now, I am just for my own personal desire, like I said, because of the fact that I have been in business for many years, it is just something that I need to be totally convinced of. Yes, I signed the Committee Report because I like the bill, but

in the last eighteen hours, and I have been kind of concerned about this particular provision, and like I said, I cannot in wholeheartedly vote yes 100% if I just got a question. So, with that, I would like to ask the legal counsel if he can try to explain to me again as to why it could not be a shorter term such as 30 or 60 days, and that it has to be 6 months, or if Congresswoman would like to answer? Thank you.

The Chair recognized Chairwoman Kaipat.

Rep. Kaipat: Thank you, Representative Waki. You know, as a member of the Task Force, you were one of the most active participants, and you had also sat through a very long meeting with the new College President, and we had spoken about organizing training, bringing together all the educational institutions, and all those agencies involved in actual employment of our people to coordinate training effort, and not just come up with a bill itself – like it has been done in the past where you put in all these deadlines, and then you left it up to everyone else to deal with it, and then the deadline came, and then we had to extend it again because nothing was done. As I said yesterday, when I spoke to the Human Resources Managers that I am pledging my full one hundred support into doing something about training. Yes, it may be a bit difficult in terms of missing your favorite employee for 6 months, but the fact of the matter is, this is nothing new. This has been the old law that was repealed. Now, it is time to bring it back, and the reason that we need to bring it back is because as I said before, we have straits so far from the original intent of the Act which was to bring in workers as we need it, not have workers stray so far over to the area of entitlements. Now, you all know what has been happening with this community. When the Commonwealth decided to open its doors, and invite in guest workers because we do not have all the people here in the Commonwealth to fulfill other positions; that was fine, but in the original Act, it also said that you are not to use this Act for a change of status. It is one thing if you came here and marry someone from here, that changes your status, and this does not mean that because we decided to bring back this periodic exit that we somehow do not appreciate all the contributions. That is not what we are saying here, but even in the United States, they have a similar law. Actually, in the United States, you have to be gone a full year. When the Chamber of Commerce expressed their concern about this, we spoke with them, we said, okay this is what we are willing to do. You can exempt your key employees up to 10% of who you really feel that is so critical to your business, and you can identify those people. It used to be just the upper level management, but we said, no, it is up to you. You decide, but then, this Act will be effective January of next year so you have time to plan on how you can have the exit. I am not finish, and I do not want to lose my train of thought either.

Speaker Babauta: Please, if we can allow the Chairwoman to explain some of the highlights.

Rep. Kaipat: So, the reason that we decided to bring this exit back is, you have seen what has happened here. The point that I wanted to make is, when workers are here, we appreciate all the contributions. I even have family members who are married to different guest workers who have come here, so it is not a matter of not welcoming people, or being against the people who come here, but the fact of the matter is, the Commonwealth has the right to impose laws that would help its citizens, and would not impair their leaving or working conditions. You all know that there is going to be a reduction in force coming, you all know that we need to be serious about finding jobs for our people. This is what this bill is about. You all know that when businesses out there say that they do not want to employ people that they want to train, but they just want employ people, you know that it is up to us as leaders of this community to do something about this. We cannot find jobs for

people if we do not have the businesses around to employ the people, and contrary to what people are saying, I am not anti-business. That is not what we are trying to do, and every country has the right to make decisions about jobs, and make Immigration and Labor decisions that may not be as favorable to the guest workers. And, this is our right, and I will defend it, and I am sorry that the businesses think that they will be inconvenience by this exit, but if they are inconvenience now, they will not be inconvenience forever because I am pledging to help fix the training. I am pledging, and I invited all the Human Resources Managers who were there, and they came up to me and they were very positive, they were very willing to help me, help our people, our community. We cannot just be thinking about the problems that we have today. We have to be thinking about the future too. What kind of community do we want here? Yes, it would be nice if we do not have to inconvenience businesses, and inconvenience people, but if you look around at how many people are looking for jobs, they do not find employment that easily, and that is because we need to train them. We need to help our businesses succeed. That is all I am saying, and that is, I am not anti anybody, I am not anti-business, I am not an anti guest worker, and all I am doing is making the responsible step of trying to tighten up our broken system that needs to be fixed. Our system is broken. We need to fix it, and I personally, I am sick and tired of seeing miss-magazine reports, reports that are coming in from people outside who come here regardless of what we have done to fix the problems. They continue to regurgitate the same old tired reports, and it does not matter really whether you are from China, Korea, Japan, or wherever. If you come here and you do something, and they get reported as an abuse, it is a black-eye against the CNMI. It is a black-eye against our people. I do not want that to continue, and the reason why it took more than a year to get this bill before you, my colleagues – how many times have you all said to me impatiently, when are you going to get that bill done, and I said, please give me your patience because this is a very complex bill. I waited, and we consulted, we practically – everyone on island, off island, the task force, I even had the Ombudsman as a member, we even consulted the Philippine Counsel General, and we got their input on this, we worked with Labor officials, we worked with the Administration, Ms. Deanne C. Siemer worked very hard to get us to the final stages of this bill. We even consulted with experts from off island, people within the Commonwealth, even the Saipan Chamber of Commerce had a representative as part of the task force, and several of the Human Resource Managers from the different hotels were part of the task force. Some of the concerns that they raised included employment. Some of them thought that we were giving too much power over to employment, and that is not so. Some of them were afraid that somehow, it does not say in here, but – when they reviewed the local forces qualifications for a cashier position for example that just because they are local, they are going to be hired. That is not what we are saying. You have to hire qualified people. We expect and demand the best employees, and that is why I said, if the failure in the system has been the lack of training, then we need to address that. My colleagues, all I am asking is that, you consider all the hard work that went into this bill. We made every effort to bring the members up to speed on all the provisions of this bill. There are certain members, couple of groups out there who are against the periodic exit, and against the moratorium. As you all know, I came from the Department of Labor, and as I said, as a Labor Hearing Officer, when things went wrong, that is when I came in. That is when they came to me, and I saw the good, the bad, and the ugly. I saw good and bad employers, the good and bad employees, and I saw how our laws are being circumvented. I am talking about when people misunderstand, and they are upset about the moratorium, well, the moratorium has been in place. I am not bringing back something that was taken away. It is in place today, but the only difference is that I am taking away the laws that were used to circumvent the moratorium. The consensual transfer was intended for when the employer and the employee can no longer continue on that relationship, and there is a third party, a receiving employer who can take on that employee. They

appear at Labor's processing, they sign documents, a new application, and their new relationship continues, end of story, no hearing necessary. But what I saw was happening, was prominent business person and other people circumventing the law by bringing in someone after they transfer that employee, they bring in someone, transfer to another person, bring in someone and so forth, and so forth, and so forth, and that is what is happening. I just cannot stand to see that happen. The circumvention of the moratorium is the Governor's exemption, which again, we had taken that away. I have seen the abuse. So many times that Labor had reviewed the documents, reviewed the financial qualifications, and found that these persons were not qualified. A lot of them were sponsorship, where they just used the local persons name just to be able to submit in an application and get a permit, and gain a status. I have seen situations where there were at least ten people that these local individual wanted to hire, and Labor said, we had reviewed your financial qualifications, and you are not qualified, and they went around Labor, and went up to the Governor's Office and got an exemption. Guess what? That later on became an active Labor case because the workers who were hired by that individual were not paid. That is another Labor Complaint, that is another black-eye against the Commonwealth. So there is so many situations like that. One of the best things that happened is that there is an orientation provision in this, and so, the other way that people were circumventing the law – you have scrupulous agents who would submit in these applications just to be able to get the permits, and when the permits came, the worker comes, exits the Custom, goes out into a \$3.00 illegal taxi, and disappears into the community, and then right before the permit is about to expire, they appear at Labor and they file a complaint, and they say that they are abandoned by their employer, or they did not know who their employer was. There are so many cases that I saw. Now, what this bill is intended to do is to stop that, and to require that they show up for orientation at Labor, and will stop Labor and Immigration from issuing the permit until that orientation is attended by the employee and the employer. There are so many features in here. I have heard people talk out there who never even bother to read the bill, and say things about the bill, but as you all know, the type of bill you have before you, there are so many eyes and hands that have looked at this, and we had a lot of good comments on it. In one of the more important things that I want to point out too is the medical provisions. I do not know if employers are aware that they are 100% liable for the medical expenses of their employees, and one of the things that came out from the SHRM meeting yesterday was that in the past, a hearing officer had granted – what happened was that, a couple of employees went off and got cosmetic surgery, and the hearing officer then ruled that because the law said that the employer is liable for 100% of the medical expenses, the employer ended up paying for a nose job and a breast augmentation surgery. That is ridiculous. We are seeing the weaknesses in our law. We are seeing how the law was used to circumvent the law, and the periodic exit is a crucial provision in here that is intended to be one of the provisions to put a stop to the madness, and yes, I recognize that it is going to be perhaps an inconvenience. I am sure it would be an inconvenience to the businesses, but it is a necessary inconvenience for the state that we are in, and I urged you colleagues, I would like to urge you and encourage you to support this bill, and pass it without any amendments. I urge you to support H. B. No. 15-38, CS2. Thank you.

The Chair recognized Chairman Waki.

Rep. Waki: Thank you, Congresswoman. The explanation – like I said, 90% plus of the bill, I have no problems with. We worked it, you and I had many discussions, and everything else like that, but I have always had an issue with the six months, and I spoken with Deanne, and with Ian, and for some reason, somehow, I am not 100% convinced that six months is really needed, and that is just me. It does not have to be anyone else, and it is something that I have to live with when I bring this

up, because the rest of the bill has been well prepared. I am just trying to find for my own sake, once again, because today is the day that we are going to try to make a decision here, and I cannot wholeheartedly make that decision unless I am completely convinced, or else my conscience will be working against me. That is why I just wanted to just get the legal opinion of the six months. I know that the original law was six months, and it was repealed. I am just wondering why it was repealed, and what was the original reason it was six months, and only because of the fact that – even if we have all our people – going to come out, and we are going to have all these people, we are still not going to have enough people to fill all the jobs that are going to be needed to be filled. That is just my concern when we break into – letting people go for a total of six months. We may put a monkey wrench to a lot of different things, and that is my concern as a businessman. Yes, I am a Legislator, but I was also a businessman, so I have to be able to balance this out so that I can feel very comfortable voting on something without my conscience of the business side kind of like working havoc with me. So if I may, Mr. Speaker, if I can ask the legal counsel just for that clarification on the reason of six months, every 42 months is absolutely the only option, and not a lesser time period. That is the only problem I have right now, just the legal reason for this, and that way, I can make a proper decision.

The Chair recognized the House Legal Counsel.

*Legal Counsel Ian Catlett: Thank you, Mr. Speaker. There is no magic number to be perfectly up front about it. This number is already far less than the U.S. requirement, and it is what the old law said, and it is what the bill currently – I believe it is on the Calendar and introduced by I believe Representative Tenorio requires the six months consistent with the prior law. There is no magic number. That is a decision a court could weigh, the length of exit, the court can weigh it in determining the rights, and entitlements of non-citizens in some cases. But again, it is far less than the year that some visa categories in the U.S. require.*

Rep. Waki: That is where I guess my feeling of unsureness comes from. When this original law was put into place, we did not have that many businesses that required many more employees. We had a limited amount of people working on this island. I think we had about 12,000 people at that particular time, and then we had the Royal Taga Hotel, Hafa Adai Hotel, and a few others, then we started seeing the influx of investors, then we saw the need that we probably need to supplement some of the manpower needed. As investments came in as the economy grew, we saw that we needed more and more individuals, because our local population was not growing with the way the investment – where the air was going. Now, so many years after the fact, probably about 20 years after the fact, we are in a predicament, and here we are in a predicament where even if the employees of the government basically need to be released, we find them employment, and many of them will go – we are still looking at 20,000 positions that needed to be filled out, and we would have about a thousand from the government sector that will need to go out, and we may have another thousand or two that are unemployed at this time, and this is what I am looking at, and how the business entity may run into some situations. A lot of them right now are just saying that it is a very difficult time, but maybe not for everybody, but for many, it is a difficult time to try to figure out how to balance out how to project the future. So they are going to take a hit. They are going to take a hit on trying to balance out what they need to spend out in operating cost because they are going to have to pay out more salaries. I am looking at how much of an inconvenience are we going to cause for the private industry which basically pays taxes and gives the government tax revenues so that we can provide the services that we are mandated to provide. If we make it more difficult, we may lose



more revenues, and this is an issue that I need to balance out, and that is why the six months – I am at a point where I believe six months in this economic situation right now for the next couple of years, not to even take into consideration that the possible Federal Immigration take over is moving, and whatever we may do may become mood. Not to say that I do not want to do this because we need to revamp something now until maybe the Federal decide whether they are going to do this or not, but I want to make sure that we are not shooting ourselves on the foot just because of one small provision that does not necessarily have to be that extreme. That is all. Everything else has been worked on, being discussed, but it still comes back to many of the businesses, six months exit after 42 months. I understand we gave them time to do this, but even given time, it can be a difficult thing for some businesses who have to really plan year to year on how they are going to manage their business, and here we have the government telling them again, and this is where we have issues with investors who want to come here, and yes, we need to fix this. We need to fix it, but it does not help in this particular time when investors are looking at and watching us saying, is it an investment friendly environment or could it be something restrictive, and that is where I stand. Like I said, everything else, I can deal with, but it is just the six months exiting...can it be reduced, and can we at least discuss that before we vote on First and Final Reading on that, and if there is no other compromise from Labor, Immigration, or from our side, that maybe a shorter term could be viable, could still work in the best interest – to make this bill still very strong, and it does not hamper the meaning of, we just want you to exit to be out for whatever reason for a period of time, but I just believe that the six months may be a bit extreme at this point in time in our economic environment. So with that, Mr. Speaker, I just wanted to comment on that, and if we do vote without more discussion on this, then I guess I just have to finalize my decision. Thank you.

Speaker Babauta: Let me now allow other members to speak. I recognize Representative Taman.

Rep. Taman: Thank you, Mr. Speaker. I believe that the good Chairwoman eloquently justified the reason why that six months was in that bill, and I wholeheartedly agree with her justification. Mr. Speaker, we have been too accommodating for too long. We have extremely high rate of electricity...we just passed the reduced budget, and we are in the process of implementing a Federal Minimum Wage. These are inconvenience to the businesses on this island. The high rate of electricity is inconvenient to the business and inconvenient to our community, but it is time that we learn how to cope with all these things because we have to live within our means. Thank God if we do not see furlough in the coming months, or thank God if we do not see more reduced budget because of reduced revenue. It is time for us to take that steering, and sit on the driver's seat, and navigate what is good for our people. Chairwoman Kaipat spent a lot of hours working on this bill, and I know that this bill is not going to please everybody out there, but at least we have a working document that would provide us the wisdom of protecting the interest of our own people. Thank you very much.

The Chair recognized the Minority Leader.

Rep. Palacios: Thank you, Mr. Speaker. I am also a member of the Committee. The author, Chairwoman Kaipat has worked diligently on this; that I can attest to and acknowledge. What this legislation also has are various pieces of legislation that many of us had introduced as stand alone legislations, and gracefully, she had asked us to allow her to incorporate all those different legislations that we had introduced, which one was introduced by Representative Tenorio, which is the clarification for business license, and at the same time holding a nonresident worker's permit, as

well as other numerous – so those are contained and this is fairly comprehensive. There is no question about that. As far as the Commonwealth in long deliberation and speech by my colleague and Representative Waki, the Commonwealth over the past two decades, my colleagues, if you really think about it has become nothing more than a transit station for businesses that come in and got our convenient or conveniently allowed – and that is our fault. Nobody is to be blamed but ourselves. We have conveniently opened up different policies against – even some of the Federal Government and Federal Agencies’ advice. We have allowed ourselves to be transit stations for training grounds of nonresident employees also. Let us be frank about this. It is really time in facing all the economic challenges. We need to pull our sleeves up, look in the problem in the eye, and say, yes we had made these mistakes, and let us begin to train our people. It will inconvenient our businesses, and that is – I wish that we could soften that, but I think that we can work with them to make sure that we have, and even pay for some of these trainings that our people need to “qualify” an individual in the private sector. I think that it is not too late to do that. In fact, we should set aside funds to begin to transition some of the mid-management people that are going to lose their jobs in the government, and transition them where they qualify, and in that transition period, make sure that they pick up skills necessary to take on a job in the private sector. Those are issues that we really need to, and this would hopefully address that. In looking at the concern of my colleague, I also had to certainly – three years stay limit, because I was one of the co-author of Representative Tenorio’s legislation. If you look at section 4953, right beneath it, in fact, I do not really agree with that provision, under section 4953 (b), it allows for “key” and so there is your solution. 10% of your workforce actually will be able to stay. In fact, I believe that we should take a look at this and even allow a limit also on how long these key employees – because what we have done is allow other non-key employees, and allow these key employees to basically stay here almost indefinitely. So that is something that we really need to take a look at. Maybe we need to put also a timeline because it would defeat the purpose of entitlements in which we are trying to avoid on (a) itself if we do not set a – but I would allow that to – and I think we need to come back and revisit this particular section, 4953 (b). We can allow them to have key critical area at (5), and I think that by the time they bring back some who are able to train and cross train new personnel – you know...[microphone off]

Speaker Babauta: You have kicked the cable under your desk. Representative Tenorio, you unplugged the Minority Leader’s microphone. Thank you for controlling the time, Representative Tenorio.

Rep. Tenorio: My apology to the Minority Leader.

The Chair recognized the Minority Leader.

Rep. Palacios: Section 4953 certainly is a concern not Section (a). It is the (b) part that concerns me because it kind of opens up a big latitude in accommodating the Chamber of Commerce. This is one issue that the Saipan Chamber of Commerce brought up during the public hearing. I think that (b) accommodates them, but I believe also that (b) accommodates them more. This is a very wide accommodation. That is not an issue now, Representative Waki. I also do not want to unnecessarily burden our business community, and you are right, we all know that. At the same time, this issue has been long over – you ask a question about what happened in the 12<sup>th</sup> Legislature which changed this? It is actually in the legislative history because I looked into it, and it was put back in the 11<sup>th</sup> Legislature, and was basically watered down, and the Legislature was suppose to create a task force

to look into the issue, but the bill in the law was crafted in a way that if the Legislature failed to create that task force, there is a sunset provision, that means that the 5 years stay limit no longer exist so you can stay here forever. Perhaps, it gives some sort of logic as to what happened, and that we are trying to put it back. That is my two cents on that. There is a concern, Chairwoman on the issue of health insurance. That is an issue that perhaps you can spend a little bit of time to explain. I for one also, I agree that the employer's shall be responsible into some extent, but some part in here was saying something about co-pay, and we did not really specify what the percentage was. I thought it was a 50/50...was it a 50/50? It should be provided by regulation. Okay. Alright. That is fine, and maybe the business community can sit down with the insurance provider. That is something that the business community has to look at. And like you said, it is in the existing regulations, and the law requires 100%, right?

The Chair recognized Chairwoman Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. What we have done as far as medical is concerned, as I said, the current law says that the employer is 100% liable. That means that if somebody stubs their toe and got infected all the way up to somebody needing a kidney transplant, the employer is responsible 100%, and I do not know why they expose the Commonwealth to this type of liability. We are not Saudi Arabia. That is what I keep wondering why we went down that path to begin with. So the attempt is to bring some sanity to this, and again, this is a situation that I saw down at Labor where you have employers wondering why they have to pay for this. And also, a lot of people do not realize is, the exempt that a worker takes and goes to pick up the health certificate at the end of that exam, and they submit that in with their application, the only thing that health certificate certifies is that, that person is free of communicable diseases, but it does not say anything about whether this person has a heart condition. So there are a lot of employers who hire on people without any real guarantee that they are hiring people who are healthy, and can perform the contract, and so we came up with this idea that we are going to require insurance to be imposed upon all foreign national workers who will come to the Commonwealth to work. So we basically broke this down to three categories, so if you are a large business, worth a million dollars or more, and you are already self insuring which a lot of our large businesses are doing, that is fine. Continue to do that. We are not concerned about that. The Commonwealth Health Center is getting paid. If you are paying your bills then that is fine. The mid level, we have the bond companies, and our problem with some of the bond companies is that they were selling bonds and collecting the fees, but when it came time to pony up because an employer has failed to pay the worker, and according to the surety bond agreement, they are supposed to pay the employees at least three months of their wages and provide the repatriation ticket if they wanted to leave. Some of this bond companies end up bringing in lawyers to fight Labor, and so we are involved in some protracted legal situation where it is costing the government time and money when they should not have because they agreed to. So the solution to that is to require the bond companies, and again, this will be covered in the regulations to come in with certified financial statements, and Labor will work out some type of formula where depending on how much that particular company is worth, they will allot them a certain number of slots. So those who want to go to the bond route; that is fine. The other option is to pay into a pool, and the way this is – the way it is worked out is about \$42.00 that the employer would be paying in to CHC. They will continue to pay in and this would be per employee, and at the end of that, if there is no – assuming that all the bills are paid, whatever is left with that – CHC is happy about this situation because they are getting the money up front, and they are not going to be stuck with the payment,

but then the employee has insurance, and so they will not be denied any kind of care because the money would be there. It is a quicker access so overall it is a good way to go in terms of...

Rep. Palacios: Let me ask for clarification, Mr. Speaker.

Speaker Babauta: State your clarification.

Rep. Palacios: On this pool insurance at CHC, is this \$42.00 a year per employee?

Rep. Kaipat: You want to elaborate on that?

Speaker Babauta: Let me allow the counsel to respond because he is the author.

*Legal Counsel Ian Catlett: Thank you, Mr. Speaker. Pool insurance is the option 3. That is a \$42.00 a month premium per employee. That is not in the statute. It is in the regulations on page 65.*

Rep. Palacios: It is kind of substantial if you look at it in terms of the employer that has more than three employees.

*Legal Counsel Ian Catlett: That premium – it is split when the employee reaches an income level – the employee pays 75 percent of that premium, and the employer pays twenty five percent. So if they reach a certain wage which is pegged to the minimum wage, the employee – they each contribute like we do in our government policy as well...[End of Tape 2, Side B]*

Speaker Babauta:...**Beginning of Tape 3, Side A**)...hopefully by 4:00 p.m. Proceed, Representative Palacios.

Rep. Palacios:...chair this recent change. The last change with the student work study. I think that this is problematic in terms of a policy. Let me express my concern why. When you have a foreign student entering our Commonwealth on a student Visa, and we are allowing a school sanction a work study program or internship outside of the campus, I am afraid that what we are doing is creating another employment opportunities in pool from which foreign owned businesses could hire from. I think that is very dangerous. This is a little bit too general. I think that we need to take a look at this and have the Department of Labor or PSS sanction this programs because if the school itself decides that they would have their students allow – for example, the College, I can see the College when they have those internship, but we also have schools here that are not – for example, we have...

Speaker Babauta: Let me recognize the Chairwoman for her clarification.

Rep. Kaipat: I just want to point out that this is intended for those students who are working with our institutions here to be able to go out and have an exchange training program. We can send out kids to their program and vice versa to get training. That is all this is. We are not confining them on campus, but allow them to take advantage of the trainings that they have, and this is something that – Hyatt asked for this yesterday.

The Chair recognized the House Legal Counsel.

*Legal Counsel Ian Catlett: It is rewritten slightly because of an internship program that was brought to the attention of us during the meeting yesterday, and as far as having approval by NMC or PSS, that could be something that the regulation requires. I just would like to point out that all regulations and all future changes to the regulations under a section of this bill which is towards the end, I believe it is 4970 or 4971, needs to come to your attention first and you have a 30 day period to disapprove of any or all of the regulations. This is not a normal insertion into a law, but all regulations for this law will have to come before you before they are implemented fully, but I think NMC or PSS oversight of those internships is certainly something regulations could provide for.*

Rep. Palacios: I think that it is appropriate that we inject the Department of Labor sanction work study program instead of a school sanction. You see. Because it is the Department of Labor that is going to be actually making sure that the work study program or the internship program is really a legitimate internship program, because if you are going to have the school – and this is not just NMC. We have other schools here that are privately and foreign investor owned. So if we are going to allow these guys to be the ones to decide which one they are going to sanction, it is opening up a potential for abuse.

Speaker Babauta: Chairwoman, to respond.

Rep. Kaipat: I understand that concern, but as I said, we, and I invite you all to be part of this effort to sit down and reorganize a training, and make sure that we do not have such abuses of our laws, but I really think that we should give them this opportunity to make their programs successful, and give it a shot, and if we find through our stricter enforcement that they are circumventing it, then we will change it. But I think that at this point, in this spirit of our offering to work with the business community, Labor, and work with employment services, and all these agencies to train our people and come up with a better program of apprenticeship. I really ask your indulgence to allow this request that they are asking. It is just this small concession. I share your concern about abuses. I really do, and that is one of the motivating factors that inspired me to tackle this bill is because I wanted to stop all that. I think that this is a positive thing and if we start to see it going the other way then that is up to us to take it away.

Rep. Palacios: Okay. Let me just raise the issue. You have a lot of foreign students here going to school at the college, and you also have a lot of Korean tourist and Japanese tourist at the college – we allow them to be students here and working out there as tour guides because they can speak the language very fluently. You see where I am coming from? We end up denying our local young individuals from getting into this market because they are basically pushed out by the – because they would have to learn the different languages. Those are concerns. If you really look at it, and I know that you have been in Labor, you have seen these types of abuses, and I think that we have to be very careful and that we need to have the Department of Labor or NMC College – whoever is going to be approving this to make sure that it is done correctly, otherwise it be abused.

Speaker Babauta: Let me just share my thoughts. It looks like everybody is about to sleep. I would like to ask the Chair and the members of JGO, and in the interest of fairness to the other members that have not actually gone through all the bill itself, I know that the Chair worked so hard, and even to the extend of conducting a slight presentation that was spearheaded by the Chairwoman through

my office, I think a few of you have not participated in that session. So because of some interest that some members would like to generate discussion, we have several members that wanted to speak, and if you prefer Chairwoman to allow them, I was contemplating on coming back on Tuesday passing it.

Rep. Kaipat: Can we proceed. I want to finish this...[inaudible...microphone off]

Speaker Babauta: Because we have to recognize also the staff need to get out of here by 4:30 p.m. Let me recognize Representative Tenorio.

Rep. Tenorio: Seriously, I was going to make a point of information on a question raised by Congressman Waki, because I know that prior to the enactment of Public Law 11-69 which puts the three year limit and the six months, I actually raised a serious concern about the six months because as a business person, that is a very impractical, and you lose your good people if you send them out for six months; minus well just hire new people. So it becomes a burden to a lot of businesses training good people to come back, and hardly any employee can survive the six months without an employment. That was an issue raised, but I think the reason why we went ahead and adopted the six months is because it is in the federal regulations on temporary workers limitation of admission for non-immigrant class, and Congresswoman was right. Even for non-immigrant class H1B, you have to stay away for one year. So I think that to be consistent to the federal regulations, that is why we plugged that into the statute. That was my point of clarification, Mr. Speaker.

The Chair recognized the Vice Speaker.

Vice Speaker Quitugua: Thank you, Mr. Speaker. Most of the explanation of the bill is found in the regulation, and if anyone is still interested as to why the six months is there, please refer to page 100 of the regulation. Mr. Speaker, I have a very short amendment on the bill on page 52, line 21. This is necessary to insert so that they will be differentiation between one and two. So on line 21, after the “Northern Marianas College” insert, “U.S. Apprenticeship Program Account.” This might be confused with Public Law 10-66, which also has an apprenticeship word in the bill.

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

Speaker Babauta: The motion is carried. We will continue to discuss, H. B. NO. 15-38, CS2, HD1. I recognize the Vice Speaker again.

Vice Speaker Quitugua: On page 53, Mr. Speaker, I might need the assistance of the legal counsel on this one. On line 6, it says, “all funds dedicated under 1 CMC shall be deposited in the technical education program unless otherwise provided by law.” I am just wondering what is 1 CMC?

The Chair recognized the House Legal Counsel.

*Legal Counsel Ian Catlett: It is a special account that we did not want to end up deluding with this provision, so we just protected it by using that. I do not know what the Public Law number is, but it is money for PSS and NMC, and we did not want anyone to infer that this provision would drain out of that fund because that is a separate law that was established.*

Vice Speaker Quitugua: I would like a clarification, Mr. Speaker, because Public Law 14-54 authorizes the Public School System to establish vocational technical education program which provides \$25.00 for every application new or renewal of the nonresident worker shall go to this program. If that needs to be referenced to prevent confusion, I would recommend that we insert probably reword line 6 and say, “Funds dedicated under Public Law 14-54 shall be deposited in the PSS Technical Education Program.”

Speaker Babauta: Counsel, can you enlighten the members on...

Legal Counsel Ian Catlett: *I am pulling out the section right now.*

Speaker Babauta:...so that we do not want to discombobulate the provision with other provisions.

Legal Counsel Ian Catlett: *I would not recommend using the Public Law number because it is always better to use code section when you know it, and we do know it. Because Public Law numbers can be changed by other public laws, and the code section never changes until you repeal it totally.*

Vice Speaker Quitugua: Well, but Public Law 14-54 I think...

Legal Counsel Ian Catlett: *I believe that is what created 2282, but I am checking right now.*

Speaker Babauta: Short recess.

The House recessed at 4:03 p.m.

## RECESS

The House reconvened at 4:06 p.m.

Rep. Joseph Deleon Guerrero:...[**Tape cut off**]...because these funds are subject to fluctuation, I am foreseeing that it could really go down in the coming years especially with the departure of the garment industry, with the minimum wage...

Speaker Babauta: That is a good recommendation.

Rep. Joseph Deleon Guerrero:...and to prevent which department would be cut out if the amount does not meet the monetary figures that are in here – if we can have percentages, and perhaps not to exceed the figures that is shown in here. If you can do that as an amendment when we meet to finalize this, I would really like that.

Speaker Babauta: You might probably take the formula of CIP.

Rep. Joseph Deleon Guerrero: Well, it could actually be based on these figures here, but not exceed those figures.

Speaker Babauta: Okay so noted. As we agreed, we need to get out of here by 4:30 p.m. We will come back Monday morning with a final product, and hopefully we can pursue passage of the bill. We will recognize the Acting Floor Leader...

Rep. Ogo: Mr. Speaker...

Speaker Babauta: One moment. Let me recognize Representative Seman.

Rep. Seman: It is very minor, Mr. Speaker, but this is very urgent, and I just wanted to make a very minor oral amendment.

Speaker Babauta: Proceed.

Rep. Seman: On page 13, line 9. The Department of Public Health is very concern as well, and they have encountered many problems or many instances where they have a Canadian Physician on board, and had to be sent back because – a Canadian Physician who wants to stay here much longer for continuity of care – patients, physician relationship, but ended up having to be returned home because of a U.S. applicant has applied, and has been certified. Canadian Physicians who are Canadian Board Certified are indoors to practice in the United States without being to process a U.S. Board Certification. So I would like to recommend that on line 9, page 13, after the word, “United States” to insert, “or Canadian” to include the Canadian Board Certified Physicians and dentist licensed to practice in the United States.

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

Speaker Babauta: The motion is carried. I recognize Representative Ogo.

Rep. Ogo: Mr. Speaker, just for the legal counsel – just a short research on page 48 of the regulation.

Speaker Babauta: We do not want to divulge on the regulation.

Rep. Ogo: No, Mr. Speaker, because it is in a great concern really. It deals with Section 4926 of the bill, and if by Monday...

Speaker Babauta: What page of the regulation again?

Rep. Ogo: On page 48, and it is on the regular bill under Section 4926 on page 25, line 20. Just for the legal counsel or the author to hopefully give us a scenario by Monday on the actual insurance policy for medical insurance for family members of foreign workers that will eventually decide to bring their family members. So that is something for the legal counsel to give us a scenario on the possibilities. My concern here, Mr. Speaker, is what if a foreign worker brings in their dependents, and they cannot afford to purchase a medical insurance, what would happen to CHC? Just a simple scenario for us to understand, Mr. Speaker.

Legal Counsel Ian Catlett: *I can answer that now if you like.*



Speaker Babauta: Proceed, counsel.

Legal Counsel Ian Catlett: *Under Section 4926 in the statute, as a condition of entry, they need to have the policy in place. If they stop paying the policy while their family members are here, they are in violation of their condition of entry, and the permit would be revoked, and be deportable. So you have to abide by all the condition of entry the whole time you are here, not just for when you enter.*

Speaker Babauta: Okay. Floor Leader, recognized.

Acting Floor Leader Lizama: So moved, Mr. Speaker, for subsidiary motion for First Reading only until Monday morning.

The subsidiary motion to place H. B. No. 15-38, CS2, HD2 on First Reading only was seconded and carried by voice vote.

Speaker Babauta: The motion is carried. The House will now recess until Monday morning at 10:00 a.m.

**MISCELLANEOUS**

None

**ANNOUNCEMENTS**

None

The House adjourned at 4:26 p.m.

Respectfully submitted,

Vicky T. Guerrero, Journal Clerk  
House of Representatives

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**APPEARANCE OF LOCAL BILLS**

**Second appearance**  
None

**Third Appearance:**  
None