



House Journal

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2nd Day

Tenth Special Session

Tuesday, December 4, 2007

The House of Representatives of the Fifteenth Northern Marianas Commonwealth Legislature convened its Second Day, Tenth Special Session on Tuesday December 4, 2007, at 9:25 a.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

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

A moment of silence was observed.

The Clerk called the roll and fourteen members were present. Representatives Martin B. Ada, Florencio T. Deleon Guerrero came in late; Representatives Manuel A. Tenorio and Absalon V. Waki, Jr. were excused.

Speaker Babauta: Representative Ada and Floor Leader Deleon Guerrero will be coming in late today; Representatives Tenorio and Waki are duly excused for today's session. Without objection, I would like to appoint Representative Lizama as Floor Leader Pro Tem until Floor Leader Guerrero steps in.

There was no objection raised.

Speaker Babauta: Thank you. I think it is best that we resolved into the Committee of the Whole so that the individuals who have something to do in one way or another with Federal CIP Funds and CBDG as it applies to P.L. 15-95. The House has on the Bill Calendar H. B. NO. 15-325 which purports to amend part of P.L. 15-95 to exempt those federally funded programs, primarily CBDG, other federal grants, and, of course CIP funds that are used for infrastructure purposes. I now recognize the Floor Leader Pro Tem.

Floor Leader Pro Tem Lizama: I so move, Mr. Speaker, to resolve into the Committee of the Whole.

The motion was seconded and carried by voice vote.

The House dissolved into the Committee of the Whole at 9:27 a.m.

COMMITTEE OF THE WHOLE

The House rose at 10:40 a.m.

ADOPTION OF JOURNALS

None

INTRODUCTION OF BILLS

None

INTRODUCTION OF RESOLUTIONS

None

Speaker Babauta: Clerk, please take note that Representative Ada and Floor Leader Guerrero are now present.

MESSAGES FROM THE GOVERNOR

GOV. COMM. 15-409: (11/29/07) Certification for a Hearing Officer at the Department of Labor.

GOV. COMM. 15-410: (11/29/07) Certification of vacant positions at the Department of Finance, Rota.

GOV. COMM. 15-411: (11/29/07) Certification of vacant positions at the Department of Labor.

GOV. COMM. 15-412: (11/29/07) Certification of vacant positions at the Department of Community and Cultural Affairs, Rota.

GOV. COMM. 15-413: (11/29/07) Enclosing a copy of Ms. Ellsbeth Viola Alepuyo's Resume' and Statement of Financial Interests (PUC Appointee).

GOV. COMM. 15-414: (11/29/07) Informing the House that he signed H. B. NO. 15-134 (Amending the Anti-loitering Statute). [Became **Public Law 15-113**]

GOV. COMM. 15-415: (11/29/07) Informing the House that he signed into law H. B. NO. 15-136 (Resisting arrest made by Parole Board Officers). [Became **Public Law 15-114**]

GOV. COMM. 15-416: (11/29/07) Informing the House that he signed into law H. B. NO. 15-271, HD1 (Amending the Alcoholic Beverage Control Act). [Became **Public Law 15-115**]

GOV. COMM. 15-417: (11/29/07) Informing the House that he signed into law H. B. NO. 15-294 (Family Sick Leave Act). [Became **Public Law 15-116**]

GOV. COMM. 15-418: (11/29/07) Informing the House that he signed into law H. B. NO. 15-179, HS1 (To establish statutory liens). [Became **Public Law 15-117**]

There was no discussion under this item of the Agenda.

SENATE COMMUNICATIONS

SEN. COMM. 15-300: (11/14/07) Returning H. B. NO. 15-305 (To appropriate \$50,000 for the Youth Basketball Association) which was passed by the Senate *with amendments* on November 13, 2007 in the form of **H. B. NO. 15-305, SD1**. [For action on Senate amendments] (*Discussion suspended 12/3/07 - Calendared*)

Speaker Babauta: We decided yesterday to suspend discussion SEN. COMM. 15-300. Does any member want to continue to discussion SEN. COMM. 15-300?

Vice Speaker Quitugua: Mr. Speaker, I think there are some legal issues on the rider of the bill. P.L. 15-11 restricts the appropriation of local funds through a resolution. I am going to read the text in the law. It says: "The funds in the accounts established by the Secretary of the Department of Finance pursuant to this chapter shall be appropriated by the respective legislative delegation in accordance with the procedures set forth in 1 CMC §§ 1403 and 1405." Section 1403 exempts the Tinian Casino. Section 1504 says, "No local bill appropriation or revenue bill may be enacted by a legislative delegation until the mayor from the respective senatorial district has had an opportunity to review and comment on it." And by appropriating by resolution, the mayor will never see it. So it is in conflict with Section 1405.

Rep. J. Deleon Guerrero: Point of clarification.

Speaker Babauta: State your point.

Rep. J. Deleon Guerrero: The bill in question is not a local bill, it is a Commonwealth-wide bill.

Vice Speaker Quitugua: There is a section there that states that the moneys shall be appropriated by the Rota Legislative Delegation through delegation resolution. It is the rider. So that is in conflict with Section 1405.

Rep. J. Deleon Guerrero: Point clarified, Mr. Speaker. Thank you.

Speaker Babauta: As a result of the comment by the Vice Speaker, I would probably allay to the fact that since the clarification indicates something to that particular provision, I would recommend that the House reject this amendment so that we may go into conference immediately and address the issue at hand.

Rep. Aldan: Mr. Speaker, on the same subject, the bill does not have an expenditure authority. Only the Northern Youth Basketball Association has expenditure authority but not the \$400,000.00 for Rota.

Speaker Babauta: That is because it will be reappropriated. Once this goes through, the legislature reappropriates, meaning it changes the intended purpose of the original law by further allowing the delegation to reappropriate through delegation resolution. So to be on the safe side -- I do not want the House to be questioned on the ramification of our actions -- I suggest that we reject the amendments and go into conference. I recognize Representative Tebuteb for the motion.

Rep. Tebuteb: I move to reject the amendments to H. B. NO. 15-305, SD1, under SEN. COMM. 15-300.

The motion was seconded by several others and the motion to reject the Senate amendments to H. B. NO. 15-305, SD1, was carried by voice vote.

Speaker Babauta: The motion is carried. I hereby appoint Representative Aldan, Representative Tebuteb, and Representative Joe Guerrero to the conference committee. I would like to impress

upon the chairman of the conferees, Representative Aldan, the need to expedite this conference. Representative Ogo is working closely with the Vice Speaker on the budget.

Vice Speaker Quitugua: Mr. Speaker, may I make a recommendation on H. B. NO. 15-305. Just a recommendation to expedite the passage of the bill and that is to have the Rota Representative introduce the Senate amendment on a separate bill.

Speaker Babauta: Take note, Representative Ogo.

Rep. Torres: Mr. Speaker, can we go back to the Messages from the Governor. I would like to clarify something.

There was no objection, and the House went back to Item 5.

MESSAGES FROM THE GOVERNOR

Speaker Babauta: Proceed, Representative Torres.

Rep. Torres: I am directing the matter to my good colleague from Precinct 3, Navy Hill, the PUTC Chair. GOV. COMM. 15-403 has missing pages on the appointee's statement of financial interests in my package. If you do not mind, I would appreciate getting a copy.

Rep. Dela Cruz: So noted, colleague.

Rep. Torres: Thank you.

HOUSE COMMUNICATIONS

None

COMMUNICATIONS FROM THE JUDICIAL BRANCH

None

COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE

None

COMMUNICATIONS FROM DEPARTMENTS & AGENCIES

DEPT./AGCY. COMM. 15-81: (11/23/07) From Acting Chief Executive Officer Oscar C. Camacho, CDA, transmitting information regarding CDA's analysis of the direct economic impact of the Qualifying Certificate Program.

There was no discussion under this item.

OTHER COMMUNICATIONS

None

REPORTS OF STANDING COMMITTEES

None

REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

None

UNFINISHED BUSINESS

None

RESOLUTION CALENDAR

H. R. No. 15-39, HS1: A House Resolution requesting that Governor Benigno R. Fitial terminate his attorney General, Matthew Gregory, for actions unbecoming of a government official. (*Calendared*)

Speaker Babauta: I had a meeting with my colleague this morning, so we now go to Item 16.

Rep. Torres: Mr. Speaker, if I may, I would be glad to make to meet with the gentleman, but I would like to see H. R. NO. 15-39, HS1 kept on the Calendar for future reference.

Speaker Babauta: Consider it done, Representative Torres.

Rep. Torres: Thank you.

BILL CALENDAR

Speaker Babauta: Mr. Floor Leader, you may proceed with the first bill. Just take note that H. B. NO. 15-325 will be put on hold and hopefully we will resolve something by tomorrow and we will move for an immediate amendment if need be.

Rep. Torres: Mr. Speaker and members, I beg you all to take action on my House Bill, H. B. NO. 15-291.

Speaker Babauta: It will be done.

Rep. Torres: As soon as possible.

Speaker Babauta: We will perform that today. I now recognize the Floor Leader.

Floor Leader Deleon Guerrero moved for the passage of H. B. NO. 15-322 and the motion was seconded.

H. B. No. 15-322: A BILL FOR AN ACT TO AMEND 6 CMC, ARTICLE 2, TO EXEMPT THE OPERATION OF TEXAS HOLD'EM AND OTHER LIMITED CARD GAMES AND VIDEO LOTTERY TERMINAL (VLTs) FROM THE GAMBLING PROHIBITION; TO AMEND 4 CMC, CHAPTER 5, TO IMPOSE A NEW GAMING TAX; TO REQUIRE THE PAYMENT OF NEW LICENSE FEES FOR THE NEW ENTERTAINMENT ACTIVITIES; TO PROVIDE FOR THE LICENSING OF POKER MACHINES ON A CALENDAR YEAR BASIS; TO REQUIRE THE INSTALLATION OF CENTRALIZED MONITORING SYSTEM FOR ALL POKER MACHINES; AND FOR OTHER PURPOSES.

Speaker Babauta: I now recognize the Vice Speaker.

Vice Speaker Quitugua: Thank you, Mr. Speaker. I passed out the substitute version yesterday before we recessed, Mr. Speaker. I would like to clarify to the members the changes from the original bill to the substitute bill.

The substitute offered by Vice Speaker Quitugua reads:

A Bill for an Act to amend 6 CMC, Article 2, to exempt the operation of Texas Hold'em and other limited card games and Video Lottery Terminal (VLTs) from the gambling prohibition; to amend 4 CMC, Chapter 5, to impose a new gaming tax; to require the payment of new license fees for the new entertainment activities; to provide for the licensing of poker machines on a calendar year basis; to require the installation of a centralized monitoring system for all poker machines; and for other purposes.

BE IT ENACTED BY THE FIFTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

Section 1. Short Title. This Act may be cited as the "Tourism Entertainment and Destination Enhancement Act of 2007."

Section 2. Purpose and Findings. The Legislature finds that immediate action is necessary to stem the continuing economic decline in the Commonwealth as a result of the impending closure of the local garment industry in 2008 which, in the past couple of decades, provided an average of \$35 million per year in public revenues, more or less between 15 and 20 percent of the total annual budget of the Commonwealth Government. In order to fund the ever-mounting need for government services, such as local infrastructure, health and education, so as to provide the people of the Commonwealth a progressively higher standard of living, the Legislature must enact policy that supports continued economic growth through viable new and existing industries. The tourism industry has always played an important economic role in the Commonwealth's history, and so it behooves the Legislature to enact policy that encourages and supports tourism's growth and success.

Ever since the 2005 pullout of Japan Airlines' daily direct flights between Japan and Saipan, the number of tourists, especially from Japan, has steadily declined, notwithstanding the Marianas Visitors Authority's vigorous promotional campaigns and the addition of new flights from Korea and increased charter flights from China. In addition, the legislature finds that the types and number of entertainment and leisure activities available to tourists are very limited compared to other tourist destinations like the Philippines, Hong Kong, Macau and Bali, Indonesia.

The purpose of this act is to attract more tourists to the Commonwealth, as well as to make the Commonwealth more competitive with other tourist destinations. The Legislature finds that one very viable way to accomplish this is to allow for the operation of certain popular gaming activities. Among these, the Legislature finds that the operation of Texas Hold'em tournaments in conjunction with certain other card games and video lottery terminals are very viable and can be a major source of new government revenue. Initial estimates of annual revenue that could be realized from these regulated activities could be as high as \$40 million. Whatever amounts that are realized will help replace the revenue lost from the closure of the garment industry and ensure the continued funding of critical government services. This act is consistent with Section 1 of Article XXI of the Northern Marianas Constitution.

Section 3. Amendment. 6 CMC § 3154(a) is amended to add a new subsection "4" to read as follows:

"(4) Video Lottery Terminals (VLTs) which predominantly require the element of skill and which are monitored and controlled by a centralized computer system which maintains the integrity of the operations of the individual VLT. A VLT is not a gambling machine."

Section 4. Amendment. 6 CMC § 3156(a), is amended by adding new subsections 6, 7 and 8 to read as follows:

"(6) Texas Hold'em card games. For purposes of this Act, the term "Texas Hold'em card games" refers to community-type entertainment games consisting of a 52-card deck (joker not included) where up to eleven (11) players may use any combination of five community cards and their own *two hole* cards to make a poker hand.

(7) Black Jack and Baccarat games operated only in conjunction with the operation of Texas Hold'em card games described under subsection (6) above. For purposes of this Act, the term Black Jack refers to the common type of table game played with both elements of skill and chance, where the

objective of the game is to form a hand that totals as close to a 'Natural' (a hand consisting of two jokers) as possible, without exceeding it. The term "Baccarat" refers to the common table game found in almost every gaming operation where the object of the game is to form a hand that equals the number '9' or as close to it as possible.

(8) Video Lottery Terminals (VLT). For purposes of this Act, the term "Video Lottery Terminal" refers to an electrical, electronic, or electro-mechanical device, component, or terminal, which may display a game or other graphics through the use of a video display screen, which is available for consumer play upon payment of the necessary or appropriate consideration, with winners determined by the application of the element of skill or chance and the possible prizes displayed on the device. It is a lottery game machine that accepts paper or coin currency or vouchers to enable a player to participate in one or more games; dispenses, at the players request, an amount of coins equal to the player's credit balance; dispenses a token, voucher upon which is electronically imprinted the game identifier and the player's credit balance; shows on a video screen, reels or other electronic display; shows on a video screen, reels or other electronic display the results of each game played; houses a game platform that is connected to a central system."

Section 5. Amendment. 6 CMC, Section 3156 is amended by adding new paragraphs (b) and (c) as follows:

"(b) Unless otherwise provided for by law, the gaming activities described under subsections 6, 7, and 8 above are authorized to be operated only within the premises commonly know as the "La Fiesta Shopping Mall" in San Roque Village, Saipan, for a period of Fifteen (15) years or until the current land lease terminates, whichever is later. Provided, however, remote VLT's not exceeding Forty (40) machines may be licensed for operation in any hotel or resort on Saipan having 200 rooms or more. Provided further, the Secretary shall:

(1) Award the license for the operation of the above activities through competitive bidding (Request for Proposal) granting the applicant or proposer that offers the most economic benefit to the CNMI, both short-term and long-term;

(2) Ensure the proposer/applicant has demonstrated favorable and adequate relevant experience and ethical standards, and

(3) Require the licensee to provide adequate capital to conduct comprehensive renovation of the La Fiesta facility suitable for the type of activity referred to herein; and

(4) Require the licensee to provide or operate other tourist related entertainment activities to enhance Saipan's appeal as a favorable tourist destination.

(c) Nothing in this Act shall prevent the CNMI from directly operating the gaming activities described under Paragraph (a)(6), (a)(7), and (a)(8).

Section 6. Amendment. 4 CMC § 1503(a), is amended by adding a new subsection (6) as follows:

"(6) For Video Lottery Terminals (VLT's), the annual license fee is \$3,000.00 per machine."

Section 7. Amendment. 4 CMC, Section 1503, is amended by adding a new paragraph (f) as follows:

"(f) Effective January 1, 2009, all poker machine licenses shall be issued on a calendar year basis.

(1) Any poker machine license issued or renewed during calendar year 2008 shall expire on December 31, 2008. The Secretary of Finance shall prorate the annual license fee on a daily basis and shall charge that daily fee amount against the total number of days the machine will be in operation until December 31, 2008.

(2) The owner or operator of any machine who wishes to renew or apply for a new license must install or cause to be installed an operational central computerized monitoring system, approved by the Secretary, which monitors and reports the activities of any and all machines in operation within a specific location. Any poker machine not connected into the new central computerized monitoring system shall not be licensed.

Section 8. Amendment. 4CMC, Division 1, Chapter 5, Section 1506 is amended to read as follows:

"Section 1506. Annual License Fee – Texas Hold'em and Other Card Games.

(a) There is imposed an annual license fee of \$1,500,000.00 on the first thirty (30) Texas Hold'em Poker tables per approved location. An additional annual license fee of \$50,000.00 is imposed for each additional table, provided, the total number of tables that may be licensed in any one specific location shall not exceed forty (40). The fee imposed under this section shall be non-refundable and non-transferrable, and shall be paid upon approval of the license but prior to commencement of operation.

(b) There is imposed an annual license fee of \$50,000.00 for each Black Jack and/or Baccarat table licensed for operation with the approved Texas Hold'em tournament games in any one specific gaming location. The total number of Black Jack and/or Baccarat tables that may be licensed under this chapter shall not exceed the total number of Texas Hold'em poker tables licensed under paragraph (a) above. The fee imposed herein shall be non-refundable and non-transferrable, and shall be paid upon approval of the license but prior to commencement of operation."

Section 9. Amendment. 4CMC, Division 1, Chapter 5, Section 1507, is amended to read as follows.

"Section 1507. Special Gaming Tax.

There is imposed a special gaming tax of twenty percent (20%) on the net gaming proceeds of any activity authorized and licensed pursuant to Section 4 of this Act. The tax imposed under this section shall be reported and paid monthly on or before the 15th day following the close of each month. The term 'net gaming proceeds' as used in this Act, means:

(a) In the case of Texas Hold'em card games, the total amount received by the operator or licensee from the operation of the games; and

(b) In the case of Baccarat or Black Jack, the total amount received by the operator or licensee from the operation of the games minus capital issued; and,

(c) In the case of VLT, the total amount of all credits or cash played, less the total amount of credits or cash won by the patron. "

Section 10. Amendment and Renumbering: 4 CMC §§ 1506, 1507, 1508, 1509, and 1510 are hereby renumbered §§ 1508, 1509, 1510, 1511, and 1512, respectively.

Section 11. Special accounts. The Secretary of Finance shall establish a special account that shall be called the 'scholarship reserve account' into which shall be deposited the first \$250,000.00 of the fees collected annually pursuant to this act. The funds in the scholarship reserve account shall be available for expenditure without further act of appropriation necessary for scholarships as provided under Public Law 15-109 up to September 30, 2013.

Section 12. Local Fees. The Third Senatorial Legislative Delegation by local law may impose fees in addition and up to the amount of fees imposed by Sections 6 and 8 of this act. The fees shall be deposited into a special account to be established by the Secretary of Finance and shall be available for appropriation from time to time by the Third Senatorial Legislative Delegation.

Section 13. Regulations. The Secretary of Finance, in consultation with the Attorney General and the Secretary of Commerce, shall promulgate rules and regulations for the proper and timely implementation of this Act, including establishing criteria for the approval and granting of licenses authorized under this Act. Furthermore, the Secretary shall promulgate rules and regulations to establish necessary controls for the operation of gaming activities, including regulations to minimize or curtail the availability and accessibility of these games and related activities to local residents.

Section 14. Severability. If any provision of this Act or the application of any such provision to any person or circumstance should be held invalid by a court of competent jurisdiction, the remainder of this Act or the application of its provisions to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

Section 15. Savings Clause. This Act and any repealer contained herein shall not be construed as affecting any existing right acquired under contract or acquired under statutes repealed or under any rule, regulation or order adopted under the statutes. Repealers contained in this Act shall not affect any proceeding instituted under or pursuant to prior law. The enactment of this Act shall not have the effect of terminating, or in any way modifying, any liability civil or criminal, which shall already be in existence at the date this Act becomes effective.

Section 16. Effective Date. This Act shall take effect, upon approval by the Governor or upon its becoming law without such approval.

Speaker Babauta: Do you have to go in length.

Vice Speaker Quitugua: No, I will just point out the sections briefly. On Section 2, we expanded the purpose and findings putting in more facts as to the economic situation that we are faced with in the CNMI. On Section 5, we included that this entertainments be at the La Fiesta Mall and at hotels that have 200 rooms or more. We also another section which is Section 11 earmarking \$250,000 from the fees on an annual basis to provide additional funding to the teacher and medical scholarships under P.L. 15-109 for the next five years. A new addition to Section 12 gives the Third Senatorial

District Delegation the authority to impose additional fees to fund essential programs or activities in the Third Senatorial District. Those are the changes in the substitute bill.

Speaker Babauta: Mr. Vice Speaker, since you and Ways and Means Chairman Ogo are cohesively working on the 2008 budget, do you intent to include this additional revenue on the proposed budget?

Vice Speaker Quitugua: Mr. Speaker, I spoke to the Secretary of the Department of Finance and I was discussing with him over the phone the proposed 2008 budget where there about 300 employees who will be terminated as a result of the reduction in revenues, and I asked him if this bill is enacted into law, to roughly estimate in a conservative manner the revenues that will be generated as a result of this legislation. And he told me that through his rough calculation, the government might generate over \$40 Million a year, including the lease of the La Fiesta Mall. In addition, he indicated that if this bill is passed, he is going to send us a message to include an increase in resources of about \$20 Million or maybe more to the 2008 Fiscal Year. So I really would like to encourage the members of the House to take this into favorable consideration. During the last election, all fingers were pointed towards the legislature, blaming the legislature for the economic problem of the CNMI to the extent that people are blaming us for not coming up with incentives to improve the economic situation. Also, the continuous reduction of tourists coming to the CNMI for the fact that there is nothing much to do. There is no entertainment to entice the tourists to come. Even if we give the Marianas Visitors Authority (MVA) \$50 Million a year, they would not attract a significant number of tourist to the CNMI because of the lack of activities that they are going to do here. Having this entertainment for the tourists will definitely increase the arrivals of tourists to the CNMI. The estimate that the Secretary of the Department of Finance did, that is just the revenues as a result of this bill, not including the trickle effect that this legislature will cause, like the business revenues. In that regard, I encourage the members of the House to please consider this legislation favorably and have mercy on our people who will be terminated this month, and also have mercy on our other people who will be leaving the CNMI as a result of the economic situation.

Speaker Babauta: I am sure this will replace the entertainment program that has been happening behind Wild Bills.

Vice Speaker Quitugua: I think you are correct, Mr. Speaker. The poker machines will eventually die out as a result of this legislation, and that is what I think our people are asking us to do – to reduce, eliminate, or put the poker machines somewhere else where it is restrictive to most of our local people. Than you.

Rep. Tebuteb: Mr. Speaker, the decision that we made last Friday, some call it popular, and some call it no so popular, but the most that I heard called it popular. So my question to the author, who is going to be running this entertainment at La Fiesta? Is there any connection relative to the lease that we approved last Friday?

Vice Speaker Quitugua: In the legislation, it requires the government to request for a competitive bid proposal.

Speaker Babauta: Considering those entailed activities.

Vice Speaker Quitugua: Yes.

Rep. Tebuteb: Thank you, Mr. Vice Speaker. I am also going to encourage the entire member to also look at what we sponsored and that is Public Law 15-109 which is the secondary education scholarships for teachers and doctors. As the Vice Speaker indicated, it is on Section 11. I encourage your support on this bill. Thank you.

Rep. J. Deleon Guerrero: Mr. Speaker, I want to get clarification from the author regarding Section 6 and Section 8 in terms of the fees. On Section 6 the video lottery is \$3,000 per machine. Is that going towards the General Fund totally or partially? And the same goes with Section 8 regarding the annual license -- \$1.5 Million and the annual fee of \$50,000.00 and for the black jack or baccarat table -- is all of that going to the General Fund?

Vice Speaker Quitugua: Yes, all the fees will go to the General Fund.

Rep. J. Deleon Guerrero: So the only local fund would really be if we subsequently enact additional fees.

Speaker Babauta: Yes, similar to what we did with the poker (*End of Tape 2, side A*) ...

Rep. Kaipat: (*Beginning side B*) ... Mr. Speaker, I do not know anything about gambling.

Speaker Babauta: This is not gambling this is entertainment.

Rep. Kaipat: Quacks like a duck. I am all for getting poker machines out of the villages, away from schools centralizing them at one location. I support that. I am just wondering not having frequented these establishments myself to know really what is there other than poker, poker, poker, which is all I hear about. But I really hear other games, if you want to call it that, so that they will be going into the hotels. I was wondering, what is the difference, the effect of that? How different will that be in comparison to the casino act that the voters of Saipan voted not to have? Is that kind of the same effect?

Vice Speaker Quitugua: It is not going to have the same effect, Mr. Speaker. Section 13 of the bill requires the Secretary of Finance, the Attorney General and the Secretary of Commerce to promulgate rules and regulations. On page 7, it says including regulations to minimize or curtail the availability and accessibility of these games and related activities to local residents. So there will be regulations promulgated to take care of that.

Speaker Babauta: To further restrict the social impact of what might happen. One thing good about this is everything will be centrally monitored by the Division of Revenue and Taxation. They are mandated to be monitored and synchronized with the Division of Revenue and Taxation computer system is this bill is enacted. They would not be licensed whatsoever if that does not happen and that is the key.

Rep. Torres: Mr. Speaker, are you supporting this bill?

Speaker Babauta: We will continue discussion and I am sure some of you are beginning to convince me.

Rep. Torres: Because if you support this bill, I will support it.

Speaker Babauta: I think I will support it.

Vice Speaker Quitugua: Mr. Speaker, if there is no objection from the members, I would like for this to be introduced by the Committee of the Whole, unless there is an objection.

Objected by Representative Dela Cruz.

Speaker Babauta: There is an objection raised so we will allow members to peacefully and hopefully gradually endorse.

Rep. J. Deleon Guerrero: Point of clarification, Mr. Speaker.

Speaker Babauta: State your point.

Rep. J. Deleon Guerrero: Is this bill going to remove all the existing poker machine leases or establishments? Is it going to terminate or prevent them from operating in those current locations and that now they can only operate at La Fiesta Mall?

Vice Speaker Quitugua: Not necessarily, but there is a section here, Section 7(f) where there are going to be required to pay their fees on a calendar basis and also required to be centrally monitored. A monitor will be installed to monitor their activities. This eventually will self-destruct the poker machines in the villages. This is not an expensive proposition to require the poker machine operators to install this centrally monitoring equipment.

Rep. Aldan: Mr. Speaker, this bill officially legalizes casino in the Third Senatorial District if it passes both houses. I want to ask the legal counsel – the devices that are being mentioned in this bill, the baccarat, poker machine, card games, table games, are those considered casino device or amusement device?

Speaker Babauta: Without objection, we will allow the counsel to address Representative Aldan.

Rep. Aldan: Another concern before the legal counsel answers, Mr. Speaker –

Speaker Babauta: Proceed.

Rep. Aldan: We just gave out a big parcel of land last year to our developer. We are waiting for him to make a presentation in January. That parcel of land was supposedly for a golf course and a casino. At the same time, I know that you all know about the company Mr. Phillip Long is working with. They are groundbreaking this Friday, December 7. We just had an election and the people in Third Senatorial District unanimously voted against casino. At the same time, with us passing this legislation it is not giving our investors for our casinos to come in invest because we tend to infringe on their business atmosphere. They are not going to be coming in with a lot of money to pump in to the economy because we change laws every time we feel like changing it. Honestly, this bill is the same as the one that Representative Waki introduced except that Texas Hold'em is in there but this has all the gambling devices. I support the concept of bringing the poker establishment to one area. That I agree with. We have had some discussion with this bill and it was stated that it was only for Texas Hold'em, but it is scheduled so that the tourists that are scheduled to come in on that particular month on that particular day to play for three days and then go out. Now this is different. You put on the table different kinds of gambling devices. As I said earlier, the people of

Saipan already spoke about casino. We should not be voting on anything about casino. I urge my colleagues to vote no on this bill, otherwise we should sit down and look at how – I believe that the infusion of this moneys is needed for the CNMI, but I am not going to support it the way it is written, and I urge my fellow colleagues not to do so. Thank you.

Rep. Yumul: Mr. Speaker, with regards to the computer monitoring system, it is vague as to who is to monitor this centralization of the monitoring. Is the Secretary of the Department of Finance then assumed to be in charge of the central monitoring system coupled with the language where it says that the Secretary of Finance in consultation with the Attorney General and Commerce? I think it will be more prudent for a commission to do this because we are giving too much authority to the Secretary of Finance and someone who is more in tuned to this type of activity should be the proper regulating authority. I am really confused about that. Also, it talks about La Fiesta Mall as being the only premise authorized to that these gaming activities will operate on subsections (6), (7) and (8), but yet on page 5 it says, “per approved location.” What does that mean? Does it mean that different locale or places can host these tables? It goes on to say that an additional annual license fee of \$50,000 is imposed for each additional table provided that a specific number of tables can be licensed at any one specific location. So, we are talking about multiple locations now. There is confusion here, and I want to know from the author.

Vice Speaker Quitugua: On page 4, Mr. Speaker, the machines will also be authorized at any hotel or resort in Saipan having 200 or more rooms. The other question referring to poker machines is answered on Section 13 where it says the promulgation of rules and regulations through the Secretary of Finance, the Attorney General, and the Secretary of Commerce for the proper and timely implementation of this act. So the rules will be promulgated, and the Division of Revenue and Taxation will be the monitoring agency.

Rep. Yumul: Going back to page 4, line 5, it talks about video lottery terminals not Texas Hold'em poker tables so there might be a technical concern there. Also on Section 5, where it says, “Provided, however, remote VLT's not exceeding forty (40) machines may be licensed for operation in any hotel...” Is there a one-time 40 machines that a hotel with 200 rooms or more have to fight for that forty machines or is this trying to say that no one hotel can have more than forty machines? I need clarification there. In all honesty, I think Representative Kaipat is correct and Representative Aldan that the voters did not approve the casino initiative here. And without a public hearing, are we side-stepping the concerns of the people. I am not entirely against this legislation. We do need the funds for government operations, but it is just I am very concern that we are trying to do this.

Rep. Taman: Mr. Speaker, this particular project is intended to be situated in particular at La Fiesta Mall. La Fiesta Mall is located approximately a walking distance away from my house and that place has practically turned into to a ghost town. I frequent that building approximately 20 times a day, going back and forth, and looking at the projected revenue that the author and Vice Speaker imparted, undoubtedly, it is going to help the ailing economy of our CNMI. However, there are several questions that need to be answered. Number one, as Representative Aldan stated and I wholeheartedly agree with, we need some kind of legal review and legal opinion as to how these types of activities implicates the so-called casino. Are we doing something that is contrary to what the people voted down less than a month ago? Are authorized by any constitutional provision or statute to accept this type of activities in this Commonwealth? There is no question in my mind that there will be a lot of question from our community members addressed to us with regards to this issue. So saying all that, I would like to respectfully make a motion to refer this bill to the

appropriate committee so that we can review this thoroughly and make a sound and prudent decision. Thank you very much.

Vice Speaker Quitugua: Mr. Speaker, I would like to first answer some of the questions that the good representative asked. One of the questions is whether we are authorized to enact legislation in regards to gaming.

Rep. Palacios: Mr. Speaker, before we answer those questions, may I?

Speaker Babauta: Are you finished, Representative Taman?

Rep. Taman: Yes.

Speaker Babauta: You may proceed, Mr. Minority Leader.

Rep. Palacios: There is no question that the proposal will generate funds. I think the Vice Speaker spent an ordinate amount of time expounding on that, and so did the casino proposal that our people voted down. That is really the crux of this issue. Representative Kaipat put it in a very humorous way – it quacks like a duck, walks like a duck and certainly looks like a duck, perhaps it is a duck. I know that poker machine is legalized in the Third Senatorial District because of its definition. It was defined as a game of skill. But the other activities, such as the insertion of baccarat, black jack, has not been defined per se as games of skill by any statute. So the concern that Representative Aldan brought merit some consideration. Are we indeed legalizing casino gambling? If that is the intent and if that is what we are going to end up doing, then I believe it is unconstitutional. That has to be defined by our legal counsel – whether these activities are synonymous with casino gambling. I share the concern of Representative Taman that less than a month ago, or exactly month ago our people spoke out in the Third Senatorial District and voted down casino gambling. So if we find out that these expanded activities of this proposal fall into the definition of casino gambling then I think we are doing something that is one, unconstitutional, second, we are doing something that is against the sentiment of a majority of the people of the Third Senatorial District. That is my main concern. In the campaign for casino gambling, it was explained to the people that it would generate needed revenues. The people understood that, yet they went out and said no. They spoke. It is not just a concern. It is an issue that we need to be very conscious and mindful of. We are not talking about a year thereafter we are talking about 30 days after our people voted down casino gambling in the Third Senatorial District – something that I am very concerned about.

Vice Speaker Quitugua: Mr. Speaker, I spoke to residents in Saipan who really would like to vote for the initiate at the last election but because of certain provisions in the initiative, that is why they did not want to vote for that initiative. In terms of whether the legislature can enact this legislation by Commonwealth law, I think it can. I think the CNMI Constitution allows this kind of games to be enacted two ways: through a popular initiative and through Commonwealth law. I stand to be corrected, but that is what I read when I looked at the NMI Constitution. This is primarily to attract tourist to the Commonwealth and at the same time generate revenue for the entire Commonwealth. It is not only for Saipan, it is also for Tinian and Rota. Representative Guerrero asked earlier if these funds will go to the General Fund, yes, everything goes to the General Fund except the \$250,000 for the scholarship programs. I do not know, Mr. Speaker, what other means to generate revenues for the CNMI Government to provide our people employment and services. People have been pointing fingers at the legislature because we are not doing much to create activities to generate revenue especially in the Third Senatorial District. I understand Representative Aldan's

concern, but as a representative of Saipan and the Islands North, I also have to look at the people in the Third Senatorial District. This is what they are asking us to do, to be more creative, get out of the box, and try to generate revenues for the people. Mr. Speaker, if we do not additional revenues and we pass the \$160 Million budget, 300 people will be out of a job. I am 99.9% sure that Mr. Muna will come back half way through the year to ask us to revise the budget because the revenues went down. Why?—because people were laid off, and the biggest taxes that the government collects is from employment. That is the trickle effect. They lost the buying power so the business will lose revenue. Revenues will continue to go down unless we find other means. We will continue to see people depart, people out of jobs, and a decline in tourist in a greater number and then what is next.

Rep. Tebuteb: The decision that we made on extending the lease to Kumho Asiana last Friday, our counsels gave us about 99% or 95% sure that we are within our constitutional responsibilities. I stand to be corrected but the calculation that I did on the cost per square meter relative to the proposed unexecuted lease on that property is about one cent per square meter. This bill allow for 15 years. We gave Kumho 40 years. This bill allows for these activities for the duration of the lease at the La Fiesta Mall. So I will just leave it at that and probably leave the rest –

Speaker Babauta: You are saying it could be probably more than Kumho?

Rep. Tebuteb: And I stand to be corrected.

Rep. Palacios: Mr. Speaker, the first thing we need to do is clarify whether these are activities synonymous with casino gambling. Secondly that is what the Third Legislature said when poker was legalized. We told the people it was for tourism where it is going to be put in hotels – guess what? The tourists were not playing. So we took it out to the community. We limited to 200 licenses. Lo and behold, through the infinite wisdom of a legislative body, we opened it up. Now what do we have in our communities? A proposal that was supposed to entice tourists and tourists alone now has proliferated in our communities and has become a social problem. There is no question that there are potential revenues that will be realized. So my biggest question -- is this activities casino gambling. If our legal counsel says that they are synonymous or they are not sure, then my vote is no. Again, I will respect the voice of the people a month ago. I cannot casually walk away from the decision that our people made. I know that the arguments for it today are very compelling that we vote for this, but it is just as compelling to me that I listen to the conscience of the people that soundly, not by a mere threshold, but soundly, said *no to casino gambling*. I am not going to urge to vote one way or another. I am going to ask you to seek you conscience and we will respect each other regardless of the outcome of the decision. Mr. Speaker, could we ask our legal counsel if this is a duck. (*Emphasis added*)

Speaker Babauta: It could be a duck or a goose, I am not too sure. I know it is a limited form of entertainment. There are several states that have availed themselves of this (*End of Tape 2, side B*) (*Beginning Tape 3, side A*) ...northern frontier.

Rep. Taman: Mr. Speaker, I was hoping you would recognize me before the counsel says something. I do agree with the Vice Speaker when he said that members of our community turned to us asking for us to be creative in terms of finding sources of revenues where we can generate. I say to some of the member of our community that we have resources in our Commonwealth that does not even require us to be creative. How about taking a look at the pozzolan issue? How about taking a look at the potential of our copra industry up in the north? I look at this proposed

legislation and there is no doubt that it offers a lot of revenues to be generated to help our economy. But I would like to ask a question – what would be so wrong for us to refer this bill to the committee so that we have a thorough review of its legality, of its impact socially, economically and otherwise for a couple of days just so that we make a prudent decision and we are not going to be accused of adding on to some social diseases in our community. Thank you very much.

Rep. J. Deleon Guerrero: Mr. Speaker, to get clarification, the only thing that will be allowed in the hotels are the video lottery terminals – is that correct?

Speaker Babauta: Correct.

Rep. J. Deleon Guerrero: So the rest of the games will be restricted to the La Fiesta Mall?

Speaker Babauta: Correct.

Rep. J. Deleon Guerrero: So I guess that make La Fiesta partial casino because it does not have all the gaming devices only limited. Mr. Vice Speaker is very confident about the revenues that will be generated this fiscal year, are you considering including the projections in the resources? Do you have any information that there are investors already standing by to takeover La Fiesta and submit bids once this bill becomes law?

Vice Speaker Quitugua: When I was asking the Secretary of Finance to do the projection, he is also is confident that if this tourist entertainment is allowed in the CNMI, there will be people coming in to try to invest in this gaming activities. He assured me that if this bill is enacted into law that he will advise us that the projection for the 2008 budget by a minimum of \$20 Million. So I am pretty sure that the Secretary of Finance has clearer ideas in terms of the possible lease of the La Fiesta Mall and possible businesses that would like to come in as a result of this bill. He even indicated to me that a minimal of \$10 Million could be generated from the La Fiesta Mall lease itself.

Speaker Babauta: What about potential employment activity.

Vice Speaker Quitugua: Of course, Mr. Speaker, employment of people will occur as a result of this legislation because this is a business.

Rep. J. Deleon Guerrero: Mr. Speaker, while Representative Palacios is correct about the decision of our people not to approve casino gambling in the Third Senatorial District, the question is, is this casino or not. If it is, then we are not approving a casino bill. But there are also compromises that I see in this bill especially trying to regulate the existing poker industry here to include the device that will allow for a centralized monitoring system. That is a step in the right direction especially in terms of trying to accurately account for our revenues from poker taxes. I am not sure if it would move, but it would prevent any further renewal of licenses for poker machine operators for those who do not comply with this act and that it basically centralizes this activity to one location, a location that right now is public property that we have invested in and seriously losing revenues.

Speaker Babauta: \$200,000.00 a year, I think and it is not being used.

Rep. J. Deleon Guerrero: So in a way, this bill mitigates the current adverse impacts that we are experiencing for a lot of the poker activities. I have to give credit to the Vice Speaker for trying to

resolve the concerns that we have and at the same time trying to raise revenues. I am not going to try convincing anyone to vote either way; I just thought I would say that for the record. Thank you.

Speaker Babauta: It looks like you have convinced the Chair.

Rep. Kaipat: First of all, point of information. I know that Representative Taman has brought this issue up several times and we are running out of time. But I just want to mention that as far as pozzolan is concerned, that matter is up to the court. We cannot move forward with mining the pozzolan until all the legal issues are resolved by the court. So I just want to mention that that matter is still pending and that is why we have not done anything. But I am with you; we want to move forward with less we can so that we can hopefully start generating some revenues from that. As to the issues at hand, I do applaud the Vice Speaker's intent with this bill, but my conscience does bother me. I was just wondering about the suggestions made by Representatives Palacios and Taman about getting the legal counsel's advice before we put this to a vote.

Speaker Babauta: Let us ask the counsel the limited format of this bill. A full blown casino has everything: the slot machines – what else do you have in the Tinian Dynasty, Representative Aldan?

Rep. Aldan: We have black jack, baccarat, Texas Hold'em, video horse racing.

Speaker Babauta: Okay, this is video lottery. Counselor, the question, I guess, is identification of the table games to the extent that the bill states it is limited.

House Legal Counsel Antonette R. Villagomez: I am not an expert in these games, so I really can not tell you whether these games are part of casino or not. But let me start with the NMI Constitution. Article 21 says, gambling is prohibited in the Northern Mariana Islands except as provided by commonwealth law or established through initiative in the Commonwealth or in any senatorial district. So there are two ways to establish gambling in the CNMI: through Commonwealth law or public law, or through senatorial district. In this case, we are trying to establish gambling through Commonwealth law or public law, so establishing gambling through this bill is permissible under the Constitution. Commonwealth law has a provision on gambling. That is on Title 6, Chapter 1 and that provision prohibits gambling except for certain types of activities including the operation of poker machines, the Commonwealth Lottery, bingo, cock fighting and pachinko slot machines. Those are allowed right now. If this bill is passed, you are authorizing additional games and those games are the Texas Hold'em card games, the black jack, the baccarat games, and the video lottery games. So through this bill, you would be authorizing these additional games through Commonwealth law in the CNMI, which are currently prohibited. So I can not tell you whether it is casino or not, I am telling you that gambling is prohibited except for certain activities and these activities that are being proposed are exempted from the gambling provision in the Commonwealth Code. Whether it is a casino or not, I do not know – a casino is just a place where you have all kinds of entertainment.

Rep. Palacios: The question is because of the types of activities that go on in casinos and the types of gambling; pretty soon we are going to have all kinds of activities that are synonymous with casino gambling. The only thing that we are going to be missing now in the Third Senatorial District is the slot machines. Casino gambling is regulated in the Constitution, isn't it?

House Legal Counsel Antonette R. Villagomez: It is not casino, it is gambling. Casino is just a place where to go to play these games that is my understanding.

Rep. Palacios: What is regulated in the Constitution?

House Legal Counsel Antonette R. Villagomez: Gambling is prohibited in the CNMI except by those established by law or imitative. Right now the CNMI law authorizes only certain types of gambling activities including poker machines, the lottery, bingo, cock fighting and pachinko slot machines. If you pass this bill, you are authorizing additional gambling activities including the Texas Hold'em ...

Speaker Babauta: Under Title 6, correct?

House Legal Counsel Antonette R. Villagomez: Yes, Title 6 of the CNMI Code is the regulation on gambling, on what is allowed and what is not allowed. This bill seeks to authorize or to amend the existing code to allow these new gambling activities.

Rep. Palacios: Mr. Speaker, can we take a five-minute break?

Speaker Babauta: Okay, short recess.

The House recessed at 11:50 a.m.

RECESS

The House reconvened at 11:59 a.m.

Speaker Babauta: We are back to our session and we continue to discuss H. B. NO. 15-322, HS1. Are we ready?

Rep. Aldan: Mr. Speaker, I would like to ask the legal counsel if this bill requires three-fourths vote for passage.

Speaker Babauta: Pursuant to the Constitution, any appropriation or revenue generating measure required a three-fourths vote.

Rep. Taman: Mr. Speaker, I do not know whether I was out of order when I made the motion, but I would like to reiterate on that motion – I move to refer this bill to the appropriate committee so we can have adequate and clear legal research and findings before we vote.

Speaker Babauta: I guess the Chair when you first deliberated thought that you recommend that this bill be further reviewed. I assumed that the consensus of the members wanted to address this bill today.

Rep. Ogo: Mr. Speaker, privilege, if I may.

Speaker Babauta: You are recognized.

Rep. Ogo: When Representative Taman made that motion, I seconded. That is for the record.

Speaker Babauta: I did not hear your second. Discussion on that motion.

Rep. Ada: Mr. Speaker, I had the opportunity to meet with the possible potential investor that wants to develop La Fiesta Mall and I guess if you see the presentation, you are really going to be impressed on what they have in store for us. I think it is one of the best – I am not talking about the casino issue here, the other portion of the development that is being proposed includes an array of shopping malls, a cultural center and an annual event such as boxing, UFC, and drag racing are in the proposal. So those are some of the amenities that I had the opportunity to be presented with. Thank you.

Speaker Babauta: Representative Dela Cruz.

Rep. Dela Cruz: Mr. Speaker, one of my concerns is the rehabilitation of the La Fiesta Mall and included on the rehabilitation under subsection (3) on page 4 to require the licensee to provide adequate capital to conduct comprehensive renovation of the La Fiesta facility suitable for the type of activity referred to herein. I am curious as to whether such investor will rehabilitate the existing power plant; I believe it is a 3-5 megawatt power plant considering the cables that were stolen recently. I am just wondering who will provide the electrical amenities to this facility, whether this investor is going to come back to the government and ask to rejuvenate the equipment presently there, or to get power supply from the existing CUC grid. As you know CUC is in dire straits with their power supply. So my question is whether this investor is willing to foot and operate the power plant located within the facility.

Speaker Babauta: I understand that the facility has its own power generation, but since the government took over, they have not otherwise continued to operate that. Mr. Vice Speaker, you are from that precinct and you are very well versed with the facility.

Vice Speaker Quitugua: Mr. Speaker, if I am not mistaken, the La Fiesta Mall has been hooked up to the CUC grid. I think the generators are for emergency purposes only, but the facility has been hooked up to the CUC grid when the former CUC Executive Director Ramon Guerrero (“Kumoi”) was hired at one time.

Speaker Babauta: I see. Representative Dela Cruz, you still have the floor.

Rep. Dela Cruz: I yield for now.

Speaker Babauta: I recognize Representative Taman.

Rep. Taman: Mr. Speaker, I seem to get the impression that every question is already being answered, whether satisfactory I am not too sure but for that matter, I would like to withdraw my motion so that we can proceed.

There was no objection.

Speaker Babauta: So ordered, the motion has been withdrawn and recognized by the Chairman. Thank you.

Vice Speaker Quitugua: Mr. Speaker, if the members need more time to study the legislation, perhaps we can leave it on the calendar and pass it on First Reading so we can discuss it again at the next session.

The motion was seconded by several others.

Rep. J. Deleon Guerrero: Mr. Speaker, now many votes do we need?

Speaker Babauta: Let me clarify with the counselor – we need fourteen (14) yes votes. Okay, are you ready for the question for the passage on First Reading? Clerk, call the roll for passage on First 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 (with reservation)
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	no
Rep. Manuel A. Tenorio	absent (excused)
Rep. Stanley T. Torres	yes
Rep. Absalon V. Waki, Jr.	absent (excused)
Rep. Ray N. Yumul	yes
Rep. Oscar M. Babauta	yes

Speaker Babauta: Before I recognize the tally, I recognize Representative Tebuteb.

Rep. Tebuteb: I would like to take the opportunity to ally that La Fiesta Mall is sitting idle at this point and our government is paying, I believe, about \$400,000.00 per year for the past so many years. So we are expending, expending, expending, and expending. My vote is still no.

Speaker Babauta: Okay, in essence you are alluding to the Final Reading. You had the opportunity to after the First Reading to make a motion. I now recognize the Clerk for the tally.

The clerk announced the votes.

Speaker Babauta: By a vote of 15 “yes,” H. B. NO. 15-322, HS1 passes the House on First Reading. I recognize Representative Tebuteb. What is the consensus of the House? Do you want to put a final vote on this?

Rep. Yumul: Mr. Speaker, did we not just vote in favor of First Reading only?

Speaker Babauta: There was a request, but any member can if he so wishes to offer a motion for Final Reading.

Rep. Tebuteb: Then, Mr. Speaker, I offer a motion for Final Reading, if that is the consensus of those who voted yes.

The motion was seconded, at the same time was objected to by Representative Aldan.

Speaker Babauta: The motion was seconded. Under discussion, I recognized Representative Aldan.

Rep. Aldan: Mr. Speaker, I was hoping that we are going to deal with this tomorrow so that we can really sit down with the author and come up with a better understanding or a more –

Speaker Babauta: Okay, the session for tomorrow will dwell on your amendment and that will take a length of time to appease the federal agencies versus the local agencies’ dilemma and so will Representative Torres’ bill. So, are we ready for the Second Reading?

A majority of the members voiced to entertain H. B. NO. 15-322, HS1, at the next House session.

Speaker Babauta: Okay, we will come back tomorrow at nine o'clock tomorrow morning.

MISCELLANEOUS BUSINESS

None

ADJOURNMENT

Floor Leader Florencio T. Deleon Guerrero moved to recess; was seconded and carried by voice vote.

The House adjourned at 12:25 p.m. and will reconvene on Tuesday, December 4, 2007 at 9:00 a.m.

Respectfully submitted,

Evelyn C. Fleming
House Clerk

APPEARANCE OF LOCAL BILLS

FIRST APPEARANCE: First Appearance of a local bill is the day of introduction

SECOND APPEARANCE: H. B. NO. 15-76: To amend Section 2(e) of Saipan Local Law No. 15-12 to appropriate \$490,000.00 for the acquisition and land compensation of Lot 364-R/W; and for other purposes. (Rep. Arnold I. Palacios +5)

THIRD APPEARANCE: None