



House Journal

Second Special Session, 2007

Adopted:
May 16, 2007

Second Day

April 19, 2007

The House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature convened its Second Day, Second Special Session on Thursday, April 19, 2007, at 1:28 p.m. in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

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

A moment of silent prayer was observed.

Speaker Babauta: Before I recognize the roll call, I want to recognize Chairman Aldan.

Rep. Aldan: Mr. Speaker, yesterday morning a strong supporter of Tinian's Annual Peace Ceremony, Mayor Ito died from heart complications from a gunshot wounds he suffered on Tuesday. The reason for the murder seems as...as the organized crime member who pull the trigger of the gun. Mayor Ito was a three term Mayor of the beautiful and peaceful City of Nagasaki. As the Mayor, he dedicated a great deal of effort to the promotion of peace throughout the world, and it was a deep and bitter...that a man of peace would meet such a violent and senseless death. In the early infancy of Tinian's peace ceremony, Mayor Ito recognizing the unique historical ties between Tinian and Nagasaki, took the time to encourage our efforts for peace and offer sincere gratitude to this kind of act. I ask that the House of Representative recognize a short moment of silence for a fallen man of peace and friend to the people of Tinian and the Commonwealth. In addition, I ask for a moment of silence not only for Mayor Ito, but also for the people caught in horror of the Virginia Tech shootings and all the victims of senseless gun violence. Thank you.

A moment of silent prayer was observed.

The Clerk called the roll and Seventeen members were present. Representative Manuel A. Tenorio came in late.

Speaker Babauta: Before we move on, I wish to extend on behalf of the members of the House, a Happy Secretaries Day today. I hope that each member find time to take care of our hard working secretaries in our offices, if not today, maybe tomorrow or sometime next week. Under privilege, I recognize Representative Torres.

Rep. Torres: Mr. Speaker, thank you for the announcement. Are you taking care of the tab?

Speaker Babauta: We will discuss that once the reprogramming authority is introduced. Thank you, Representative Torres.

ADOPTION OF JOURNALS

None

INTRODUCTION OF BILLS

H. B. No. 15-255: A Bill for an Act to grant the Governor emergency reprogramming authority; and for other purposes.

Introduced by: Rep. Justo S. Quitugua

H. B. No. 15-256: A Bill for an Act to amend Public Law No. 15-28; and for other purposes.

Introduced by: Rep. Justo S. Quitugua

Speaker Babauta: There being no objection, so ordered.

Rep. Waki: Objection, Mr. Speaker.

Speaker Babauta: State your point of objection.

Rep. Waki: Thank you, Mr. Speaker. After reading these particular bills, without Ways and Means giving us something on what is going on with the budget for 2007, a lot of these maybe are just premature because we have the 15% cut. We still need to have the Committee on Ways and Means discuss what is going to happen with the 2007 Budget, and then for us to introduce bills to allow PSS to be given some money from other departments, I think it should be really discussed in the Committee so we can sit and look at the numbers in itself. I hate to have us discuss this and pass something right now, and it is just hurting every other department, and we are just setting aside taking one particular department of the government and making them like on top of everything else. So I believe that this has to be discussed in a Committee, and a Committee Report be brought out. This has to deal with funds, and you know that we are in dire straights right now, and with everything else going on, we do not think that CHC is important, we do not think that DPS is important, and PSS is the only thing that is important. I am sorry, but I feel that this should not be discussed on the floor that it be send to the Committee first and then brought out with a Committee Report then we can discuss it. Thank you.

Speaker Babauta: Thank you for your observation. Before we further deliberate on the measure itself, I would like to remind you that this is just an Introduction of Bills. If it warrants that we debate on this, we will take it back to the appropriate venue. I recognize Representative Dela Cruz.

Rep. Dela Cruz: Thank you, Mr. Speaker. Yesterday, we had a very lengthy discussion on the issue of the \$6 Million that PSS needs to continue educating our kids, and we had a panel of guests yesterday. This bills, they are as the Commissioner had mentioned, time is of the essence. Come the end of this month, 90 day notices will begin to be processed for the teachers, and also the support staff of PSS. By not approving these bills, we will be looking at the opening of the schools

somewhere in October. We had quite an audience yesterday, and I repeat myself, there was a very lengthy discussion on the subject itself. Now – we read the paper today, we saw it on MCV, and these are kids, teachers, principals, and support staff reaching out asking this body to help. They are asking to be educated, not to go on a vacation for an extended period of time. I respect Congressman Waki’s position, but like I said, we had a very lengthy discussion on the issue, and we cannot afford to continue to deliberate. It is commonsense right now. This has to be done. I cannot step out of this Chamber and face the kids out there along with the teachers and say to them, we are sorry. I think this is the time to vote on the bill, and I ask all my colleagues here to support this. This is a very critical issue, and I do agree that we have other critical agencies; DPH, DPS, but I feel that this comes at the forefront of all the critical issues that we face. Thank you, Mr. Speaker.

The Chair recognized Chairwoman Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. I was here when PSS came with the students and listen to the Commissioner and Mr. Thornberg. Yes, we did have a lengthy discussion about the predicament that PSS is in, but we have not deliberated on these bills yet for us to go ahead and vote on them. I think that we deserve the time to discuss these two bills, and maybe not being referred to a Committee, but this body needs to deliberate now on this. We need to sit down and debate on the merits of the bill. Tomorrow is Austerity Friday, and I challenge you all to come in and work on this. But the whole point is that, PSS is important, and because they were here, we should not feel that we were so pressured that we are just going to sign off on these bills. We deserve to educate ourselves on what the ramification of these bills. We had a meeting with the Secretary of Finance, and also with the OMB Mr. Tony Muna. We all need to be here all together and discuss this. Those of you who were sitting in that meeting heard Mr. Muna and Mr. Inos say that if you take from one area, it does not mean that you take it and that is the end of it. There are obviously some areas that will be lacking. It does have a cost and affect, and I want to make sure that along the way with coming up with the \$6 Million that we need for PSS, we also do not so severely jeopardize the other equally important agencies. As far as I am concerned, we should suspend everything else and just talk about the budget and get this done. As I said, I am willing to come in tomorrow and continue these discussions if you are all so incline. Thank you.

Speaker Babauta: Thank you, Chairwoman. Before we vote on whether or not we want to Calendar this, let me recognize Chairman Waki.

Rep. Waki: Mr. Speaker, I do not have a problem discussing the actual needs of our children. I know that there is a need. There is a need, and every department would want an exemption. If you read the paper, there are quite a few departments that want to be exempted from the Budget Act. They have their own reasons, and everybody would have their reasons why they do not want to give up something. But the reality is something has to be given up somewhere. So if we are going to discuss to help PSS, let us not forget that if we are going to do our fiduciary duty, the Legislature has to give up something too. If we are going to help our kids, it cannot only come from the Executive Branch, and other agencies...these are the people that administer and enforce our laws. We do not administer and enforce our laws. We make policies, and if we are going to have them to take money away from their departments, let us not forget that we can contribute too.

Rep. Palacios: Privilege, Mr. Speaker.

Speaker Babauta: State your point of privilege.

Rep. Palacios: Mr. Speaker, I certainly respect the sentiments of Representatives Waki and Kaipat. We are all concern, and we are all willing to work on this. Certainly, yesterday's deliberation we made sure that at least the first draft of this legislation is going to be across the board. Mr. Speaker, I think you are correct and that we should move on to the items and let us deliberate on the issue at length.

Speaker Babauta: So shall we then agree other than having to request for a proper motion, let us do this diplomatically and agree that – I guess the majority of the members wanted the issue to be calendared, and we will debate extensively under Bill Calendar. Is it understood? Any other member wishing to introduce any bills? None?

Rep. Tenorio: Privilege, Mr. Speaker.

Speaker Babauta: State your privilege.

Rep. Tenorio: Thank you, Mr. Speaker. I regret that I was not able to attend yesterday's meeting with the Secretary of Finance. We were tied up with another project. But I understand that they had a meeting, and perhaps – I do not know the result of that meeting, but I was hoping that perhaps the Chairman of Ways and Means can enlighten the members of the Legislature on what actually happened, and whether if we get anything out of the Secretary of Finance on revenues that we might be able to use to offset some of the problems that we have here. What we are talking about here is the continuous cutting, and I can see couple of bills that were introduced today or prefiled yesterday, which is to proportionate cutting of the various agencies. I do not think that any of the agencies are spared, but before we do that, it is prudent also on our part to perhaps look into other areas. We have existing funds that we can use to offset some of these necessities that are looking at especially the \$6 Million dollars for the Public School System. I would like to know what happened to the cover over of funds, and also the Compact Impact Funds, and Tobacco Settlement. Have we looked into those revenues possibly to augment...?

Speaker Babauta: Let me just briefly ask the Chairman of Ways and Means whether those point of interest – the cover over of the Tobacco Control Fund and other source of revenue were brought up yesterday. Chairman Ogo.

Rep. Ogo: Thank you, Mr. Speaker. Yes, all those three issues were brought up yesterday during the meeting with the Secretary of Finance. Let me just start with the cover over. According to the Secretary, currently, that is under negotiation, and he stated that we cannot count that amount as of today or yesterday. It is still under negotiation, and there are some illegal issues with the Attorney General's Office, and the Federal. That is the respond from the Secretary of Finance. Now, on the Compact Impact, yes, there is a commitment of \$2 Million dollars to the Public School System, however, yesterday, the Commissioner stated that they have not received that \$2 Million dollars. Like I said, the Secretary of Finance provided us that information that the \$2 Million is for PSS. Now for the Tobacco Settlement, according to the Secretary, for the past previous administration, they exhaust whatever they received from that Tobacco Settlement. I personally questioned the Secretary because \$50,000.00 was earmarked from Representative Seman's Tobacco Control Fund Appropriation, and ask him, is there a reason why we need to continue fighting for the Tobacco

Settlement when here we are providing funding for the Attorney General. And as of today, he will provide further information if there is any. So those are funds that are outside the general fund that I believe Representative Tenorio is concerned of.

Rep. Tenorio: Thank you. Mr. Speaker, are we settled or satisfied when the Secretary of Finance says, we do not know where the...is the cover over – we are still negotiating. They know this problem long time ago. What they doing? What is the Attorney General's Office is doing? We are just going to set back and say; it is okay, take your time. Take your sweet time, when you know that you need the money very badly right now. So what? Are we satisfied? So when are we going to get the cover over? We have a whole contingent of attorney's up at the Attorney General's Office. So what are they doing? There are other litigations on taxes, and what are they doing? These are taxes that are owned by CNMI Government. So we are all just going to sit here and say we are okay, or wait till next year. Did we ask for a status report? Or what actually is happening to that? So now we are going to start cutting down all the various agencies because the cover over issues is still tangle up there at the Attorney General's Office, but my point is this, Mr. Speaker, are we satisfied and we will just sit here and take the report and say, okay. Next year's budget is going to be even worst, and they are telling us now. We did not project this, Mr. Speaker. When we passed the first budget of \$193 Million, it was projected.

Speaker Babauta: Let me...

Rep. Tenorio: Wait, Mr. Speaker, please. If I may...

Speaker Babauta: Representative Tenorio, I ask that we shorten discussion on the Introduction portion of the Bill. If you want to deliberate some more, we have to go back to the proper item on the agenda. Let me remind you again, that this is only on item number 3.

Rep. Tenorio: Thank you.

Speaker Babauta: I allowed this discussion because it initially generated interest. I will continue to humbly ask and continue to ask for your cooperation to not debate the issue under the Introduction of Bills.

Rep. Tenorio: Mr. Speaker, I ask under privilege. So I am still under privilege. If you are taking that opportunity from me, take it. But this is under privilege.

Speaker Babauta: I hate to define the privilege motion in the Chamber, but there is a definition in our House Rules about privilege motion in this Chamber. So wrap up, Chairman Ogo.

Rep. Ogo: Thank you, Mr. Speaker. Just for the members, the Committee sent out a letter to the Attorney General's Office on the specific issue of the cover over. I am just waiting for the respond, and I will provide the members a copy of that when it is available. Thank you.

Speaker Babauta: In that regard, please indicate whether or not who is holding the negotiation whether it is the U.S. Treasury or the CNMI Government.

Rep. Ogo: That question is posted, Mr. Speaker.

Speaker Babauta: Anymore Introduction of Bills?

Rep. Tenorio: Another privilege, Mr. Speaker.

Speaker Babauta: State your point of privilege, Representative Tenorio. You must reflect the privilege motion...

Rep. Tenorio: I just want the record to show that I am present.

Speaker Babauta: I have already indicated that before you came in. You are present.

Rep. Tenorio: I did not know that you did that because I was not here. I am just restating...

Speaker Babauta: Any more Introduction of Bills? Ready.

INTRODUCTION OF RESOLUTIONS

None

MESSAGES FROM THE GOVERNOR

None

SENATE COMMUNICATIONS

None

HOUSE COMMUNICATIONS

None

COMMUNICATIONS FROM THE JUDICIAL BRANCH

None

COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE

None

COMMUNICATIONS FROM DEPARTMENTS & AGENCIES

None

OTHER COMMUNICATIONS

None

COMMUNICATIONS FROM DEPARTMENTS & AGENCIES

None

REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

The Chair recognized the Floor Leader.

Floor Leader Florencio Deleon Guerrero: So moved, Mr. Speaker, for the adoption of S. C. R. No. 15-53 reporting on H. B. No. 15-232, S. C. R. No. 15-54 reporting on H. B. No. 15-79 and H. B. No. 15-98, and S. C. R. No. 15-55 reporting on H. B. No. 15-125.

The motion was seconded.

S. C. R. No. 15-53: Reporting on H. B. No. 15-232 entitled, “To amend 3 CMC § 4437(h) to clarify that the privilege of nonresident workers owning a business is limited to those nonresident workers owned-businesses that were establish on or before July 28, 1987, and to require nonresident worker business owners to change their status to foreign investors; and for other purposes.” *Your Committee on Commerce and Tourism recommends passage of the bill.*

S. C. R. No. 15-54: Reporting on H. B. No. 15-79 entitled, “To require refunds of security deposits to be issued in a timely manner; and for other purposes, and H. B. No. 15-98 entitled, “To restrict the operation of poker machine establishments; and for other purposes.” *Your Committee on Commerce and Tourism recommends the filing of H. B. No. 15-79 and 15-98.*

S. C. R. No. 15-55: Reporting on H. B. No. 15-125 entitled, “To reform the qualifying certificate program by repealing and reenacting Chapter 13, Division 5, Title 4 of the Commonwealth Code; and for other purposes.” *Your Committee on Commerce and Tourism passage of the bill in the form of House Substitute 1.*

Speaker Babauta: Discussion on any of the Committee Report. I recognize Chairman Ada.

Rep. Ada: Thank you, Mr. Speaker. Am I in order at this point in time to include another Standing Committee Report?

Speaker Babauta: You can offer a subsidiary motion while we are under item number 12.

Rep. Ada: So I would like to offer a subsidiary motion, Mr. Speaker...

Speaker Babauta: One moment before I recognize that motion. There is a main motion now for the adoption. My due apology. Let us dispose of this motion first then I will recognize you for a subsidiary motion.

Rep. Ada: Thank you.

The Chair recognized Chairwoman Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. I just have a clarification on S. C. R. No. 15-53 reporting on H. B. No. 15-232. I discussed this with the Chairman of Commerce and Tourism, and this is already covered in the overhaul of H. B. No. 15-38. So I am wondering, Mr. Speaker, if it is appropriate to indicate my request that this be deferred or we wait until we entertain the actual bill.

Speaker Babauta: There are two ways that we can do this. We can adopt the Committee Report and allow it on the Bill Calendar, and we can hold it on the Bill Calendar until H. B. No. 15-38 – when is the approximate time that H. B. No. 15-38 is out?

Rep. Kaipat: Couple weeks. Very soon, Mr. Speaker.

Speaker Babauta: Then we can allow this to remain on the Calendar. When H. B. No. 15-38 comes out, we will refer it back to the Committee for proper disposal. Is that okay?

Rep. Kaipat: Thank you.

The Chair recognized the Minority Leader.

Rep. Palacios: I understand the point that was raised by my colleague. This legislation clarifies the issue of nonresident workers owning businesses, and I know that – I am in the JGO Committee, and we are working vigorously – I do not have any problem. This is one of the legislations that I introduced, and similar to one that the Speaker himself introduced in the 12th and the 14th Legislature. There are ambiguities regarding this issue. I do not have any problem with adopting the Committee Report and holding it to see what the subsequent reformed bill is going to come out, and what it is going to appear like, and we can make that comparison. We can hold it on the Calendar – this is actually a critical issue because there have been cases of complaints and concerns that were being raised by the business community, and even the licensing departments of our government on the ambiguity of this issue. But I hope that at the time, we could expeditiously deal with this because the Committee already took a look at it and I think it does have a history in and of itself. Thank you.

The Chair recognized Chairwoman Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. You are absolutely right, my colleague, since we are both in JGO, and are working on this particular bill...still more than happy to revisit this issue, but I know that in my glancing at this, it does or it is similar to what we already have in there, but we are still welcome to merge the two together. My concern is that we not piece meal this bill because it is a total overhaul of the Nonresident Workers Act. As I said, it is more practical for us to have everything in one bill that overhauls the entire Act then piece mealing it. Thank you.

Speaker Babauta: That is the reason why the Minority Leader acknowledged your request. Also, on the same note, the Chairwoman requested my office – in couple of weeks, I will issue a joint meeting with the Senate President to review the final draft that is produced by the Committee on JGO so that once we introduce it in a package that it sails out smoothly from the Chamber and to the other Chamber. Thank you. Any more discussion and I recognize Chairman Waki.

Rep. Waki: Just a clarification. On the motion, if we vote, is it just to accept the Committee Reports?

Speaker Babauta: Yes.

Rep. Waki: Then if anything, we will...

Speaker Babauta: We can further amend the bill when we go down to the Bill Calendar.

Rep. Waki: Okay, thank you.

There being no further discussion, the adoption of S. C. R. No. 15-53, S. C. R. No. 15-54 and S. C. R. No. 15-55 was carried by voice vote.

Speaker Babauta: The motion is carried. We will take a brief recess.

The House recessed at 2:03 p.m.

RECESS

The House reconvened at 2:12 p.m.

Speaker Babauta: We are back to our plenary session, and I recognize Representative Ada.

Rep. Ada: Thank you, Mr. Speaker. I would like to make a subsidiary motion to include, S. C. R. No. 15-56 reporting on H. B. No. 15-185, HD1.

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

Speaker Babauta: State your point.

Rep. Palacios: I think we have disposed of the motion already. The main motion was to adopt those Committee Reports. I think perhaps, Representative Ada should move to suspend pertinent rules so that we can place the Committee Report on the Order of Business so that we can adopt it.

Speaker Babauta: Because we are still under item number 12 before we went on recess, but I would allow Chairman Ada to request that the Floor Leader make that proper motion for the suspension of rules so that we may...

Rep. Ada: So moved, Mr. Speaker.

Speaker Babauta: Let me ask the Floor Leader to do that for the Chairman. Floor Leader, recognized.

Floor Leader Florencio Deleon Guerrero: So moved, Mr. Speaker, for suspension of pertinent rules for the placement of S. C. R. No. 15-56 reporting on H. B. No. 15-185, HD1.

The suspension motion was seconded and carried by voice vote.

Speaker Babauta: The motion is carried. Let us take another minute recess, please.

The House recessed at 2:15 p.m.

RECESS

The House reconvened at 2:24 p.m.

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

Floor Leader Florencio Deleon Guerrero: So moved, Mr. Speaker, for the adoption of S. C. R. No. 15-56 reporting on H. B. No. 15-155, HD1.

The adoption motion was seconded.

S. C. R. No. 15-56: Reporting on H. B. No. 15-185, HD1 entitled, “To amend 4 CMC § 51203 to require businesses to post a notice regarding the Sales Receipt Act of 2002 within their business establishment; and for other purposes.” *Your Committee on Commerce and Tourism passage of the bill in the form of House Draft 1.*

Speaker Babauta: Discussion.

There being no discussion, the adoption of S. C. R. No. 15-56 was carried by voice vote.

Speaker Babauta: The motion is carried. I will now recognize Chairman Ogo under Bill Calendar.

BILL CALENDAR

Rep. Ogo: Thank you, Mr. Speaker. Due to dire needs to restore the Public School System’s original bill, if no objection to the members, the Committee on Ways and Means is recalling H. B. No. 15-242 to be placed on today’s Calendar for action.

The motion was seconded by Representative Dela Cruz.

Speaker Babauta: Before we allow for the discussion, because the motion has been seconded, have you engaged discussion with the author, Chairman Ogo?

Rep. Ogo: Yes, Mr. Speaker. At the same time...

Speaker Babauta: Who is the author?

Rep. Ogo: Representative Joseph Deleon Guerrero.

Speaker Babauta: Okay. I thought that was your own bill. Anyway, does Representative Deleon Guerrero agree to this?

Rep. Joseph Deleon Guerrero: No objection, Mr. Speaker.

Speaker Babauta: Thank you, Representative Deleon Guerrero.

Rep. Ogo: Furthermore, Mr. Speaker, I have copies available to provide to the members, and if you look into your copy, Mr. Speaker, there is an attachment in the back just for reference on the budget of each of the autonomous agencies.

Speaker Babauta: Thank you.

Rep. Ogo: Mr. Speaker, furthermore, if no objection, I would like to ask the Floor Leader to put this priority on today's Calendar. Thank you.

Speaker Babauta: Ladies and Gentlemen, can we have a little bit of silence because we have a member speaking on the floor.

Rep. Ogo: Once again, Mr. Speaker, I would like to ask the Floor Leader to have this bill Calendared priority on today's Calendar. Thank you.

Speaker Babauta: There being no objection, the motion to recall is hereby sustained by the Chair. I now recognize the Floor Leader for the proper motion for placement.

Floor Leader Florencio Deleon Guerrero: So moved, Mr. Speaker, to suspend pertinent rules to place on today's Calendar, H. B. No. 15-242, H. B. No. 15-255, and H. B. No. 15-256.

The suspension motion was seconded and carried by voice vote.

Speaker Babauta: The motion is carried. You may precede, Floor Leader with whatever you have as priority.

Floor Leader Florencio Deleon Guerrero: So moved, Mr. Speaker, for the passage on First and Final Reading, H. B. No. 15-242.

The motion was seconded.

H. B. No. 15-242: A Bill for an Act to reduce the budget of certain public corporations and autonomous agencies, and the Department of Public Lands by 5% for fiscal year 2007; to earmark the budget reduction savings to the Public School System & the Northern Marianas College; and for other purposes.

Speaker Babauta: Discussion. I recognize Chairman Waki.

Rep. Waki: Thank you, Mr. Speaker. Since we had just received this to review, I think we really need to have some time to read it, go over it, and maybe have some discussions on it. If it is an important bill, at least we will be aware of what we are doing, and making sure that – we want to help PSS, but we do not want to just go ahead and pass something that we did not review first. If you do not mind, thank you.

Speaker Babauta: I sincere heed to your request, and I will allow other members to take time, maybe two to three minutes to go through the bill. Short recess.

The House recessed at 2:30 p.m.

RECESS

The House reconvened at 2:40 p.m.

Speaker Babauta: We are back to our plenary session. The motion to pass H. B. No. 15-242 has been seconded, and I now recognize Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: Not necessarily to discuss, Mr. Speaker, but before we discuss it, I would like to offer an oral floor amendment.

Speaker Babauta: Proceed.

Rep. Joseph Deleon Guerrero: On page 2, line 27, strike out the words, “Chairman of the Board of Regents” and replace it with the word, “President.” It will now read, “The expenditure authority for the earmarked funds for the Public School System shall be the Commissioner of the Public School System and the expenditure authority of the earmarked funds for the Northern Marianas College shall be the President of the Northern Marianas College.”

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

Speaker Babauta: The motion is carried. We will continue to discuss, H. B. No. 15-242, HD1. Vice Speaker, recognized.

Vice Speaker Quitugua: Just for clarity, Mr. Speaker. On line 25 of page 2, the words, “System shall be the Commissioner of Education for the Public School System.”

Rep. Joseph Deleon Guerrero: Is that an oral floor amendment?

Vice Speaker Quitugua: Yes, an oral floor amendment, Mr. Speaker. Just to add in the words after Commissioner, “of Education.”

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

Speaker Babauta: So it is just to include, “of Education”? Short recess.

The House recessed at 2:48 p.m.

RECESS

The House reconvened at 3:16 p.m.

Speaker Babauta: We are back to our plenary session, and I recognize again the Vice Speaker.

Vice Speaker Quitugua: Thank you, Mr. Speaker. On page 2, line 25, beginning with the word, “System shall be the Commissioner of Education.” Add in the words, “of Education.”

The oral floor 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. 15-242, HD2, and I recognize the Minority Leader.

Rep. Palacios: Thank you, Mr. Speaker. I generally support the legislation, but I would like to point out several concerns that I have in the legislation itself. There is no question of our efforts today to identify funds within our government to fund – or return the 15.6% that was cut off of PSS Budget. I want to raise these concerns and hopefully perhaps the legal counsel could answer some of the questions. Page 2, Section 2 identifies public corporations and autonomous agencies inclusive of the Department of Public Lands. You know, the Department of Public Lands has a certain prescription of how funds are to be expended, basically in the administration of that department and their function. Those revenues derived from public land revenue, rentals or leases are to be used specifically for development of homestead programs and for other reasonable administrative cost for this department. I believe that is a fundamental policy of the Department of Public Lands which was carried over from Marianas Public Lands Authority and MPLC. I would like to get a bearing from our legal counsel if we can do this, we can inject the legislative authority to remove funds out of public land revenues for operational purposes of this government.

Speaker Babauta: Counsel, please comment or respond to the concern of the Minority Leader.

Legal Counsel Ian Catlett: Thank you, Mr. Speaker. The Legislature has the authority to set the budget of Public Lands. That is the short answer. There is no limitation on that authority. There are limitations on other things that the Legislature can do with relation to public lands, but it is clear that you do have the authority to set the budget.

Rep. Palacios: I understand that, but my question is, and we did that under Public Law 15-28, we set the budget, but can we take funds out of revenues derived from public lands for any other purpose specifically for the operations of the government, and use that to fund other programs outside of the administration of public lands itself. That is the question.

Legal Counsel Ian Catlett: If you give me one second, I will look at the relevant provision.

Speaker Babauta: To save our tapes because we are also on austerity, I want to call for a one-minute recess.

The House recessed at 3:18 p.m.

RECESS

The House reconvened at 3:20 p.m.

Speaker Babauta: We are back to our plenary session, and I recognize the Minority Leader.

...[End of Tape 1 Side A]

Rep. Palacios:...[beginning of Tape 1 Side B]...fairly clearly. So it appears, Mr. Speaker, that Public Lands is potentially not one of those autonomous agencies that we can touch. So, that is my point, and I hope that the author is amendable to making such amendments, Mr. Speaker.

The Chair recognized Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: Thank you, Mr. Speaker. To deal with the Constitutionality of this bill and to amend it so that it does muster Constitutional mandate, I would like to offer an oral floor amendment.

Speaker Babauta: Proceed.

Rep. Joseph Deleon Guerrero: Thank you, Mr. Speaker. On the title, on the second line, after the word, “autonomous agencies”, strike out the comma “(,)” and the words, “and the Department of Public Lands.” On page 2, line 2, after the word, “agencies” again, strike out the comma “(,)” and the words, “and the Department of Public Lands.” On line 7, of the same page, the figure of “\$6.844M” would be revised to show, “\$6.658M” would replace it. On line 12 of the same page, Section 2, after word, “agencies” strike out, “and the Department of Public Lands” likewise on line 15, after the word “auditor” strike out the comma “(,)” and the words, “and the Department of Public Lands.” I so moved.

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

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

Rep. Palacios: Thank you, Mr. Speaker. I would be remised, Mr. Speaker, if I do not also raise concerns – regards to Public Lands, it was a constitutional issue. I want to raise concern – I will vote for the legislation, but I would raise a concern that what we are about to do would in effect take away close to \$5 Million dollars from CUC. I want us remind ourselves that regardless of whether we do this through forcing the issue, since you would eventually have to recover this \$5 Million dollars, it is a policy decision. The issue with CPA also – we know that CPA avails itself to substantial amount of federal funds, and some of the operational costs reflected in their budget are perhaps matching for matching funds of some of these federal grants such as the ARFF Program and grants from FAA. So these are policy decisions. I will vote for this with those reservations, and I just want to go on record expressing those concerns. Thank you.

The Chair recognized Chairman Dela Cruz.

Rep. Dela Cruz: Thank you, Mr. Speaker. I also want to echo the sentiments of Congressman Palacios. Earlier during the recess, I had discussed the issue of CUC taking away the \$5.8 Million dollars. Yesterday, I passed out a Dept. and Agency Communication to all the members. I am not sure whether everyone had taken a look at that communication. That came from CUC and attached with it is their financial un-audited financial statement for 2006. If we had looked at that closely, we would find out that CUC still has an obligation with CDA. The bill that became law to write-off the

debt of CUC never really had teeth, and that bill was H. B. No. 15-64. What that bill merely does is it authorized CDA to write-off the principal and interest. CDA at present is saying, thank you for the authorization, but we are not writing it off. The \$5.8 Million dollars that we are going to be taking away from CUC is going to add on to the obligation of CUC. What affects would that have in the Commonwealth? Your guess is as good as mine. But like I said, I am in favor of doing what we need to do to help PSS, but let us be warned that CUC might be coming back with maybe higher rates. We do not know. I just want to bring that out so that everyone is aware that we are trying to save one not knowing what is going to happen with this other agency. Thank you, Mr. Speaker.

The Chair recognized Representative waki.

Rep. Waki: Thank you, Mr. Speaker. I kind of merit the sentiments of Congressman Dela Cruz as well as the Minority, and I have looked at this particular bill, and I do have an issue with pulling \$5.9 Million from CUC, another half a million dollars from CPA, especially that is our actual point of entry, and there is just issues on that. There are so many different concerns in reference to that, but I believe we have other options in how to fund PSS, and I think we may have to find those options in H. B. No. 15-255 or even H. B. No. 15-256. I think proportionally across the board, everybody gets deducted, and then bring it down to about \$163 level on the budget, but PSS is saved. To me, I think equality across the board – it does not matter which branch of government you come from, but you are contributing to PSS. In other bill, I think it is H. B. No. 15-256, it will show the equal deduction. I just believe that taking just from two or three departments, and taking all that money and giving it to PSS will seriously impair that department seriously. I think that it is fair that if we are going to pair anybody that we impair everybody equally across the board to assist the Public School System and to assist our children from getting the education they need. I believe, and it does show that in that particular bill, we will see that even the Legislature is taking the proportional cut to assist the Public School System. I must commend the author for coming with something in a short period of time to address the PSS’ concern, but I think that we are going to solve one issue, but we are going to promote other issues in other departments. If it is going to be like that, then let us do it fairly across the board so that everybody – if they want, they can complaint, but it is fair across the board. That is just my only concern at this particular time. I commend the author, but I do believe that we can find another option to finding the \$6 Million dollars for PSS. Thank you.

The Chair recognized Chairwoman Kaipat.

Rep. Kaipat: Thank you, Mr. Speaker. I too want to commend the author, Representative Deleon Guerrero for coming up with H. B. No. 15-242, but practically everyday, I get a phone call from the suffering members of our community complaining about being disconnected, not being able to afford paying their power bills, and water, even those who are on oxygen, and they are being disconnected. I just cannot in good conscience vote on a bill that aims to take away \$5 Million from CUC, because I just...at a thought that they have to pass this on and make it up somewhere, and be hitting our vulnerable suffering people. We all know that we are in a crisis situation. We all need to be shouldering this burden equally across the board proportionally. As I said yesterday, no more of these, others caring the burden and some of us are not stepping up to carry our own fair share. That includes this Legislature. We need to suck it up, and take the cuts that we need to, to help PSS and other equally deserving agencies. I would urge us taking a look at H. B. No. 15-255 and do what is fair for everyone. Thank you.

The Chair recognized Representative Seman.

Rep. Seman: Thank you, Mr. Speaker. You know, we talked about taking part in bailing out the Public School System, but I do not believe that we live it to the employees of the government agencies to bail out the Public School System. I believe that even the private sectors benefit from the Public School System as well as other critical agencies such as Department of Public Health and the Department of Public Safety. I do not believe that if we do not take \$5.8 Million from CUC, that they will not continue to disconnect customers who are not paying. I do believe that if we support, H. B. No. 15-242, all those also in the private sector will take part in bailing out Public School System. There are so many students out there that are children of people that are working within the private sector; I think that everybody has to take part. We cannot subject the government employees, the people working at the hospital, the people working at the Department of Public Safety, or those agencies to take part in bailing out the Public School System. I am a parent, I am a President of PTSA in one of our schools, and I am a Vice President for another school so I am wearing so many hats, but as a parent, I do not want to jeopardize the wellness of my family and the people of the Commonwealth. In not supporting, H. B. No. 15-242, we are subjecting everybody to be deprived from the best health care or public safety that we can provide. Mr. Speaker and colleagues, I beg you to support H. B. No. 15-242, so that once and for all, everybody in the CNMI would take part in this. I do not believe that we can continue to cut other essential government agencies just to bail out PSS. There are other agencies that are as important and supporting H. B. No. 15-242 will prevent us from further cutting the budgets of other agencies. Thank you.

The Chair recognized Representative Joseph Deleon Guerrero.

Rep. Joseph Deleon Guerrero: Thank you, Mr. Speaker. First of all, I want to say that I respect every comment that was made so far and the concerns that all of you had risen. I do not necessarily agree with everything that was said. I can say this much, that when we considered drafting this legislation, we did take into account what it would cost CUC to provide their services, what it would cost to pay for our fuel, what it would cost to pay for personnel, and their all others expenditure. This bill of 5% still allows some cushion for them to be able to operate. We even considered a bill to reduce – this House passed a bill to reduce CUC's cost, and the reason we did that is we felt that the charges that they imposed did not necessarily reflect their actual cost, and now to turn around and say that we might jeopardizing them, or they perhaps may raise the charges to their customers. I think that is not warranted. If they will do so, they would have to answer to this House. Secondly, when we talk about fairness, the difference between this bill and what is being proposed is very simple. Every agency in the Executive Branch with the exemption of these agencies have been cut, and cut, and cut. To get anymore from them would be really trying to squeeze blood out of stone or water out of stone. This is fairness and this would allow these other agencies in Executive Branch whether it be DYS, DLNR, CCA to be able to provide their essential service. Please, consider that. These are agencies that have not received the cuts that everybody else has. This I believe perhaps a more realistic solution to this dilemma. I also want to ask for your support for H. B. No. 15-242. Thank you, Mr. Speaker.

The Chair recognized the Vice Speaker.

Vice Speaker Quitugua: If I am in order, Mr. Speaker, I would like to make some oral amendments.

Speaker Babauta: Please proceed.

Vice Speaker Quitugua: On page 2, Section 2, to avoid possible vetoes because of some restrictions on public corporations or autonomous agencies, I would like to make the following oral amendment. On page 2, line 17, at the end of the sentence, replace the period “(.)” with a comma “(,)” and insert, “provided that such funds are not restricted from reprogramming by Federal Law, Federal Grant Conditions, Commonwealth Constitutional prohibitions, or deposit and other security restrictions related to Bond Covenants and the financing of public projects.”

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

Speaker Babauta: The motion is carried. To make it easier, refer yourself to the page 2, line 12 of H. B. NO. 15-255. I recognize Representative Tenorio.

Rep. Tenorio: Thank you, Mr. Speaker. Mr. Speaker, I was part of the proponent of this bill, but I do share the sentiments expressed by other members regarding the potential problem that we might have with CUC, but I guess my colleague Deleon Guerrero addressed that very eloquently. But I would like to bring another point, Mr. Speaker; Congressman Seman mentioned something about the private sector benefiting from free education. I cannot quantify the amount of money that there are benefiting from such, but I understand that to educate a child, it cost about \$4,000.00. So there is a lot of money that has been pumped into educating our people mainly because it is mandated by the Constitution. I know that the sentiment of the Administration, but I do not want to interfere with the private sector in terms of the tax, but there currently a bill – H. B. NO. 15-196 now in the Senate which was passed by the House. From my understanding, this is just window that we are addressing now. Anything can happen. There was no assurance that the budget is not going to go lower than \$163 Million judging from all indications of our economy. We might have to prepare ourselves for another budget cut. So I just wanted to bring that out, and I think this Legislature should seriously take into consideration working on a legislation that we have to tap into the taxes and into the private sector to help finance this government. In other week, we will be hearing from the Governor for the State of the Commonwealth to address – I am almost sure, Mr. Speaker that he will come out again and say that we are broke. This is not an easy task, but we do have to make the cuts that we think would most – be very more painless for the agencies, and it has to come necessarily to look at the government corporation. So while I have a reservation about with some of the cuts that is made here, Mr. Speaker, I do believe that it is incumbent upon us to support this bill, and spread the responsibility of financing this government to other areas, and not only those that are continuously been cut by 10%. What I do not agree in the way we are doing this is that we should also dig into the coffer of the Legislature and the Judiciary’s salary because I do not believe that it is fair that only three to four thousand of our hardworking employees would have to bear the consequences of bailing out this government from bankruptcy. I believe that – and this particular concern, I believe is in House Bill that the Vice Speaker introduced. Earlier we argued as to the urgency of this bill whether we should go ahead and act on it, pass it or reject it, and I have listened to some of the concerns brought up by Chairwoman Kaipat and Congressman Waki, and I thought perhaps if we want to really craft a bill that is bare that would have everybody who is a benefactor of this government pay into the kitty, and that includes us. I might be out of line, but if our colleagues can consider perhaps referring these two or three bills to the Committee...

Speaker Babauta: One second. Change of tape. You may continue.

Rep. Tenorio:...I would like to task this to the Committee on Ways and Means because this is a very substantive legislation that would affect the lives of our people. My main concern here is that it be fair, but since we might not have the luxury of time to do that, perhaps, Mr. Speaker, we should combine these three bills and you appoint a taskforce to due this, and come up with a solution that would be fair to everybody. Thank you.

The Chair recognized Chairman Ogo.

Rep. Ogo: Thank you, Mr. Speaker. Well, it is hardening, Mr. Speaker, to consider that 5% reduction to CUC in the amount of \$5.8 Million dollars. However, members we cannot jeopardize the education of our children. I have parents right now – would even swallow that pass through that if this bill ever signed into law, that \$5.8 Million dollars will pass through to the consumers, but parents within the CNMI will swallow that to make sure that their children go through their classes and get educated. We need a solution before June 10 of this year. I strongly suggest and ask my colleagues to look at H. B. NO. 15-242. I myself as the Chairman of Ways and Means recalled this bill because I see the importance of debating and hopefully passing this bill today to consider restoring the \$6 Million dollars that the Public School System needs. Once again, I encourage everyone to consider passing this bill today. Thank you, Mr. Speaker.

Speaker Babauta: It looks like a lot of you are concern on the ramification of what we are about to do, and I share also with a lot of you about the implication of this provision, and it is my...that in the case of CUC, that would not cut off the power services of our Public School System when the time arises to pay. So I am glad that the top management of the Public School System are personally here this afternoon, and this is just to forewarn all of you that what we are about to do irregardless whether we vote on this today or not, it is going to impact the other agencies. Keep this in mind and be mindful of your other obligations as far as utility is concerned. I hope that the amount that we are about to transfer subject to the approval of the Senate and the concurrence of the Governor is not used, and this is for the record of this House, is not used otherwise for travel or for salary increase for that matter. We want to keep this School System afloat towards the end of Fiscal Year 2007. Be mindful that the power of the Legislature has that authority to invoke its Constitutional power to request of every pertinent document that is budgeted for this particular bill, and I hope that you do the right thing. I recognize Representative Tebuteb.

Rep. Tebuteb: Just a few comments, Mr. Speaker.

Speaker Babauta: I am sorry. I thought you have already eloquently shared your thoughts. You may precede my colleague.

Rep. Tebuteb: I will make it very short, Mr. Speaker. Basically, I do have the same sentiments as everybody had expressed. I just want to share few thoughts.

Speaker Babauta: Proceed.

Rep. Tebuteb: One of the glaring issue also that made me realize the policy call that we are going to do now, and I sense that we are going to have the unanimous decision on this particular bill, Mr. Speaker, but I want to ask for your support – one of the most glaring issue that I realized is – before I say that this bill has been with the Committee for at least a month, without the Public School System’s presence before today, the Minority Leader has submitted this as one of his solution that we need. But one of the glaring issues that I was looking at was the 90 day notice that the Commissioner had indicated yesterday. The 90 day required notice to provide notice for the teachers or affected personnel, and one of the things that I was looking at just playing a little bit with math, which will also affect our children was just on the personnel level. I did some de-averages on some particular agencies that will affect the 5%, and MPLA for example, on the personnel salary, I round it up to about \$32,000.00 per annum, for CDA, about \$53,000.00, for CPA, I averaged it at \$33,000.00 per annum, for OPA, I averaged it at \$61,000.00, our concern with CUC, my average was at \$43,000.00. Those are the averages. So I just want to share that so that you might have some thoughts on that. Thank you.

The Chair recognized Chairman Yumul.

Rep. Yumul: Thank you, Mr. Speaker. Just to add on to the Vice Speaker’s amendment. There is one technical issue here that we did not resolve. Under 1 CMC § 7831(c), all funds paid into this Special Account of the OPA could not be reprogrammed for any other purposes to any other agencies. Therefore, I would like to make an amendment on line 13, page 2, “Notwithstanding any law to the contrary” after the comma “(,)” insert, “including but not limited to 1 CMC § 7831(c).”

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

Speaker Babauta: The motion is carried. We will continue to discuss, H. B. No. 15-242, HD5. Are we ready for the question?

Several members voiced, “ready.”

Speaker Babauta: This debate now is hereby closed. Clerk, call the roll.

The Clerk called the roll on the motion to pass H. B. No. 15-242, HD5 on First and Final Reading:

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

Rep. Ray N. Yumul
Rep. Oscar M. Babauta

yes
yes

Speaker Babauta: With a vote of 18 “yes”, H. B. NO. 15-242, HD5 passes the House on First and Final Reading. Floor Leader, can we move on First Reading only on H. B. NO. 15-255 so that we have ample time to dispose of our LB staff.

Floor Leader Florencio Deleon Guerrero: So moved, Mr. Speaker, for the passage on First Reading only H. B. NO. 15-255.

The motion was seconded.

H. B. No. 15-255: A BILL FOR AN ACT TO GRANT THE GOVERNOR EMERGENCY REPROGRAMMING AUTHORITY; AND FOR OTHER PURPOSES.

Speaker Babauta: Discussion. I recognize the Minority Leader.

Rep. Palacios: Thank you, Mr. Speaker. I commend the author also of H. B. NO. 15-255, as it is also one of the alternative on how we are going to fund the \$6 Million to replenish the cuts imposed by the Executive Branch on PSS. It is certainly a bible alternative. I would like to however offer some amendments to the bill itself.

Speaker Babauta: Proceed.

Rep. Palacios: On page 1, Section 2, the heading, “Emergency Reprogramming”, instead of “Authority” to read, “Emergency Reprogramming Authorization.” Also on line 16, after the word, “Governor”, change that to read, “is hereby granted reprogramming authority of up to \$6 Million dollars.” On page 3, after the word, “instrumentalities” insert, “except for the Department of Public Health, Department of Public Safety, and the Northern Marianas College.”

The oral floor amendment offered by the Minority Leader was seconded.

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

Speaker Babauta: State your point of clarification, Representative Deleon Guerrero.

Rep. Joseph Deleon Guerrero: On page 1, line 16, do you want to strike out the word, “shall have” and replace it with “is hereby granted authority”? After that, strike out “to reprogram” or leave that in?

Rep. Palacios: Let me repeat that. Strike out from the word “shall have authority” and insert, “is hereby granted reprogramming authority of up to \$6 Million dollars.”

Speaker Babauta: Discussion on the oral amendment? Minority Leader, are you done with your amendment?

Rep. Palacios: In offering that, I want to clarify the amendments that I am making. In offering that, Mr. Speaker...

Speaker Babauta: Better yet, do we have a second on the amendment? Okay. Continue.

Rep. Palacios: We need to find funds, and this would also – is an alternative to find funds for PSS. There is no question as to what we have to do here. We are going to find that funding regardless of where we do it. But, I think that we need to spare other essential department, and that is the Department of Public Health, should be spared from additional cut, the Department of Public Safety, I believe should also be spared from this additional cut, and the Northern Marianas College. Now, if we look at the table that the Vice Speaker, the author of this legislation attached, it would require that every agency, branches, offices, departments or what have you, would have to absorb an additional 4 1/2% under the original proposal. What this does is that, because we exempted Public Health, Public Safety, and the NMC, everybody else would absorb instead of 4%, they would end up absorbing 6.9%. So instead of 19%, we would all have 22%. Thank you.

The Chair recognized the Vice Speaker.

Vice Speaker Quitugua: The summary that the Minority Leader is referring to is the summary for H. B. NO. 15-256 and not for H. B. NO. 15-255. so the cuts that will happen between the two bills are going to be different.

Rep. Palacios: Not necessarily. To me, \$6 Million dollars across the board of everybody is still going to inject an additional of 4%. If we take away – and I have asked the financial consultant to look at the numbers and the percentage that it would take if we exempt Public Health, Public Safety, and the Northern Marianas from the proportionate cut. In order to proportionately cut – if everybody is to be cut, it would be about 4.5%. If we are going to exempt these three, it would be 6% for the rest that are not exempted. In any event, regardless of what these percentages finally comes up to be, the intent is to exempt the DPH, DPS, and NMC from the additional cuts over and above the 15% already. Thank you.

The Chair recognized Chairwoman Kaipat.

Rep. Kaipat: Mr. Speaker, I know that you mentioned that you wanted to let the staff go, but with these amendments, and I really see our passing of H. B. NO. 15-242 and H. B. NO. 15-255 as being companion bills, and then it really need for us to pass H. B. NO. 15-255 in order to give the flexibility. If there is a shortfall with H. B. NO. 15-242, and rather than cutting into one particular autonomous agency like CUC for example to make up the shortfall, why not just take the time now and deliberate, and pass H. B. NO. 15-255 with the proper amendments so that we can just act on this and resolve this. I mean, why Monday? Let us do it now.

Speaker Babauta: I see that the interest is growing more bigger so...

Rep. Kaipat: We have to do it now.

Speaker Babauta: Unless we want to further amend it, but if the wishes of this body to proceed, I will ask the Floor Leader for an adjustment of the motion. Let us dispose first of the oral amendment offered by the Minority Leader so that we can move on. I recognize Chairman Dela Cruz.

Rep. Dela Cruz: Thank you, Mr. Speaker. I would just like to make a subsidiary amendment on top Congressman Palacios' amendment.

Speaker Babauta: Let us dispose of that first, and then we can come back and amend it.

Rep. Dela Cruz: It is basically to include MVA to be exempted. I do not want to set precedence.

Speaker Babauta: Okay. Let me recognize the mover if he wants to include MVA as part of the...

Rep. Palacios: Certainly. I would like to ask my colleague to hold on to MVA. I think MVA itself would probably generate a different set of discussions. I think that all of us would really agree, and there is no question about it that the Department of Public Health, the Department of Public Safety, and the Northern Marianas College are at the forefront of priorities. If my colleague would give me the indulgence, let us dispose of this, and we can discuss MVA in and of itself.

There being no further discussion, the oral floor amendment offered by the Minority Leader was carried by voice vote.

Speaker Babauta: The motion is carried. We will continue to discuss, H. B. NO. 15-255, HD1. I recognize the Vice Speaker.

Vice Speaker Quitugua: Just a simple oral amendment, Mr. Speaker, on page 2, line 4. After the word, "Commonwealth" strike out the words, "that are subject to appropriations." Also on line 11, Mr. Speaker, after the word, "Government" strike out the words, "that are subject to appropriations." Thank you, Mr. Speaker.

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

Speaker Babauta: The motion is carried. I recognize Chairman Waki.

Rep. Waki: Thank you, Mr. Speaker. Based on the amendment that Representative Palacios made, I think everybody back in March 19th received a copy of the revised budget based on the \$163 Revised Budget for 2007, the reduction from every department with the 39.55% - if we saved PSS, DPS, and NMC as well as the DPH, so really, what we want to do here basically on this particular bill is exactly what the Governor had already submitted to us over a month ago. It is interesting that Ways and Means have not come up saying what is going on with this particular budget. What we are going to do is basically submit what the Governor had submitted. I am just saying that why are we being redundant. If we want to do it separately, just say, let the Governor decide how he gets the \$6 Million for PSS. I am just saying that it is already here.

Rep. Palacios: You did not get my letter?

Rep. Waki: As I understand, the reprogramming authority has been lost because he did not submit his 2008 Budget, and the reason probably is because we have not even figured out what we are going to do with 2007 Budget, and how can we budget for 2008? If this has been here since March, why

have we not at least given him back something of what we agree or what do not disagree on? So if we are trying to our due diligence in reference to trying to find money for PSS, and not harm DPS, CHC, and NMC...I mean, it is already been submitted. So what we are doing here is going back to the original submission from the Governor.

Rep. Palacios: Thank you for raising the same concern that I have, Representative Waki.

Rep. Ogo: Point of clarification, Mr. Speaker.

Speaker Babauta: State your point.

Rep. Ogo: Mr. Speaker, just to address Representative Waki's comment...it is not officially been submitted. The document that Representative Waki is pertaining to has not been officially submitted to the Committee. Thank you.

The Chair recognized Chairman Waki.

Rep. Waki: Given the fact that every member has been given a copy, so Ways and Means should already have received. Each and every member of Ways and Means should have at least sat down and say, let us discuss this since we have already got something, and why do we have to wait to where we are behind the 8th ball to try to figure out how we are going to help PSS when already it has been submitted here. That is all I am just trying to say. We are suppose to do our diligence and we are here discussing it now when the figures were given to us before – we could have started the process prior to this day, and could have had avoided the need for PSS to be here. This is what we should have been doing if we are doing our diligence.

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

Speaker Babauta: State your point. May I remind the members that it is now 4:15 p.m., and again, I ask for your cooperation. One moment please for a change of tape. **[End of Tape 1 Side B]**

Rep. Palacios:...**[Beginning of Tape 2 Side A]**...this should have been done, and we should have began looking at since February. But my question is, are you not a member of the Ways and Means Committee?

Rep. Waki: I am sorry I have been terminated from the Ways and Means Committee. Thank you very much.

Rep. Palacios: I apologize for that, but you are right. The Governor gave us, and I expressed that Communication to the rest of the colleagues about that, and H. B. NO. 15-242 has been in the books to address PSS since I believe the early part of March. Letters from the Commissioner and the Board of Education – but we will get there regardless. I think today would be a good day to resolve these issues without kind of resorting to semantics, but H. B. NO. 15-255 will be a good start also.

Speaker Babauta: Under clarification, I recognize Representative Tenorio.

Rep. Tenorio: Thank you, Mr. Speaker. I was just going to ask the Vice Speaker as to what is the net effect of deleting those sentences that are subject to appropriation? This is your bill so I just wanted to clarify.

Vice Speaker Quitugua: Actually, if you look at the Budget, we only appropriated DPL in the Budget, so if we maintain this space, that means that the Governor cannot go into other autonomous agencies or corporations to reprogram because he is only restricted to – Public Law 15-28.

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

The Chair recognized Representative Taman.

Rep. Taman: Thank you, Mr. Speaker. I would just like to comment a little bit with regards to all these issues. Now that we passed H. B. NO. 15-242, I suspect that there is going to be more critical issues that would arise in this Chamber not too long from today. We have been talking about cut here, cut there, cut everywhere, and we all know that nobody is going to be happy with all of these cuts. The very reason why we are cutting so much of what very little we have is the fact that our revenue collection have decreased and possibly continue to decrease. No one has ever talked about infusion of new revenues. I am very grateful that this House passed a Joint Resolution yesterday and I hope that the Senate would pass that too so that we can solve many of these problems that we anticipate to face us in the future. Thank you, Mr. Speaker.

Speaker Babauta: I understand that there was a recommendation earlier for a Final Reading, would you...Chairwoman Kaipat, you want to move that subsidiary motion for Final Reading?

Rep. Kaipat: So moved, Mr. Speaker.

The subsidiary motion to place H. B. NO. 15-255 was seconded.

Speaker Babauta: I would allow a two-minute discussion because I ask that we allow our staff to be out of here by 4:30 p.m. So I recognize Chairman Waki.

Rep. Waki: Just to finish up my original comments. If anything, I am in support of H. B. NO. 15-255, and I believe if we at least pass this in its First and Final Reading, at least the Senate would have options to go with rather than one, and if they do not like it, they shut it down, and they have to wait for something else to come about. But if we give them an option, at least they can review it and see which is in the best interest in helping PSS at this particular time. I believe that H. B. NO. 15-255 is really what the original submission from the Governor's Office, and it is in line with what they originally wanting to do to the Revised 2007 Budget. So with that, I would like to say that we go ahead and vote on H. B. NO. 15-255 on First and Final Reading.

Speaker Babauta: In essence, the figures that are submitted to the Legislature or primarily to the Presiding Officers and the members are transposed into words. Chairman Ogo, recognized.

Rep. Ogo: Thank you, Mr. Speaker. Subsidiary motion for the amendment on Representative Palacios'. On page 2, line 4 after the word, "Northern Marianas College" include, "Rota Health

Center, Rota Department of Public Safety, Tinian Health Center, Tinian Department of Public Safety.” Thank you.

Speaker Babauta: Let me ask you to retract that amendment because Public Health covers Tinian and Rota hospital so as Public Safety. There is no two Public Safety Department in the CNMI Government and so does the hospital. We only have one cabinet per...but...

Rep. Ogo: Clarification, Mr. Speaker.

Speaker Babauta: State your point.

Rep. Ogo: We discussed that yesterday with Secretary of Finance, and Rota along with Tinian have a separate account of DPS and the Health Center.

Speaker Babauta: That is pursuant to the Budget.

Rep. Ogo: Correct. We are under the Mayor’s Office Tinian and Mayor’s Office in Rota.

Speaker Babauta: Pursuant to Amendment 25, the Mayor is charged to oversee those executive offices. It has never been the intent of Amendment 25 that the Public Health and Public Safety is strictly local offices. What I am trying to allude to is DPS Rota and Tinian is a subsidiary of the principle executive department of the Department of Public Safety, Commonwealth of the Northern Marianas Government.

Rep. Ogo: Correct, Mr. Speaker. However, the funding for those departments are separate. It is not under CHC. For example, Tinian and Rota’s Budget is not under Commonwealth Health Center.

Speaker Babauta: The only rationale that the word Tinian and Rota is inserted – is for...purposes that would indicate that the amount is earmarked or appropriated for Tinian and Rota’s Department of Public Safety, but when we do some general policy in terms of affecting or effectuating a policy towards a department, it consists of the entire program of that particular department. We cannot segregate a special language just to – because I do not think that this Legislature would allow it also to hamper or jeopardize those programs in those Senatorial Districts, would you? It does cover. To clarify further, legal counsel.

Legal Counsel Ian Catlett: *Just to look at the...15-28 is organized.*

Speaker Babauta: Unless we want to be explicitly clear.

Legal Counsel Ian Catlett: *The main heading is Public Health, and under that, there is a CHC account, there is a Public Safety, a Commissioner account, but I believe...*

Rep. Ogo: Go to First and Second Senatorial.

Legal Counsel Ian Catlett: *Under Second Senatorial District and First Senatorial District, Rota Health Center is separate under item (e) separate from number 9, which would be the Executive*

Branch, so I would recommend for clarity putting them in just because – I am looking also for Public Safety.

Rep. Ogo: Thank you, Mr. Speaker, and thank you Counsel.

Speaker Babauta: That is what I mean...for clarity purpose, but you want to go back to Public Law 1-8?

Legal Counsel Ian Catlett: I think it is correct under one department, but the way it is budgeted, and incase there is any confusion about the way it is budgeted, it might be better to include them.

Speaker Babauta: Probably to shorten the discussion, you might restate your oral amendment to reflect Public Law 1-8.

Rep. Ogo: Mr. Speaker, I do not have Public Law 1-8 in front of me.

Speaker Babauta: That is the establishment of executive principal and executive departments of the Commonwealth government.

Rep. Ogo: Yes, but I am just trying to protect, Mr. Speaker, the funding for the First and Second Senatorial District, and specifically on what I pose, which is or what the amendment that I just finished stating.

Speaker Babauta: So noted. For clarity purposes, restate your oral amendment.

Rep. Ogo: Subsidiary motions on the amendment of Representative Palacios, after the word, “Northern Marianas College” insert, “Rota Health Center, Rota Department of Public Safety, Tinian Health Center, and Tinian Department of Public Safety.” Thank you, Mr. Speaker.

The oral amendment offered by Representative Ogo was seconded.

Speaker Babauta: Discussion.

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

Speaker Babauta: State your point.

Rep. Joseph Deleon Guerrero: What about NMC?

Rep. Ogo: They are all in one.

Rep. Joseph Deleon Guerrero: So clarified.

There being no further discussion, the oral floor amendment offered by Representative Ogo was carried by voice vote.

Speaker Babauta: The motion is carried. Ready for the question?

Several members voiced, “ready.”

Speaker Babauta: Let me just remind the Clerk, I have a note here by Chairwoman Kaipat, once you call her roll, I would allow her vote of yes to be inserted. Minority Leader, recognized.

Rep. Palacios: Will the author be willing to accept this bill under Committee as a Whole?

Vice Speaker Quitugua: Mr. Speaker, my original introduction was to introduce it as a Committee as a Whole, but there was an objection on the floor so...if there is no objection on the floor, I would like to go back and reintroduce this bill as Committee as a Whole. Thank you.

There was no objection

Speaker Babauta: Clerk, take note. Representative Yumul, recognized.

Rep. Yumul: One minor amendment. Same amendment as H. B. NO. 15-242.

Speaker Babauta: You have thirty seconds.

Rep. Yumul: On page 2, line 8, subsection (b), before the word, “Governor’s authority” insert, “Notwithstanding any other provision of law, including but not limited to 1 CMC § 7831(c) and subject to § (a) of this section.” I so moved.

Rep. Waki: Point of clarification, Mr. Speaker.

Speaker Babauta: State your point.

Rep. Waki: Could we ask the legal counsel to at least enlighten us on what those subsections are so that way we are not voting on something that we do not even know about?

Speaker Babauta: What is that subsection that you are citing, Representative Yumul.

Rep. Yumul: 1 CMC § 7831(c).

The Chair recognized the House Legal Counsel.

Legal Counsel Ian Catlett: Thank you, Mr. Speaker. The Notwithstanding any provision of law means that the Governor can – you are giving reprogramming authority despite any other law to the contrary, and we are specifically pointing out the Public Auditor prohibition because under the Public Auditor statutes, you are not allowed to reprogram out of that \$1 Million dollars that comes off the...the reason for adding, “and subject to § (a)” is because you got requirements in some section (a) that you do not want the Notwithstanding to over rule. So the notwithstanding any other provision of law but subject to the proportional reduction authority that you granted in subsection (a). It just makes it painfully clear that you are ignoring one statute from the Public Auditor, but not ignoring the requirements that you just delineated earlier.

Speaker Babauta: Any other discombobulating issue? I recognize the Minority Leader.

Rep. Palacios: Not on the amendment itself, Mr. Speaker. I just want to make a clarification with the previous amendment on the exemption of DPH, DPS, and NMC also. It should be reflected on line 10 after the word, “instrumentalities” just to make it consistent. Thank you.

Speaker Babauta: I think that you mentioned that on your first amendment. Clerk, did you take note on that? Okay. Any second on the oral amendment offered by Representative Yumul?

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

Speaker Babauta: The motion is carried. There is a standing motion now for Final Reading. Discussion? I recognize Chairman Ogo.

Rep. Ogo: Not on the Final Reading, but discussion. Just another floor amendment, Mr. Speaker.

Speaker Babauta: If you are inserting a language with respect to judgment against the government, I would not allow it.

Rep. Ogo: Is there a reason for that, Mr. Speaker.

Speaker Babauta: This is across the board.

Rep. Ogo: Okay.

Speaker Babauta: I hope you understand. We cannot delineate from the original intent of what we are about to do. If we are to cut or reprogram funds then let us have it across the board. Clerk, call the roll.

The Clerk called the roll on the motion to pass H. B. NO. 15-255, HD3 on First and Final Reading:

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

Speaker Babauta: By a unanimous consent, H. B. NO. 15-255, HD3 passes the House on First and Final Reading. Floor Leader, motion to recess until Monday morning at 10:00 a.m.

Floor Leader Florencio Deleon Guerrero: So moved, Mr. Speaker.

MISCELLANEOUS

None

ANNOUNCEMENTS

None

The House adjourned at 4:35 p.m.

Respectfully submitted,

Vicky T. Guerrero, Journal Clerk
House of Representatives

APPEARANCE OF LOCAL BILLS

Second appearance
None

Third Appearance:
None