



House Journal

FOURTH REGULAR SESSION, 2009

3rd Day

Tuesday, September 8, 2009

The House of Representatives of the Sixteenth Northern Marianas Commonwealth Legislature convened its Third Day, Fourth Regular Session on Tuesday, September 8, 2009, at 9:40 a.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Arnold I. Palacios, Speaker of the House, presided.

A moment of silence was observed.

The Clerk called the roll and fourteen members were present. Representatives Edwin P. Aldan, Joseph N. Camacho, Heinz S. Hofschneider, and Rosemond B. Santos were absent and excused. Representatives Christina M. Sablan and Ramon A. Tebuteb will be arriving shortly.

ADOPTION OF JOURNALS

1st Day, First Special Session, April 1, 2009
1st Day, Second Special Session, April 14, 2009
1st Day, Third Special Session, May 8, 2009
2nd Day, Third Special Session, May 12, 2009
1st Day, Fourth Special Session, May 19, 2009
1st Day, Fifth Special Session, June 4, 2009

Speaker Arnold I. Palacios: Under Adoption of Journals, I now recognized the Floor Leader.

Representative Benavente: Thank you, Mr. Speaker. If there are no objections from the members, so that we may act on all of the journals at the same time, I would like to move that we adopt all the journals that are appearing on today's Calendar – the 1st Day, First Special Session, April 1, 2009, 1st Day, Second Special Session, April 14, 2009, 1st Day, Third Special Session, May 8, 2009, 2nd Day, Third Special Session, May 12, 2009, 1st Day, Fourth Special Session, May 19, 2009, and 1st Day, Fifth Special Session, June 4, 2009.

The motion for adoption was seconded and being no discussions it was carried by voice vote.

At this time Representative Sablan entered the Chamber at 9:44 a.m. followed by Representative Tebuteb at 9:45 a.m.

INTRODUCTION OF BILLS

Speaker Arnold I. Palacios: I now recognize, Representative Stanley Torres.

Representative Stanley Torres: Mr. Speaker, I will yield to my colleague, Representative Reyes.

Speaker Arnold I. Palacios: Representative Reyes, recognized.

Representative Reyes: Give me a minute or two. Mr. Speaker, I have prefiled House Bill No. 16-272 to require the Commonwealth Utilities Corporation to compensate consumers for damages to appliances and other electrical devices caused by power surges, voltage fluctuations, or frequency fluctuations in the power supplied by the Corporation; and for other purposes. I also have an unnumbered Local Bill to name an existing unnamed road and for other purposes. If there are no objections, I would like to file this bill and move to have this placed on today's Calendar for First and Final Reading. Thank you.

H. B. NO. 16-272: To require the Commonwealth Utilities Corporation to compensate consumers for damages to appliances and other electrical devices caused by power surges, voltage fluctuations, or frequency fluctuations in the power supplied by the Corporation; and for other purposes.

Offered by: Representative Joseph C. Reyes

Referred to: Committee on Public Utilities Transportation and Communications

Speaker Arnold I. Palacios: Representative Reyes, is that a local bill?

Representative Reyes: Yes, Mr. Speaker.

Speaker Arnold I. Palacios: So it will appear for three legislative sessions then it will be transmitted to the local delegation for consideration. Thank you. Representative Stanley Torres, recognized.

Representative Stanley Torres: Thank you, Mr. Speaker. Before I introduce my prefiled bill I would like to make a short statement, if I may?

Speaker Arnold I. Palacios: Are there any objections on the floor?

There were no objections raised on the floor.

Speaker Arnold I. Palacios: Please, proceed, Representative Torres.

Representative Stanley Torres: Mr. Speaker and members of this House, I rise to offer a new bill for a law that is perhaps the most important of my political career. This is not done hastily. On the contrary, I have given this matter much thought and have conferred with and taken suggestions and councils from a broad spectrum of constituents, elders, activists, citizens at large and even members of our first Northern Marianas Political Status Commission who have made our Commonwealth what it is today. That I will be wrongly accused of being anti-American, is not important. What is important is that the people of the Commonwealth and we the elected Representatives, have a chance to revisit a treaty made thirty four years ago to see if it is working out as promised. Periodic evaluation of any agreement is key to maximizing its effectiveness. In that vein, our covenant with the USA is certainly worth taking the time and effort necessary to closely reexamine it. Numerous unilateral pronouncements in recent years by the United States have negatively affected our Commonwealth. Our agreement with them contains provisions that the framers of that document wisely included that make it possible for the two parties to discuss differences and come to mutually agreed upon solutions. This process appears to have broken down. Just take a look at the 902

provisions – is it not a dead provision in our covenant? It is in this context that I bring to this august body a bill that tasks us to create a team and a framework that can revisit the original agreement, reexamine the circumstances that lead to its original framing and compare those economic and political parameters with those that exist today. Recommendations by the Commission can then be put to the people for ratification by plebiscite in a true democratic fashion. It is no secret that the US has renewed its military interest in our area and it is evident by the frequent successive visitation of by US military Generals after Generals and Admirals after Admirals. World events have acted to again make our Commonwealth take on a strategic military importance they have not enjoyed for many decades. Better relations between our Commonwealth and the US, however structured politically, will be a key to US desires to access other islands besides Pagan, Tinian, Saipan, Rota, Farallon De Mendinilla for training and other military purposes. We, as a people must decide whether the risks taken and the rewards received are commensurate with the price we will have to pay and if it is a worthy trade. To have much to say about it, we must have a voice, and their rightful choice, by opening up a community wide dialog to examine our current relationships with the US and how it can be changed or improved. For the sake of our people and our community going forward I ask you to stand up with me to initiate the Second Political and Economic Status Commission. Our people are crying out for open dialog and transparency of political motives. We can deliver that dialog and transparency by passing this important legislation and getting the Commission’s vital role started right away. Thank you for your consideration and thank you for standing up to be counted among those who desire a better relationship with the US and other powers than we now have. And now, Mr. Speaker, I hereby introduce my new house bill, H. B. No. 16-271 to replace my former H. B. No. 16-124. With that, Mr. Speaker, together with the unanimous consent of the House, I am asking that my bill be placed on today’s Bill Calendar for serious consideration.

H. B. NO. 16-271: To create the Second Marianas Political Status Commission; to reexamine whether the people desire continuing in a “commonwealth” relationship with the United States pursuant to the terms of the original Covenant agreement; to determine if that continuation is in their best interest;, or whether some other political status would better enable them to fulfill their aspirations of full and meaningful self-government; and for other purposes.

Offered by: Representative Stanley Torres

Referred to: Committee on Judiciary and Governmental

The motion was seconded.

Speaker Arnold I. Palacios: Thank you. We will make that consideration when we get to the Bill Calendar. I would like to ask the members to refrain from distracting when a member is giving a privilege speech on the floor. Thank you. Are there anymore bills to be introduced this morning? Ready. Representative Hocog, recognized.

Representative Hocog: Mr. Speaker, I have an unnumbered bill that I would like to introduce. This is to amend subsection 2204(b) of Section 3 of Public Law 15-105 regarding the healthcare professional licensing board and for other purposes. Thank you.

H. B. No. 16-273: To amend Subsection 2204(b) of Section 3 of Public Law 15-105 regarding the Health Care Professions licensing Board; and for other purposes.

Offered by: Representative Victor B. Hocog

Speaker Arnold I. Palacios: Representative Hocog, you also have a local bill to introduce.

Representative Hocog: If I may proceed, Mr. Speaker. I have a prefiled House Local Bill No. 16-44. This is to appropriate \$10,000 from the local license fees collected from the pachinko slot machine and poker machine in the First Senatorial District for the Rota Liaison Office and for other purposes. Thank you.

H. L. B. NO. 16-44: appropriate \$10,000 from the local license fees collected from the pachinko slot machine and poker machine in the First Senatorial District for the Rota Liaison Office and for other purposes.

Speaker Arnold I. Palacios: Thank you. Are there any other bills for introduction? Before I proceed I would like to have the Clerk reflect the record that Representative Sablan and Representative Tebuteb are present. Representative Sablan, recognized.

Representative Sablan: I just wanted to ask if we could also get copies of Representative Torres' statement.

Speaker Arnold I. Palacios: If Representative Torres would be kind enough to share the communication that he had just made. Thank you. We will now move down to Item IV.

INTRODUCTION OF RESOLUTIONS

H. COMM. RES. No. 16-93: To honor Chief Warrant Officer Francisco Palacios upon his well-deserved retirement for the many contributions he has made to the security of our nation and particularly, the Commonwealth of the Northern Mariana Islands through his dedication, commitment, and service in the United States Coast Guard.
(Rep. Joseph P. Deleon Guerrero plus three)

H. R. NO. 16-98: Expressing the utmost appreciation of the House of Representatives, 16th Northern Marianas Commonwealth Legislature, to Mr. and Mrs. Luis A. Reyes and children for their hard work and dedication in volunteering their time in maintaining our community and coaching and educating our youth's in the on-going "Rotary Youth Basketball League.

H. J. R. No. 16-29: To commend and express the support of the 16th Commonwealth Legislature to Mr. David J. Sablan and Mrs. Consolacion D. Sablan for the development of homes and condominiums on Property Tract No. 21951, in San Vicente, Saipan. (Rep. Ramon A. Tebuteb plus one)

H. J. R. No. 16-30: To support the development and implementation of a Beach Road Corridor Improvement Project in the Commonwealth of the Northern Mariana Islands, and the American Recovery and Reinvestment Act of 2009. (Rep. Arnold I. Palacios plus five)

Speaker Arnold I. Palacios: I now recognize, the Vice Speaker.

Representative Deleon Guerrero: Thank you, Mr. Speaker. I am introducing H. COMM. RES. No. 16-93, to honor Chief Warrant Officer Francisco Palacios. Thank you.

Speaker Arnold I. Palacios: Thank you. Are there any other resolutions? Representative Tebuteb, recognized.

Representative Tebuteb: Thank you, Mr. Speaker. I have a prefiled H. J. R. No. 16-29, to commend and express the support of the 16th Commonwealth Legislature to Mr. David J. Sablan and Mrs. Consolacion D. Sablan. Thank you.

Speaker Arnold I. Palacios: Thank you. Representative Raymond Palacios, recognized.

Representative Raymond Palacios: Thank you, Mr. Speaker. I have a prefiled H. R. NO. 16-98, expressing the utmost appreciation of the House of Representatives, 16th Northern Marianas Commonwealth Legislature, to Mr. and Mrs. Luis A. Reyes and children. And with the indulgence and support of the members if we could place this on the Resolution Calendar for adoption. Thank you.

Speaker Arnold I. Palacios: Are there any other resolutions to be introduced this morning? I have one joint resolution, H. J. R. No. 16-30 to support the development and implementation of a Beach Road Corridor Improvement Project in the Commonwealth of the Northern Mariana Islands, and the American Recovery and Reinvestment Act of 2009. I invite any and all members if they so wish to cosponsor this joint resolution. Floor Leader, without objection I will order that all resolutions be put on today's Resolution Calendar other than H. J. R. No. 16-30. We have scheduled a briefing from the Zoning Office to give us a presentation on this. Thank you. Representative Ralph.

Representative Ralph Torres: I can wait until the Resolution Calendar. I have a House Resolution that was supposed to be placed in this session, but it was miss-input.

Speaker Arnold I. Palacios: Okay. Let me call for a short recess.

The House recessed at 9:50 a.m.

RECESS

The House reconvened at 9:50 a.m.

Speaker Arnold I. Palacios: We are back to our session. If there are no objections, I would like to move from Agenda Item IV to Item XIII, Reports of Special and Conference Committee - so that we can take up Conf. Cmte. Rpt. No 16-2, relative to H. B. No. 16-47, HD1, SD1.

There was no objections raised on the floor.

REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

SEN. C. C. R. NO. 16-3: Reporting on H. B. No. 16-47, HD2, SD1, CCS1

Speaker Arnold I. Palacios: As you know last Friday the Senate had acted on this conference committee report. So with that I would like to ask that the Floor Leader make the appropriate motion to place.

Representative Benavente: Thank you, Mr. Speaker. Copies had been passed out to all the members and at this time I would like to offer a motion of suspension of the Rules so that we may place SEN. C. C. R. NO. 16-2 on today's Calendar. Mr. Speaker, I move to suspend Rule VII, Section IX.

The motion to suspend Rule VII, Section IX was seconded.

Speaker Arnold I. Palacios: The motion is for the suspension of Rule VII, Section IX so that we can place SEN. C. C. R. NO. 16-3 and has been seconded discussion on the motion. Ready.

Several members voiced ready there being no discussions, the motion has been carried by voice vote.

Speaker Arnold I. Palacios: Floor Leader, recognized.

Representative Benavente: I now move to place SEN. C. C. R. NO. 16-3 on today's Order of Business.

The motion to place SEN. C. C. R. NO. 16-3 was seconded.

Speaker Arnold I. Palacios: The motion is for the placement of SEN. C. C. R. NO. 16-3 on today's Order of Business, has been seconded discussion. Ready.

Several members voiced ready and being no discussions, the motion and has been carried by voice vote.

Speaker Arnold I. Palacios: Floor Leader, recognized.

Representative Benavente: Thank you, Mr. Speaker. I now move for the adoption of SEN. C. C. R. NO. 16-3.

The motion for adoption was seconded.

Speaker Arnold I. Palacios: The motion is for the adoption and has been seconded discussion. Representative Tebuteb.

Representative Tebuteb: Thank you, Mr. Speaker. I reference the findings of the committee report on page 1, second paragraph, where the Conference Committee conducted a meeting on August 26th, joined with them also was the members of the Diabetes Coalition and Substance Abuse Prevention Coalition. I would like to ask the Chair if there were other parties invited to this meeting with respect to the oppositions of this bill.

Speaker Arnold I. Palacios: Representative Ralph Torres, recognized.

Representative Ralph Torres: No, Mr. Speaker. In fact, that meeting was scheduled for the House and the Senate and the Diabetic Coalition and some of the advocates who were willing and wanted to participate on that conference. So they participated and that was it. Thank you.

Speaker Arnold I. Palacios: Thank you. Please continue Representative Tebuteb.

Representative Tebuteb: Thank you. I guess what I am trying to refer to is if you had allowed the pro side of the legislation. I would had think it would also be appropriate for the Committee to also consider the opposition side. So that both sides of the argument are looked at and be reflected in the

Committee Report – so at the end of day when we vote - we will vote with good conscience having looked at both angles of the argument. But if that was not considered then I rest. Thank you.

Speaker Arnold I. Palacios: Thank you.

Representative Babauta: Clarification, Mr. Speaker.

Speaker Arnold I. Palacios: State your clarifications, Representative Babauta.

Representative Babauta: Mr. Speaker, I was just glancing through the Conference Committee Report apparently the signatures' of the Joint Conference are not complete. May I ask why the Chair of the Senate counterpart and a member's signature are not here?

Speaker Arnold I. Palacios: Let me call for a short recess.

The House recessed at 10:01 a.m.

RECESS

The House reconvened at 10:03 a.m.

Speaker Arnold I. Palacios: We are back to our plenary session. I now recognize, Representative Sablan.

Representative Sablan: Thank you, Mr. Speaker. I can certainly appreciate Representative Tebuteb's concerns about whether or not the other side of the debate was included in the discussions when the Conference Committee met, but I would like to take note that it seems that the Conference Committee did in fact take into consideration concerns that had been expressed by members initially who were not from what I understand in support of this bill. So hence, the Conference Committee makes exceptions for a casino gaming facilities for Rota and Tinian in particular and I think there were some other adjustments that were made to accommodate concerns from the other side of the debate – and I am for one comfortable with those changes and I was not an early supporter of this bill. Second, I would like to just commend and thank all the people who have played such a instrumental role in getting this bill to this point – Representative Quitugua for introducing it to begin with and the Health and Education Committee for the House and certainly for the Senate – also for the Public Health advocates who came out in support of this bill. I think it represents a major and progressive step towards protecting and enhancing public health in our community. In the event that this bill might get kicked back to us for a veto override I hope and I will like to feel confident that we would be able to sign it into law with or without the signature of the Governor. Thank you.

Speaker Arnold I. Palacios: Thank you. You mean there really was no body that was going to oppose this legislation right? It is very hard to find a coalition against H. B. No. 16-47.

Representative Sablan: Sure, I think that yes, that is probably the point that can be made and it brings to mind also the comments that were made during the Senate hearing last week when they were taking up discussion on the bill – that so many communities across the Nation are adopting these measures and it really was just a matter of time before we would join that movement. So I am glad that we are doing this in the Sixteenth Legislature. Thank you.

Speaker Arnold I. Palacios: Representative Ralph Torres, recognized.

Representative Ralph Torres: Just for clarification back to Representative Tebuteb's concerns. It was notified by the Senate and the House when they were having the Conference Committee meeting and the coalition called requesting to participate. There was no formal letter or invitation to either side of the parties in regards to this legislation. The Diabetic Coalition volunteered to come in and with open arms we accepted that. Thank you.

Speaker Arnold I. Palacios: Thank you. Representative Apatang, recognized.

Representative Apatang: Thank you, Mr. Speaker. I am glad that this bill finally surfaced because this will benefit most of you who are heavy smokers and it is for your protection. In line with this – this will follow a syntax bill – so help support the syntax bill so that we can help stop smoking and the purchase of cigarettes also using for tobacco chewing. Thank you.

Speaker Arnold I. Palacios: Thank you. Representative Salas, recognized.

Representative Salas: Mr. Speaker, just to furtherance of what Representative Sablan was alluding to. I want to also mention that the Chamber of Commerce had raised some concerns, but those were addressed on page 11, Section 3, 177 (a), which basically of a concern about some businesses or bars if they were able to remain - while they are open to allow smoking and basically what that addresses it gave it a time limit. So obviously, those concerns were addressed. Thank you.

Speaker Arnold I. Palacios: Thank you. Representative Babauta, recognized.

Representative Babauta: Thank you. Mr. Speaker, there is no doubt that I will be supporting this bill, but I want some legal clarifications. One, on page 8, Section 3172, lines 16 through 19, did the conference committee inject a provision something that is contrary to the provisions that are inserted in the this Chapter or primarily in this section. We are saying that, a regulation will supersede any and all mentioned paragraphs in this provisions should this become law – so we are giving something more empowerment other than what is an actual language of the law. Can this be done?

Speaker Arnold I. Palacios: Let me take a very short recess.

Representative Babauta: Just for the record, Mr. Speaker...

Speaker Arnold I. Palacios: Okay, we will stay on record – Legal Counsel.

Legal Counsel A. Villagomez: Yes, the section we are reviewing is Section 3172 Prohibition of Smoking in Government Facilities – basically this section prohibits smoking within 25 feet of any door entrance or exits from a government facility. So let us say right out there in the front – anyone who wants to smoke in front of the Legislature has to be at least 25 feet away – that is the first part. The part that Representative Babauta is referring to basically it just adds a provision that says, for any government entity that wants a more stringent regulation they are authorized to adopt such regulations – like at our meeting representatives from the Department of Public Health (DPH) was here and DPH has a no smoking policy on any part of its facility including the parking area. So this section that allows government entities to provide for more stringent regulations would just give government entities like, DPH the power to adopt the policy that is more strict. So instead of just 25

feet away – they can say no smoking at all on DPH property, which is what is going on right now. The first part just says, okay, no smoking within 25 feet of the entrance way or a door of a government building, but any entity that wishes to ban smoking all together on its property may do so. It is just giving the government entities the discretion, but at a minimum there shall be no smoking within 25 feet of a government entrance.

Speaker Arnold I. Palacios: Okay. Thank you. Please, continue Representative Babauta.

Representative Babauta: Thank you. Mr. Speaker, I am just trying to make this more enforceable rather than an argumentative providing for any challenge in the future. If we want to say 100 feet – let us say 100 feet – not a paragraph that says, you can smoke after 25 feet, but we will let the Department or Agencies adopt more stringent regulation – but when you have the first part of this paragraph which it is sufficient enough to be enforceable – why would one cannot challenge such a provision.

Representative Benavente: Mr. Speaker, may I just clarify some of the concerns that were raised, if I may?

Speaker Arnold I. Palacios: Please proceed, Representative Benavente.

Representative Benavente: Understanding that the Legislature does have the authority to grant an Agency or a Department to promulgate regulations – that still has limitation when it comes to giving its authority – and I think that is what Representative Babauta is asking – giving its authority outright - and in this case is this in a form of giving its authority by allowing the Departments to promulgate its regulations or is this one of those provisions that is authorized by the Constitution for the Legislature to grant – this is to the Legal Counsel.

Speaker Arnold I. Palacios: If there is no objections on weighing in on this. I do not think the Legislature is giving away its power. It basically said, at a very minimum it is 25 feet – now the Legislature also hereby authorizes a Department Head – which is a policy call – hereby authorizes a Department Head to if they so chose have a more stringent set of Rules. It could be 35 feet or it could – so in effect if you think about just like federal policies and laws. In some instances the States are also given a flexibility to promulgate Rules and Regulations or statutes that are more stringent federal laws. So you cannot have a law that is less stringent than a federal law --- (*End of Tape 1, Side A*) (*Start of Tape 1, Side B*) Let me recognize Representative Quitugua to weigh in on this he is the author.

Representative Babauta: I will yield to him provided that I will get back the floor, Mr. Speaker.

Speaker Arnold I. Palacios: Yes, you will. We are actually going around on your question – trying to convince you. Representative Quitugua, recognized.

Representative Quitugua: Thank you. Mr. Speaker, since we are not going to be the one to enforce this law I think it is prudent upon us to give some flexibility to the Department Heads who would be administering implementations of this law – and having them administer this with some flexibility I think will give strength to this law for example, the earlier Agency that was mentioned – 25 feet away from the door or the window probably for some establishments it is good, but for Public Health it might not be good and they might want to just ban cigarette smoking in the entire premise of Public Health, which is very legitimate because they are the ones who are treating these patients

and they see the effect of smoking. In addition, some grants that are being received by some Agencies on tobacco control and alcohol and substance abuse that requires them that if they receive these grants they must sign the agreement with the grantor agency to completely ban smoking, alcohol, and substance abuse in the premise. So this is a very good and flexible provision for the Department Head who will be administering or enforcing this law. When it comes to enforcement I think it is very enforceable and it is a very flexible opportunity. We have some legislation that do not have any flexibility and that is one of the reasons why the law is very hard to enforce by Department Heads or Agencies. Thank you, Mr. Speaker.

Speaker Arnold I. Palacios: Thank you. Representative Babauta, you still have the floor. Do you want a short recess? Short recess.

The House recessed at 10:17 a.m.

RECESS

The House reconvened at 10:21 a.m.

Speaker Arnold I. Palacios: We are back to plenary session. Representative Babauta, had the floor, would you like to yield the floor now to your other colleagues?

Representative Babauta: I will yield to Chairman Reyes, but I need to explore a little bit more. Thank you.

Speaker Arnold I. Palacios: Okay. Thank you. Representative Reyes, recognized.

Representative Reyes: Thank you. Mr. Speaker and members, the bill as presented is convincing to me, but *ohala mohon the author yan i Conference Committee ma na guaha didi data statistic para i Marianas sa puru ha esti ginen America. Number two, yangin i concern esti pot i health of the citizens or what not, maila ta na halom lökkue hafa na ti ma kunsidera i pugua? Enoa gui na ilek'hu nai na para u ma atan esti nai. Number three, i taxes ni mahalom guini kao kunto para u pininu esti yan iyota tourist. Otro, lökkue i 3183 – i funding siempre i Public Health man ma gao'gao funding para i public education yan i enforcement – malago yo para ta atan esti i enforcement section – ni i Department of Public Health is – guiya ha kulan enforcement officer or his designee ti hu tungo guaha aturidat'ña in some ways pursuant to law – kao siña man ma arresta or what not. Iyo ha para bai hu express gi bill – loa it is not that I do not support the bill – taimanao iyo ilekkña si Representative Babauta ta na siguru ha. Thank you.*

Speaker Arnold I. Palacios: Thank you. Just to answer your question, Representative Reyes, on 3186 you have disposition of fines. Some of those fines are going to go towards enforcement purposes. I think that – certainly we have a syntax already it is up to us if enforcement of this legislation if it does become law – certainly they can use some of the syntax derived from tobacco tax to make sure that this law is fully implemented. I now recognize Representative Yumul.

Representative Yumul: Thank you. Mr. Speaker, just going back to Representative Babauta's concerns – the issue of the 25 feet an entrance for example, the location he had brought up Northern Marianas Protection and Advocacy Systems, Inc. (NMPASI) and then adjacent to that is a business activity – on page 6x, line 3, actually defines business real briefly – moving on to page 8, which is really where the meat of the legislation is for businesses – 3173 particularly on line 26 where it says,

areas available to and customarily used by the general public in business. That means if you are in an establishment that is frequented by the general public during the normal course of your business such as NMPASI or CRM or adjacent to that. Any other business that is private like, boutiques, gift shops, grocery stores smoking is not allowed in there – as long as it is open to public. Thank you.

Speaker Arnold I. Palacios: Clarified? Let me recognize Representative Quitugua for the last time on this issue.

Representative Quitugua: Mr. Speaker, thank you. For Representative Reyes' concerns – we have the tobacco control fund which is earmarked - we just enacted one, which provides some funding for Public Health and some for the Public School System (PSS). This is one of the main purposes of funding these two Agencies to provide primarily education to the public, PSS, for the students and the parents on the effects of smoking. Mr. Speaker, it is very hard to collect data in the CNMI in terms of smoking because they are not collecting data on the effects of smoking. All we know is that people are sent off island for treatment because of their cancer - when they get to Hawaii they identified that they have lung cancer that was caused by smoking. So it is in Hawaii where it is documented that this person has cancer from smoking, but not here in the CNMI. So it is difficult to get local data on the effects of smoking. Thank you.

Speaker Arnold I. Palacios: Thank you. We have had enough discussion – but before that, let me recognize the Vice Speaker.

Representative Deleon Guerrero: Thank you. Mr. Speaker, I would like to just clarify for the members, we have debated H. B. No. 16-47 over and over already. The merits of the bill I do not think it is an issue today. We cannot amend the bill – all we can do is pass or reject it. So going back to discussing the bill the time for that has come and gone – we can go back and talk about statistics, but we have gone past that road already and I do not even want to discuss the issue that Representative Reyes had raised about betel nut because it is not relevant here. Unless, Mr. Speaker, there is any other pressing matter with regards to Constitutionality of this bill, which I think has gone through that exercise in different States and as we all know smoke-free bills have passed and are still in existence in many parts of the United States any other issue is moot. So I will allow for Representative Sablan and after that I move to end debate.

Speaker Arnold I. Palacios: I think that it is appropriate, Vice Speaker, that any member not necessarily offering an amendment to the bill, but certainly can discuss and deliberate because they will eventually have to cast their votes – and we are not going to amend this bill because this is a conference committee – we either adopt it or we reject it – it will not be amended, but I think it is appropriate that if members have questions for the Conference Committee or to anyone that can clarify we certainly can respect that exercise. Representative Sablan, the Chair will exercise his authority to call that you will be the last.

Representative Sablan: I actually just wanted to wrap up then on that note on exactly the two issues that the Vice Speaker touched on – so the constitutionality question just for the record so the members perhaps feel more comfortable with this. This bill has gone through extensive legal scrutiny not just by our own counsels in the House and the Senate but also by the Public Health counsels and I understand that the American Non-Smokers Rights Association which is a consortium of attorneys also reviewed this bill and recommended its passage. The language that is used is as the Vice Speaker noted very similar to language that has been adopted in States across the country. Second, in respect of the issue on data and statistics I do appreciate that concern as well and we have

public health officials and advocates in the room today and I am sure after today they would be happy to provide any local data statistics at the request of the members. In fact, it was offered earlier during the deliberations of this bill. So with that I would like to rest and I am ready to vote. Thank you.

Speaker Arnold I. Palacios: I have been known to be very patient and I should never say that you are going to be the last because our colleague, Representative Tebuteb continues to signal me.

Representative Tebuteb: This is just technical, Mr. Speaker.

Speaker Arnold I. Palacios: Okay.

Representative Tebuteb: We are trying to adopt the committee report and this is reflecting on the committee report. At the end of the committee report at the last sentence it says, “*therefore this committee from the House is recommending to the Senate to pass this bill*”. Is that technical?

Speaker Arnold I. Palacios: We should consider that as a technical and we will have the legal counsel – if that is amendable to everyone? Okay. Are we ready for the vote? Short recess.

The House recessed at 10:31 a.m.

RECESS

The House reconvened at 10:35 a.m.

Speaker Arnold I. Palacios: Could you restate your motion, Floor Leader?

Representative Benavente: Yes, if I may and if there are no objections. Mr. Speaker, I would like to restate my motion and the motion would be to adopt the conference committee report and pass the H. B. No. 16-47, HD2, SD1, CCS1.

The motion for the adoption of the conference committee report and for the passage of bill was seconded.

Speaker Arnold I. Palacios: The motion has been made and seconded. Ready. Clerk, please call the roll.

The Clerk called the roll on the motion to adopt of C. C. R. No. 16-2, and the passage of H. B. NO. 16-47, HD2, SD1, CCS1, on First and Final Reading.

Representative Edwin P. Aldan	absent (excused)
Representative David M. Apatang	yes
Representative Oscar M. Babauta	yes
Representative Diego T. Benavente	yes
Representative Joseph N. Camacho	absent (excused)
Representative Francisco S. Dela Cruz	yes
Representative Joseph P. Deleon Guerrero	yes
Representative Victor B. Hocog	yes
Representative Heinz S. Hofschneider	absent (excused)
Representative Raymond D. Palacios	yes
Representative Justo S. Quitugua	yes

Representative Joseph C. Reyes	absent (during voting)
Representative Christina M. Sablan	yes
Representative Edward T. Salas	yes
Representative Rosemond B. Santos	absent (excused)
Representative Ramon A. Tebuteb	yes
Representative Ralph DLG. Torres	yes
Representative Stanley T. McGinnis Torres	abstained
Representative Ray N. Yumul	yes
Speaker Arnold I. Palacios	yes

Speaker Arnold Palacios: By a vote of fourteen “yes”, H. B. NO. 16-47, HD2, SD1, CCS1 hereby passes the House on First and Final. Let us now go back up to the Messages from the Governor.

MESSAGES FROM THE GOVERNOR

GOV. COMM. 16-409: (8/17/09) Informing the House that he signed into law H. B. NO. 16-240 (Amending the Alcoholic Beverage Control Act: Sampling). Became Public Law 16-44.

GOV. COMM. 16-410: (8/20/09) Informing the House that he signed into law H. B. NO. 16-192, HD1 (Election Day: Allow sell of alcohol at Mañagaha). Became Public Law 16-45.

GOV. COMM. 16-411: (8/20/09) Informing the House that he disapproved S. B. NO. 16-51, SD1 (Attorney General Confirmation Act of 2009). [Deadline 10/19/09]

GOV. COMM. 16-412: (8/28/09) Informing the House that he signed into law H. L. B. NO. 16-43, (\$110,000 appropriation from Tinian Developer Tax). Became *Tinian Local Law 16-11*

GOV. COMM. 16-413: (8/28/09) Informing the House that he signed into law H. L. B. NO. 16-42, S1, (\$41,500.00 Appropriation from Tinian Poker/Pachinko Licensing Fees). Became *Tinian Local Law 16-12*

GOV. COMM. 16-414: (8/28/09) Executive Order 2009-09 – Declaration of State of Emergency for CUC’s Imminent Generation and other failures and the need to provide immediate reliable power during repairs, Continuation #13.

GOV. COMM. 16-415: (8/26/09) Certification for salary in excess of \$50,000 for Mr. Joseph L.G. Taijeron (AGO).

GOV. COMM. 16-416: (8/26/09) Certification for salary in excess of \$50,000 for Dr. Hormzadiar Dastoor (MD).

GOV. COMM. 16-417: (8/26/09) Certification for salary in excess of \$50,000 fro Dr. Jeri Manning Hallman (MD).

GOV. COMM. 16-418: (8/28/09) Certification for salary in excess of \$50,000 for Dr. Joseph Sean Livingston (MD).

GOV. COMM. 16-419: (9/3/09) Certification for salary in excess of \$50,000 for Dr. DeLinda Wills (MD).

GOV. COMM. 16-420: (8/31/09) Memo from the Governor to all department heads regarding the freeze on government spending.

Speaker Arnold I. Palacios: I now recognize, Representative Apatang.

Representative Apatang: Thank you. Mr. Speaker, on Gov. Comm. 16-420, regarding the memo from the Governor on the freeze on government spending – is that applicable to the members of this Legislature? Thank you.

Speaker Arnold I. Palacios: Well, it does not seem to be. If you read the memo it says, Department and Activity Heads - and the Legislative Branch is a Branch of government and so is the Judiciary. In fact, communication is a courtesy copy and not written to the members of the Legislature or the Presiding Officers of the Legislature. So this is not a communication to the Legislature it is a communication for informational purposes I am gathering, but we can have the legal counsel provide you with – Legal Counsel could you...

Representative Apatang: Mr. Speaker, I want to just clarify because we do not want our payments to be held up in Finance – especially our Purchase Orders (PO). So like I say now, that it is the ending of the fiscal year so we need those things processed so that our bills can get paid. Thank you.

Speaker Arnold I. Palacios: Thank you. Let me just have the legal counsel answer the question posed by Representative Apatang. Legal counsel, recognized.

Legal Counsel A. Villagomez: In reference to Gov. Comm. 16-420, yes, this memo is addressed to all Department and Activity Heads – the Legislative Branch is not a Department and Activity Head it is a separate Branch of Government. Basically, the Governor does have the authority to impound payments in case there is a real or a genuine shortfall of revenues. In this case, the Governor he has been advised of a potential budgetary shortfall. So pursuant to this potential budgetary shortfall he is advising his Department and Activity Heads to conserve whatever remaining obligation authority they may have and as of September 1, all new obligation and expenditures against locally appropriated funds shall be restricted. So by plain reading of this it refers to the Executive Branch. He does not refer to the Legislative Branch not only that if his intention is to impound payments which would affect also the Legislative and Judiciary Branches he should make reference to the Planning and Budgetary Act which he had not done so here. So just by plain reading of this I would say no, it does not refer to the Legislative Branch, but I have advised the Speaker and the Chairman of Ways and Means that we could write a letter for clarification just to make sure and the Chairman of Ways and Means is going to contact Mr. Robert Shrack just for further clarification. But just by plain reading - because he does not reference the Planning and Budgeting Act it should not apply to the Legislative Branch.

Speaker Arnold I. Palacios: Thank you. Representative Benavente, recognized.

Representative Benavente: I yield, Mr. Speaker. Thank you.

Speaker Arnold I. Palacios: Certainly, the Chairman on Ways and Means has been instructed to communicate with Mr. Robert Shrack so that the members of this body will be informed about this particular issue. Are there any more comments under the Governor's Messages? Ready. Short recess

The House recessed at 10:38 a.m.

RECESS

The House reconvened at 10:50 a.m

Speaker Arnold I. Palacios: We are back to plenary session.

SENATE COMMUNICATIONS

SEN. COMM. 16-181: (8/17/09) Informing the House that the Senate failed to pass H. B. No. 16-208, SD1, HD1 (To waive the two-year work experience for NMC Non-Resident Nursing graduates) on August 14, 2009. [*For info*]

SEN. COMM. 16-182: (8/25/09) Transmitting a certified copy of S. J. R. NO. 16-13, SD1 (In honor of the US National Guard and Reserve Forces). [*For info*]

SEN. COMM. 16-183: (9/3/09) Informing the House that the Senate adopted the conference amendments to H. B. NO. 16-47, HD2, SD1, CCS1 (Sen. C. C. R. NO. 16-3) passing the bill on September 3, 2009. [*For info*]

There was no discussions made under this portion of the Agenda.

HOUSE COMMUNICATIONS

HSE. COMM. 16-121: (9/4/09) From Representative Stanley Torres to Acting Governor Eloy Inos regarding the required quorum for PUC in the absence of Commissioner Kimberly King-Hinds.

Speaker Arnold I. Palacios: I now recognized, Representative Sablan.

Representative Sablan: I would like to submit a House Communication and I believe it has been circulated for the members. This is a request for a directive to the Ways and Means Committee to obtain certain financial records related to the Governor's 903 lawsuit against the Federal Government. I have attached to this communications the opinions from both the Superior Court and Supreme Court ordering certain documents that were requested pursuant to the Open Government Act that were finally released on August 31st. The records include invoice summaries from Jenner and Block, voucher entry showing payments, other records from the Department of Finance and memoranda that authorized payments. In addition to these records there are also records showing money transfer and just payment records to Jenner and Block and back in April 2009. The Professional Services Contract with Mr. Howard Willens was also disclosed pursuant to the Open Government Act. For the members information there were specific records that the Courts opted to withhold because the litigation was still pending, but that the Administration did acknowledge will be well within right and in fact would be the responsibility of the Legislature to examine – and these were the engagement letter, the contract with Jenner and Block and the detailed billing invoices that show more specifically how public funds are being spent in this lawsuit. The reason that the Courts opted to withhold these records is because they would still be privileged – they reveal litigation strategy, but they also show how public funds are being spent and they do bare implications for the upcoming 2010 budget and for that reason those types of records are amongst the records that I am asking the members if there is no objections to direct the Ways and Means Committee to obtain. In addition to the detail billing invoices and the contract agreement with Jenner and Block I would like to respectfully request the Ways and Means Committee to also secure up to date records showing billing invoices as well as actual payments made and then complete and unredacted funds status reports from the Governor's Office accounts which were used to finance this lawsuit. With that I would like to rest and I will be happy to answer any questions, but if there is no objection again, I do not know if a motion is appropriate procedurally at this point, but for the members of the House to direct the Committee to secure these records for proper legislative review.

Speaker Arnold I. Palacios: Thank you. Representative Babauta, recognized.

Representative Babauta: Mr. Speaker, number one - I recommend that the letter of Representative Sablan be referred to the Committee on Ways and Means and number two – just to emphasize to the

Committee the third paragraph on the first page of her letter, to be mindful of the Court's separation of power by granted the withholding of these two information. We do not want to be in contempt of the other branch of government.

Speaker Arnold I. Palacios: Okay. Thank you. Proceed, Representative Sablan for clarification.

Representative Sablan: Thank you. The Court exercises discretion which is clearly granted under the Open Government Act, to review all the records that the Administration was claiming were exempt and to make a determination as to whether or not those records should really be exempt. So thirty two documents were turned over - the Court said thirty of them could be released without compromising the lawsuit, but the Administration acknowledged that all of the records are in fact, public records and that it is the right and the duty of the Legislature to review them – there are not available under the Open Government Act but the Legislature clearly has the authority to look at these financial records as, obviously, are our jobs would be to make decisions with respect to the budget and how public funds are being spent. So we can exercise our authority as Legislators. It is just that right now, because of the lawsuit is still pending ordinary citizens would probably not be able to get those two specific records. Thank you.

Speaker Arnold I. Palacios: Thank you. Representative Babauta, recognized.

Representative Babauta: Like I said, refer it to the Ways and Means Committee and the Committee will make a determination.

Speaker Arnold I. Palacios: Let me call for a short recess.

The House recessed at 11:00 a.m.

RECESS

The House reconvened at 11:02 a.m.

Speaker Arnold I. Palacios: We are back to plenary session. I now recognize Representative Benavente.

Representative Benavente: Mr. Speaker, at this time I hope that we can leave it at that, as a request right now to the Chairman and the members of the Committee on Ways and Means. The Court has made a decision based on confidentiality and in fact, the case is still ongoing. The points that were raised by Representative Babauta is important for us to note and to take into consideration before we start using our so called authority to jeopardize what --- (*End of Tape 1, Side B*) (*Beginning of Tape 2, Side A*) rather than us as a body taking a decisive decision today to demand or require that the Committee initiate the demand for those information. Thank you.

Speaker Arnold I. Palacios: Thank you. Well, in actuality, one of the very interesting points that were made by the Assistant Attorney General, himself, in arguments against furnishing these information through the Open Government Act admitted that the Legislative body can and should – now, unless there is concerns that members have about accessing the contract to Jenner and Block or any other firms regarding this we can consider that – one of the steps is, as an alternative I will assign the legal counsel to look into this immediately with the Chair of Ways and Means and report

back immediately within the next several days to make a recommendation as to how and what the full body can insist on. Representative Sablan, recognized.

Representative Sablan: I would also like to note that earlier in the year we did expressly authorized subpoena powers for the Ways and Means Committee to obtain financial records that were difficult to come by and that would of be useful and critical for developing the budget. So I believe that subpoena authorization still stands. This is really a more specific request to the Committee to exercise its existing powers. Now, second, perhaps the legal counsel could offer clarification on this, but with respect to privilege records such as the records that the Courts opted not to disclose under the Open Government Act – public officials, the Legislators, in this case – we the Legislators would be privy to those records but would be bound by the Ethics Act not to disclose information that would otherwise not be available to the public. And so really what I am asking is for us to obtain records that we – in the words the Administration – have the responsibility to obtain and examine carefully it has – it bares implications for the next budget – it bares implications for public expenses that are still being incurred for this budget cycle and we should be concerned and cognizant of the expenses that we have to anticipate. Thank you.

Speaker Arnold I. Palacios: Thank you. Representative Benavente, recognized.

Representative Benavente: Mr. Speaker, once again, I do not question the authority and as you explained and as we all understand and I know the Court's had a decision or the Assistant Attorney General stating it – in fact the authority. My concern is that there is debate even amongst us members as to support or not support the current lawsuit, but the fact that there is a current. By obtaining this information we are placing ourselves in a possibility of undermining the ongoing case and we should not be doing and even the Court has raised that concern and has in fact made that decision. Again, not that I am saying, no, let us not do this all I am asking is that we as a Committee the Chairman of Ways and Means have the opportunity to consider this factor before we make a decision to go ahead and get those even – once again, my concern is that we do not want to be doing anything that would undermine or jeopardize the ongoing lawsuit. Thank you.

Speaker Arnold I. Palacios: Thank you. So do I hear a motion to refer Representative Sablan's communication to Committee to look at the possibilities on what needs to be done if we have to request for these information.

Representative Hocog: So move on the motion, Mr. Speaker.

The motion has been seconded.

Speaker Arnold I. Palacios: The motion has been made to refer the communication to Committee to consider the request made formally by Representative Sablan and have it report back immediately. The Committee will be advised by Ms. Antonette Villagomez, House Legal Counsel. Discussion on the motion, I recognize Representative Babauta.

Representative Babauta: Just a short note on discussion, can we allow the Clerk to number this as an official House Communication?

Speaker Arnold I. Palacios: Alright. This is House Communication 16-120. Vice Speaker, recognized.

Representative Deleon Guerrero: Can I request for a short recess?

Speaker Arnold I. Palacios: Let us take a short recess.

The House recessed at 11:11 a.m.

RECESS

The House reconvened at 11:13 a.m.

Speaker Arnold I. Palacios: We are back to plenary session. The motion is to refer this to the Ways and Means Committee to take a look at it in the next few days and make a recommendation to the full House, whether we will formally request the information that is being requested. Are we ready for the question? Ready.

Several members voiced ready and the motion to refer House Communication 16-120 has been carried by voice vote.

Speaker Arnold I. Palacios: Chairman of Ways and Means, Representative Yumul, you have a big project ahead of you. We are still under House Communications. Representative Stanley Torres, recognized.

Representative Stanley Torres: Mr. Speaker, I have a letter here to the Acting Governor dated September 4, I provided copies to all the members. May I read my short letter?

Speaker Arnold I. Palacios: Yes.

Representative Stanley Torres: This is to the Acting Governor Eloy Inos, referencing PUC (Public Utilities Commission). Dear Governor, it has been brought to my attention that the Public Utilities Commission no longer has quorum. Pursuant to Public Law 15-35, three Commissioners shall constitute a quorum and shall be required for the Commission to act or carry out its duties. I understand that Commissioner Kimberly Hinds is in Honolulu, Hawaii pursuing her doctorate degree since January 2009. If this is true, she needs to step down and be replaced to legitimize the Commission. Thank you for attention on this important matter.

Speaker Arnold I. Palacios: Thank you. I guess we will await the Governor's answer, but for discussion purposes, I recognize Representative Salas.

Representative Salas: I think the quorum is one if I am not mistaken. There was a bill that was passed in this House which allowed one person to have the authority in the event that there is not enough members. So the quorum is one.

Speaker Arnold I. Palacios: You are correct. I believe that is the case. I remember arguing about that. I remembered the long arduous argument before we passed that amendment by the Senate. Representative Sablan, recognized.

Representative Sablan: At the Public Utility Commission hearing last week, I did actually ask the two members who were present at the hearing what had happened to the third member and they did confirm that she had resigned and submitted her letter to the Governor already – I believe it was

back in June and not January. But for whatever reason that communication was not made available to the Legislature, so I agree – it would be good to get that confirmation.

Speaker Arnold I. Palacios: Chairman on PUTC (Public Utilities Transportation and Communications), Representative Hocog see if you can get that for Representative Torres. Okay. Are we ready?

COMMUNICATIONS FROM THE JUDICIAL BRANCH

NONE

COMMUNICATIONS FROM THE NMI DELEGATE

NONE

COMMUNICATIONS FROM DEPARTMENTS & AGENCIES

DEPT./AGCY. COMM. 16-99: From Commerce Secretary Michael J. Ada writing in support of IT&E's grant application for funding through the American Recovery and Reinvestment Act of 2009 (ARRA).

DEPT./AGCY. COMM. 16-100: From NMI Retirement Fund Administrator regarding the schedule to meeting with the Legislature re. Civil Action No. 06-0367.

Speaker Arnold I. Palacios: Ready. Representative Yumul, recognized.

Representative Yumul: Thank you. On DEPT./AGCY. COMM. 16-99, from Commerce Secretary Mr. Michael Ada, the way I read it – asking that a letter be written on behalf of IT&E to basically give our blessing – what they are attempting to do which is to apply for a certain grants. While I do not disagree with any type of venture of this sort – this is a single page that has no attachments and I do know how they intend to apply for this grant and for what particular purpose.

Speaker Arnold I. Palacios: For your information, I also got that. I did speak with somebody at Commerce – first of all, the letter should not be to IT&E – the letter should be to the grantor agency, FCC (Federal Communications Commission) – it is called A95 Clearinghouse support. The letter should have been addressed to the grantor agency because that is what we are going after. That was the first mistake. The second mistake like you said, we cannot go on supporting something that we really do not know what it is – we do not know what the project agreement is – what the funding source are and so I left it at that. I have talked to Mr. Larry Knecht also about that and it was actually an effort by the Commerce Department.

Representative Yumul: Also, Mr. Speaker, last week the Ways and Means Committee had a Committee meeting on federal grants and we invited Mr. Ada to sit in. He did indicate that there are two grants that they are looking to seek private entities in some sort of a joint venture or to encourage them to apply for certain grants that would benefit the Commonwealth. And my concern with that is that there are really two businesses that are in this arena, one is obviously, IT&E the second is, DOCOMO, but trying to delve into this issue without really knowing, I just stated the full ramifications and what they are attempting to do might put sort of a leaning that the government might favor one over the other. I did ask if we can get more details, but to this date it still has yet come to my office. It is something that is of serious interest and I know that time is of the essence. Thank you.

Speaker Arnold I. Palacios: Okay. Just thinking back – can we go back to the House Communications for one particular issue that is very important, if there is no objections?

There was no objections raised on the floor.

HOUSE COMMUNICATIONS

Speaker Arnold I. Palacios: Two months ago we had a very critical letter from Representative Dela Cruz regarding the employees retirement benefits at IT&E, PTI, MTC – and I know that the Committee on PUTC and Representative Dela Cruz who is a member of that Committee had communicated with IT&E and the Revenue and Tax in regards to this particular issue. I had forgotten that Representative Hocog who is the Chairman of PUTC had indicated to me that he was going to make a brief remark regarding the status of the issue because this is very critical. We have been getting phone calls from some of the folks that are affected by this particular issue and so I believe the Committee had done a tremendous job they just need to give us a status briefing now. I now recognize Representative Hocog.

Representative Hocog: Mr. Speaker, can we take a short recess.

The House recessed at 11:23 a.m.

RECESS

The House reconvened at 11:23 a.m.

Speaker Arnold I. Palacios: We are back to plenary session. Representative Hocog, recognized.

Representative Hocog: Thank you, Mr. Speaker. I am very happy the Assistant Attorney General who has been handling this issue for the longest time is with us here today in the Chamber. If there is no objections from the members I would like to ask Mr. James Stomp to give us a short briefing on the status of those pensioners while he is here.

Speaker Arnold I. Palacios: Let me have the Floor Leader to effectuate a motion to bring into Committee of the Whole.

Representative Benavente: Thank you, Mr. Speaker. With that I now move to go into the Committee of the Whole so that we may hear from the Assistant Attorney General.

The motion has been seconded and was carried by voice vote.

The House dissolved into the Committee of the Whole at 11:23 a.m.

COMMITTEE OF THE WHOLE

The House reconvened at in plenary session at 11:38 a.m.

Speaker Arnold I. Palacios: We are back to plenary session. Let us take a short recess.

The House recessed at 11:38 a.m.

RECESS

The House reconvened at 2:11 p.m.

Speaker Arnold I. Palacios: We are back to plenary session, before we went on recess we were under House Communications, we now move down to Other Communications.

OTHER COMMUNICATIONS

MISC. COMM. 16-79: (7/27/09) From US Department of Labor Assistant Secretary Jane Oates acknowledging receipt of H. J. R. NO. 16-21, HD1.

MISC. COMM. 16-80: (Undated) Certified copy of Resolutions 2008-18 thru 2008-22 adopted by the Association of Mariana Islands Mayors, Vice Mayors, and Elected Municipal Councils.

MISC. COMM. 16-81: (Undated) An open letter to the 16th Legislature by Ms. Jeanne H. Rayphand regarding the health of persons with special needs.

There was no discussions under this part of the Agenda.

REPORTS OF STANDING COMMITTEES

S. C. R. NO. 16-113: Reporting on S. B. NO. 16-27, SS1, entitled, “To require all contractors to be licensed in the Commonwealth; and for other purposes.” *Your Committee on Commerce and Tourism recommends that the House pass the S. B. NO. 16-27, SS1 as substituted by the Committee.*

Speaker Arnold I. Palacios: If there is no objections could we leave the standing committee reports and get on to the Resolution Calendar, and also we have a lot of bills pending on the Bill Calendar that we need to dispose off before we put additional bills onto it. Representative Reyes, recognized.

Representative Reyes: Can we at least address S. C. R. NO. 16-113, I have been getting a lot of calls about it. Thank you.

Speaker Arnold I. Palacios: Okay, are you ready to discuss that? Floor Leader, please effectuate a motion for S. C. R. NO. 16-113.

Representative Benavente: I move that we adopt S. C. R. NO. 16-113, reporting on S. B. No. 16-27, SS1.

The motion was seconded.

S. C. R. NO. 16-113: Reporting on S. B. NO. 16-27, SS1, entitled, “To require all contractors to be licensed in the Commonwealth; and for other purposes.” *Your Committee on Commerce and Tourism recommends that the House pass the S. B. NO. 16-27, SS1 as substituted by the Committee.*

Speaker Arnold I. Palacios: The motion is for the adoption of S. C. R. NO. 16-113 and has been seconded. Discussion on the motion? Vice Speaker, recognized.

Representative Deleon Guerrero: Thank you, Mr. Speaker. During the last session when we were going to entertain this committee report there was a request by the newly formed CNMI Contractors Association that we hold off – and I contacted a member of that association to find out if they had already submitted their comments to the Chairman. They said they were under the impression that they wanted to meet first with the Chairman, but they did not – they have not met yet. So I leave it

to the discretion of the members if we are going to go ahead and act on the Standing Committee Report. Just so that it is on the record they do want to have an audience with the Committee on Commerce and Tourism. Thank you.

Speaker Arnold I. Palacios: Mr. Chairman, when was this legislation introduced?

Representative Reyes: Mr. Speaker, the legislation was introduced in April 3, 2008. And as you know we have had several committee meetings on this legislation working together with the Senate. It was originally introduced by Senator Paul Manglona. I did have a lot of discussions with members of the Professional Licensing Board, Ms. Florence Sablan and Chairman Frank Guerrero and this Mr. Speaker, as you may know is, an important piece of legislation knowing that there might be a lot of projects forthcoming from the military build-up and absent of such it puts a lot of people in limbo not being able to participate. I stand to be correct but I believe we are the only one at sea in the CNMI that lacks the licensing on these professionals and that is not good for the entire Commonwealth. Thank you, Mr. Speaker.

Speaker Arnold I. Palacios: Thank you. Are there any further discussion? Representative Sablan, recognized.

Representative Sablan: Thank you, Mr. Speaker. I have no problem with deferring action until we do set up a meeting with the Contractor's Association, but I also would not object to acting on the Committee Report. I know that a lot of work has gone into the development of both the report and the bill. And it is my understanding that the Contractors Association was just recently organized at least over a month and they have had opportunity to contact the Committee and to submit comments and review the bill. Can I just verify from the Chairman if anybody from the Association has actually contacted him?

Speaker Arnold I. Palacios: Representative Reyes, recognized.

Representative Reyes: Mr. Speaker, the answer is no, and I do not know if this so called newly formed Committee has already been chartered or licensed or what not, I really do not know and I just feel that it is my responsibility to get this out of the Committee and let the members decide, after all, it is only a Committee Report and when it comes to discussing the bill let us wait for that time. Thank you.

Speaker Arnold I. Palacios: Are there any further discussions? Representative Salas, recognized.

Representative Salas: Mr. Speaker, this is actually on the bill itself. I guess this is a technical thing – can we address that now or wait until the Bill Calendar?

Speaker Arnold I. Palacios: We will address that on the Bill Calendar.

Representative Salas: Alright, thank you.

Speaker Arnold I. Palacios: Okay, are there any further discussion? Ready.

There being no further discussions the motion to adopt S. C. R. NO. 16-113 was carried by voice vote.

Speaker Arnold I. Palacios: Floor Leader, recognized.

Representative Benavente: Mr. Speaker, there is an understanding that we will now move onto Item XV of the Agenda, Resolution Calendar?

Speaker Arnold I. Palacios: If there is no objection we will move onto Resolution Calendar. Representative Babauta, recognized.

Representative Babauta: I do not know if all the members read the letter from Gene Rayphand that apparently there is one Committee Report on the Committee Report Calendar concerning one of those bills that has to do with disability, again I will leave it up to the Chair and members if they want to take it up before we move on. This has to do with H. B. No. 16-154 under...

Speaker Arnold I. Palacios: That has to do with Special Education.

Representative Babauta: Right. S. C. R. No. 16-115.

Speaker Arnold I. Palacios: Can we come back to that?

Representative Babauta: No problem.

Speaker Arnold I. Palacios: Thank you, for your understanding. We now move to Resolution Calendar.

UNFINISHED BUSINESS

NONE

RESOLUTION CALENDAR

H. R. NO. 16-91: To request the Department of Public Lands to designate thirty hectares of public land on Tinian, thirty hectares of public land on Rota and ten hectares of public land on Saipan as Free Trade Zones to be administered by the mayors of the respective islands and to transfer fee simple interest of such public lands to each respective municipality.

H. R. NO. 16-93: Supporting H.R. 934, a U.S. House congressional bill to convey certain submerged lands to the Commonwealth of the Northern Mariana Islands in order to give that territory the same benefits in its submerged lands as Guam, the Virgin Islands, and American Samoa have in their submerged lands, and to preserve the Commonwealth Governments joint management role in the Marianas Trench Marine National Monument.

H. J. R. NO. 16-28: Respectfully requesting Gregorio Kili Sablan, CNMI Delegate to the United States Congress, 111th United States Congress to support the removal and reclassification of the Nightingale Reed-Warbler from the United States Fish and Wildlife endangered species list.

H. COMM. RES. No. 16-93: To honor Chief Warrant Officer Francisco Palacios upon his well-deserved retirement for the many contributions he has made to the security of our nation and particularly, the Commonwealth of the Northern Mariana Islands through his dedication, commitment, and service in the United States Coast Guard.

H. R. NO. 16-98: Expressing the utmost appreciation of the House of Representatives, 16th Northern Marianas Commonwealth Legislature, to Mr. and Mrs. Luis A. Reyes and children for their hard work and dedication in volunteering their time in maintaining our community and coaching and educating our youth's in the on-going "Rotary Youth Basketball League.

H. J. R. NO. 16-29: To commend and express the support of the 16th Commonwealth Legislature to Mr. David J. Sablan and Mrs. Consolacion D. Sablan for the development of homes and condominiums on Property Tract No. 21951, in San Vicente, Saipan. (Rep. Ramon A. Tebuteb +1)

Speaker Arnold I. Palacios: Floor Leader, recognized.

Representative Benavente: Mr. Speaker, I now move for the adoption of H. R. No. 16-91.

The motion was seconded.

H. R. NO. 16-91: To request the Department of Public Lands to designate thirty hectares of public land on Tinian, thirty hectares of public land on Rota and ten hectares of public land on Saipan as Free Trade Zones to be administered by the mayors of the respective islands and to transfer fee simple interest of such public lands to each respective municipality.

Speaker Arnold I. Palacios: The motion has been seconded. I remember that this resolution has been sitting here for quite awhile and I know Representative Hocog introduced it and he asked us to hold it in abeyance at the time for a while until he is ready. I guess this is just to request the Department of Public Lands. Representative Sablan, recognized.

Representative Sablan: Thank you, Mr. Speaker. I did take the time to review Public Law 12-20, and among the mandates of that Public Law was one that require the creation and the appointment of members to the Free Trade Zone Authority and I am not aware of a Free Trade Zone Authority actually existing at this time. Have members been appointed? Are they currently serving as Board members? Is there a Free Trade Zone Authority?

Speaker Arnold I. Palacios: Representative Benavente, recognized.

Representative Benavente: I authored the legislation that created the Free Trade Zone Authority and in fact during our Administration we did have a Board that was functioning. They were unable to open the offices the funding was never provided for and since then I am not aware of any existing Board or office under the Free Trade Zone – someone else might be able to answer that question.

Speaker Arnold I. Palacios: Representative Reyes, recognized.

Representative Reyes: Thank you, Mr. Speaker. I did work to try to get the Free Zone Board back however, the Board right now is nobody, so to speak. The last one was Mr. Karl Reyes, but failure of the Governor after I believe the Babauta Administration nobody was ever appointed to the Free Trade Zone Board. There was funding – it was a small expenditure but that was about it – the rest went back to the General Fund. Thank you.

Speaker Arnold I. Palacios: Are there further discussion? Representative Sablan, recognized.

Representative Sablan: Okay, well, in the absence of a functioning Free Trade Zone Authority members, I think that the request that we are making of Public Lands would be rather impossible for them to carry out even if they wanted to grant the request. And what I would suggest then is that we take a look and reexamine Public Law 12-20 and the intent behind it and perhaps look at amendments that would need to be made before we can move forward on the designation of Free Trade Zones. And perhaps even reexamine that as a matter of public policy, but at this time it seems premature under Public Law 12-20 the Free Trade Authority that would be responsible for designating such areas and there is none to do so at this time.

Speaker Arnold I. Palacios: Representative Apatang, recognized.

Representative Apatang: Thank you, Mr. Speaker. I do not see any problem with at least passing this resolution. The Free Trade Zone Authority is here on Saipan and it was attempted to create some funding for it - the full funding for it never materialized. However, the request here is for Rota and Tinian and that will be administered by the Mayor's of those respective islands so I do not see any problem with that – I do not see any problem of requesting at all. Now once the request is approved then we can always come back and see if we can find money for this particular Board to function, but there is no problem asking the Department of Public Lands to identify those hectares of land. At least that will give the Mayors of those particular areas to start planning for the future. May be we can bring in some of those Communist people here. Thank you.

Speaker Arnold I. Palacios: Representative Torres, recognized.

Representative Stanley Torres: Thank you, Mr. Speaker. Like, Representative Apatang said let us adopt the Resolution and send it to the Department of Public Land to reserve. This Resolution is asking to reserve so much hectares of land on Tinian and Rota for a Free Trade Zone and when that time comes to recreate a body and the land is in placed so we do not have to worry about that. If we do not do this the DPL may forget this issue and subdivide it into a homestead and lease it to others and then the Free Trade Zone would probably be out in reef. So I support the adoption of this Resolution.

Speaker Arnold I. Palacios: Representative Sablan, recognized.

Representative Sablan: I just wanted to request for a short recess.

Speaker Arnold I. Palacios: Short recess.

The House recessed at 2:25 p.m.

RECESS

The House reconvened at 2:29 p.m.

Speaker Arnold I. Palacios: We are back to plenary session. Representative Hocog, there are a lot of questions swirling.

Representative Hocog: Yes, let me explain this Mr. Speaker, way back in 2005 there was this law Public Law 12-20 that was created that gave the authority of the Municipality of each Senatorial District to work into these number of property to select the area in the number of 30 hectares for a Free Trade Zone. And Public Law 12-20 provided that authority that the Mayor will select these 30 hectares of land for a Free Trade Zone designation. Nonetheless, none of the Mayors has ever done such survey or designation of these properties. The Board will definitely review what the Mayor has designated as a Free Trade Zone. And from there they will agree or disagree on the designated areas for reallocation of other properties if it is not committed for any other purposes. Simply the Resolution is to readdress this back to the DPL and ensure that they move forward with the respective Senatorial District to ensure that whether they want to designate a Free Trade Zone in the number as stipulated in Public Law 12-20 or not. So the purpose is to again go back and reactivate

this idea when Public Law 12-20 was created to give the Municipality an enhancement for a Free Trade Zone development that will help depressed areas. Thank you.

Speaker Arnold I. Palacios: Ready. One more question, Representative Sablan.

Representative Benavente: Point of order, Mr. Speaker.

Speaker Arnold I. Palacios: Yes.

Representative Benavente: The Rule restricts each member to commenting on an issue to two times, Mr. Speaker. I believe Representative Sablan, has spoken more than twice already on this matter.

Speaker Arnold I. Palacios: Let us give her...

Representative Benavente: Without objections from the floor.

Speaker Arnold I. Palacios: Without objections, she actually had the floor. Okay, Representative Sablan, this will be the final.

Representative Sablan: If I may just state for the record I might have spoken more than once but I had the floor once. Thank you. I am not saying that the idea behind the Free Trade Zone Law is not commendable and that the intent to help depressed areas in the Commonwealth is also not something that we should consider pursuing more and actually implementing with respect to the law. I am just not sure that this mechanism of asking Public Lands to designate 30 hectares in the absence of a Free Trade Zone there is even no Board of Public Lands – I am not sure that this is a proper mechanism to do that. I think that the law needs to be reexamined and even if the intent is to express the interest of this body in designating areas for Rota and Tinian the law provides for a mechanism for that it is not through the Resolution. So it is not clear to me what we are trying to do at this point and if Public Lands is not going to come back and tell us that we got it all wrong and we need to go back to the law that was passed by this body.

Speaker Arnold I. Palacios: Let me ask this – Representative Hocog, has Public Lands ever designated Free Trade Zones in Rota or Tinian.

Representative Hocog: No, not at this time, Mr. Speaker.

Speaker Arnold I. Palacios: So they were authorized to do that and they have never done it. I think what this Resolution is trying to do is to request them to designate properties. I recognize Representative Hocog, for more clarification.

Representative Hocog: The Board – if there is a Board appointed it will definitely entertain those areas that the law provided the Mayor to designate these public lands for Free Trade Zone. In the absence of such designation, the Board cannot designate those themselves. Thank you.

Representative Sablan: I think I still have the floor, Mr. Speaker. The law provides that other areas in the Senatorial Districts can be designated by the Legislative Delegations with the concurrence of the Governor.

Representative Hocog: No, that is incorrect.

Representative Sablan: I am reading it right here. Unless the law has changed, I mean perhaps the Legal Counsel could give us some clarifications.

Speaker Arnold I. Palacios: I do not think that the Legislative Delegation of any Senatorial District can designate use of public lands and even the Legislature's authority sometimes gets questioned on that much less than the Legislative Delegation. They can certainly request the Public Land to designate those properties just like we are doing here.

Representative Sablan: Well, the law says...

Representative Hocog: It is the Mayor, Mr. Speaker that has the authority to designate and not the Legislative Delegation. Thank you.

Speaker Arnold I. Palacios: Okay. Let us go to the question.

Representative Sablan: Okay, so then I think what this needs is more legal review. I mean, if members feel that we are not legally or constitutionally a lot to designate Free Trade Zones...

Speaker Arnold I. Palacios: We are not. We are requesting...

Representative Sablan: Well, there is a law that says that we...

Speaker Arnold I. Palacios: We are requesting MPLA (Marianas Public Lands Authority) to designate that designation. Right? This is what the resolution is saying. Correct.

Representative Hocog: That is correct.

Speaker Arnold I. Palacios: I do not know if your request is going to ever get far, but we can request. Ready for the question. Representative Reyes, recognized.

Representative Reyes: Just a note, I agree with what you had said, but it also is to be administered by the Mayors and to transfer fee simple interest of the Public Lands to each Senatorial Districts so I just thought I add that in.

Speaker Arnold I. Palacios: Okay. Those are requests...

Representative Hocog: Those are just requests. Requesting DPL to sit down if that can be done – it will be done if I cannot be done it will not be done.

Representative Sablan: But we are asking the land to be turned over fee simple to the Municipality?

Representative Hocog: Well, Mr. Speaker, if I may?

Speaker Arnold I. Palacios: Yes.

Representative Hocog: The only Department that can authorize the usage of public lands is the Department of Public Lands. No other Department is hereby authorized for the use of public land other than that Department itself. Thank you.

Speaker Arnold I. Palacios: Okay. Ready for the question.

There being no further discussion the motion to adopt H. R. No. 16-91, was carried by voice vote, with Representative Sablan objecting.

Speaker Arnold I. Palacios: Representative Sablan, recognized.

Representative Sablan: Yes, I realized that this Resolution has passed, but I just wanted to – if I may ask from the Legal Counsel in the event let us say Public Lands does decide to turn over land fee simple to the Municipalities – would the Mayor have the authority to license participants in the Free Trade Zones without the existence of a Free Trade Authority?

Speaker Arnold I. Palacios: Floor Leader, recognized.

Representative Benavente: Thank you, Mr. Speaker. I now move for the adoption of H. R. No. 19-93.

The motion was seconded.

H. R. NO. 16-93: Supporting H.R. 934, a U.S. House congressional bill to convey certain submerged lands to the Commonwealth of the Northern Mariana Islands in order to give that territory the same benefits in its submerged lands as Guam, the Virgin Islands, and American Samoa have in their submerged lands, and to preserve the Commonwealth Governments joint management role in the Marianas Trench Marine National Monument.

Speaker Arnold I. Palacios: The motion has been seconded, discussion on the motion. Ready. (*End of Tape 2, Side B.*)

(*Beginning of Tape 3, Side A.*)

Representative Yumul: Representative Hofschneider had brought up to the members the question of the word “territory” that is in this document such as the heading and throughout – that we need to thoroughly understand what we are trying to attempt to do and that to is ensure that we do not inadvertently also state that we are a territory because we are really not a territory of the United States.

Speaker Arnold I. Palacios: This is my resolution. If there is no objection I will just leave this on the Calendar. Let me call for a short recess.

The House recessed at 2:41 p.m.

RECESS

The House reconvened at 2:42 p.m.

Speaker Arnold I. Palacios: Are there any more discussions?

Representative Benavente: We are ready to vote on the resolution, Mr. Speaker.

There being no further discussions on H. R. No. 16-93 and the motion to adopt was carried by voice vote.

Speaker Arnold I. Palacios: Floor Leader, recognized.

Representative Benavente: Mr. Speaker, I now move for the adoption of H. J. R. NO. 16-28.

The motion was seconded.

H. J. R. NO. 16-28: Respectfully requesting Gregorio Kili Sablan, CNMI Delegate to the United States Congress, 111th United States Congress to support the removal and reclassification of the Nightingale Reed-Warbler from the United States Fish and Wildlife endangered species list.

Speaker Arnold I. Palacios: Representative Stanley Torres, recognized.

Representative Stanley Torres: Two months ago, I had passed out the proposed House Substitute – I do not know if any body remembers, but I am submitting a revised version as a House Substitute before we adopt the resolution.

Speaker Arnold I. Palacios: Short recess.

The House recessed at 2:43 p.m.

RECESS

The House reconvened at 2:44 p.m.

Speaker Arnold I. Palacios: We are back to session. Floor Leader, could you...

Representative Benavente: Yes, Mr. Speaker, without any objections from the members I would like to withdraw my motion on H. J. R. No. 16-28 for now.

The motion was seconded.

Speaker Arnold I. Palacios: There being no objections the motion has been withdrawn – continue Floor Leader.

Representative Benavente: I now move for the adoption of H. Comm. Res. No. 16-93.

The motion was seconded.

H. COMM. RES. No. 16-93: To honor Chief Warrant Officer Francisco Palacios upon his well-deserved retirement for the many contributions he has made to the security of our nation and particularly, the Commonwealth of the Northern Mariana Islands through his dedication, commitment, and service in the United States Coast Guard.

Speaker Arnold I. Palacios: The motion is for the adoption of H. Comm. Res. No. 16-93 and it has been seconded, discussion on the motion. Ready.

There being no discussions on H. Comm. Res. No. 16-93 the motion to adopt was carried by voice vote.

Speaker Arnold I. Palacios: Floor Leader, recognized.

Representative Benavente: Thank you, Mr. Speaker. I now move for the adoption of H. R. No. 16-98.

The motion was seconded.

H. R. NO. 16-98: Expressing the utmost appreciation of the House of Representatives, 16th Northern Marianas Commonwealth Legislature, to Mr. and Mrs. Luis A. Reyes and children for their hard work and dedication in volunteering their time in maintaining our community and coaching and educating our youth's in the on-going "Rotary Youth Basketball League

Speaker Arnold I. Palacios: The motion is for the adoption of H. R. No. 16-98 and it has been seconded. Does everybody have copies?

Representative Benavente: It should be the copy that is in front of you.

Speaker Arnold I. Palacios: Ready.

There being no discussions on H. R. No. 16-98 the motion to adopt was carried by voice vote.

The House recessed at 2:45 p.m.

RECESS

The House reconvened at 2:46 p.m.

Speaker Arnold I. Palacios: We are back to session, I now recognized Representative Stanley Torres.

Representative Stanley Torres: From page 1, line 15 it needs to be corrected, the word "mapong" it should be "magpong" not "mapong" and the other word is "patgon" it is not "patgong" the "g" at the end of "patgong" should be deleted. And on page 2, line 2, the word "amot amku" is this "amku" or "ammko". If it is "ammko" then it is "ammko" right...alright. I rest my case.

Speaker Arnold I. Palacios: Okay. Is that it? Clerk...okay. Vice Speaker...those were technical, yes, and the Clerk will handle those as technical, okay. Ready. Floor Leader, recognized.

Representative Benavente: Thank you, Mr. Speaker. I now move for the adoption of H. J. R. No. 16-29.

The motion was seconded.

H. J. R. No. 16-29: To commend and express the support of the 16th Commonwealth Legislature to Mr. David J. Sablan and Mrs. Consolacion D. Sablan for the development of homes and condominiums on Property Tract No. 21951, in San Vicente, Saipan.

Speaker Arnold I. Palacios: Short recess.

The House recessed at 2:48 p.m.

RECESS

The House reconvened at 2:49 p.m.

Speaker Arnold I. Palacios: We are back to session. And the adoption motion for H. J. R. No. 16-29 has been made and seconded, discussion. Ready. Representative Sablan, recognized.

Representative Sablan: Thank you, Mr. Speaker. I was only able to really review this joint resolution in the last day or so, or maybe just today actually, and I am concerned because although it sounds like it will be a significant investment and development here I do not know enough about it – I do not know if – it says that the Sablan’s have reviewed all the laws and regulations of the Commonwealth but it is not clear to me how this fits with respect to Zoning Rules and Regulations. And I think I would like to have more information about what is really being proposed and where and who these other investors are before I would be comfortable commending the Sablan’s for the project of this nature. So does anybody have more information about that?

Speaker Arnold I. Palacios: Representative Reyes, recognized.

Representative Reyes: Thank you, Mr. Speaker. I commend David Sablan for seeking out investors to develop private property – this is not Government property and I think this resolution would further help him into securing whatever financing that he is proposing into developing his property and this is again good for the Commonwealth and especially during these difficult times. This is not public land at all and as far as regulatory agencies are concerned I am confident that he will comply with whatever necessary permits and all that he has to obtain. So again, Mr. Speaker, this is his own personal property – I believe it belongs to his wife somewhere in the hill at the backside so I think Chairman Tebuteb also has more information and he has a map there or something. Thank you.

Speaker Arnold I. Palacios: Vice Speaker, recognized.

Representative Deleon Guerrero: It is my understanding that this property is situated – you know that *Tutura* area between San Vicente and Dandan, the Ten Commandment Road going down the hill – you know where Anning Joeten’s Apartment it is just before you get to the Hillbloom’s Apartment – it is in between those areas – it is adjacent to the Hillbloom and Anning Joeten property. So just for location I can answer, Mr. Speaker.

Speaker Arnold I. Palacios: Okay, for location. Representative Tebuteb, do you want to provide additional clarification to some of the queries.

Representative Tebuteb: I think it is appropriate to also include Representative Sablan’s concern on the permitting agency and Zoning should be included in that.

Speaker Arnold I. Palacios: Where?

Representative Tebuteb: The Be It Resolve...so we give all the permitting agency and technically maybe we will offer also to the Zoning Executive Director.

Speaker Arnold I. Palacios: Short recess.

The House recessed at 2:52 p.m.

RECESS

The House reconvened at 2:53 p.m.

Speaker Arnold I. Palacios: We are back to session. You can express your concerns one more time, Representative Sablan.

Representative Sablan: Thank you, Mr. Speaker. I wanted to get some clarification from some comments that were made earlier by the members, I believe Representative Reyes said something to the effect of the Legislature's support for this project could possibly help the Sablan's secure financing for it? Could you elaborate on that? And I think what is sort of baffling to me is why we are entertaining a resolution for entrepreneurs of all the people who are wanting to do projects on their own private land they are going to have to jump through the hoops and follow regulations – I would not want for this to be perceived as us on duly influencing or trying to influence the regulatory authorities and it is also not clear to me how this would help the Sablan's secure financing, but I would like to understand that point since it had been made.

Representative Reyes: Mr. Speaker, I did not say that with this resolution the financiers that he may have will be happier so to speak. We are just giving the guy a commendation for taking the initiative even though he is living in Guam to develop such a development in the island of Saipan considering that he is from here. So I give him a lot of credit during these difficult times. As far as having a resolution to an entrepreneur or what not I think we have done quite a bit to so many in the previous past I do not see anything wrong with just giving the guy some credit for taking the time and making the time to finding some people to invest in the Commonwealth. He is not occupying public lands he definitely would have to comply with whatever Government requirements are so I see no hurt to it. Thank you.

Vice Speaker Deleon Guerrero: Representative Sablan, are you satisfied?

Representative Sablan: I will rest.

Vice Speaker Deleon Guerrero: You will rest. Are there any other members that would like to take a shot at it? Okay, ready.

There being no further discussions the motion to adopt H. J. R. No. 16-29 was carried by voice vote with Representative Sablan voting no for the adoption.

Vice Speaker Deleon Guerrero: Floor Leader, recognized.

Representative Benavente: Thank you, Mr. Speaker. I now go back to H. J. R. No. 16-28 and I move for the adoption of H. J. R. No. 16-28. Everyone should have a copy of the proposed substitute.

The motion was seconded.

H. J. R. NO. 16-28: Respectfully requesting Gregorio Kilili Sablan, CNMI Delegate to the United States Congress, 111th United States Congress to support the removal and reclassification of the Nightingale Reed-Warbler from the United States Fish and Wildlife endangered species list.

Vice Speaker Deleon Guerrero: The motion has been made and seconded, discussion on the motion. Representative Hocog, recognized.

Representative Hocog: It is the Rule of the House, Mr. Speaker that before we adopt any resolution that an initial of our legal counsel must be in placed and I fail to see that here.

Vice Speaker Deleon Guerrero: If I am not mistaken this is a substitute so the original had already. Representative Salas, can we take a question while you go ahead read it. Go ahead Representative Torres.

Representative Stanley Torres: Just to clarify. On the prior bill it was signed off by Legal Counsel Tajeron and that is when I first introduced that bill. Later on I had him do some revisions on it but he probably did not have to sign off because he signed off on the first version. Thank you.

Vice Speaker Deleon Guerrero: Back to Representative Hocog.

Representative Hocog: Mr. Speaker, this is a House Resolution substitute so I guess it is in placed to go ahead and act on it. Thank you.

Vice Speaker Deleon Guerrero: Okay. We are under discussion so are there any other member that would like to offer comments on the substitute. Representative Stanley Torres, recognized for the second time.

Representative Stanley Torres: I move for the acceptance of the proposed substitute.

The motion was seconded.

Vice Speaker Deleon Guerrero: We have a motion to substitute H. J. R. No. 16-28, copies have been circulated H. J. R. No. 16-28, HS1 and Representative Salas has asked for a moment to take a look at it we will have a short recess before we go into discussion.

The House recessed at 2:59 p.m.

RECESS

The House reconvened at 3:04 p.m.

Speaker Arnold I. Palacios: We are back to our session. I guess before we went on recess the motion was made for the adoption of H. J. R. No. 16-28 and Representative Torres had introduced a substitute, we are under discussion. Representative Benavente, recognized.

Representative Benavente: Thank you, Mr. Speaker. The proposed substitute merely just switches the words around from “removal and classification” to “reclassification and removal”. I would agree we would support maybe starting the process for reclassification if necessary so at this time, Mr.

Speaker I would like to offer a subsidiary motion or an oral floor amendment on the substitute and that is to remove the word “and removal” in the title of the joint resolution. Also on the first “Therefore” clause under line item 13, page 2, remove the word “removal and”.

The motion was seconded.

Speaker Arnold I. Palacios: Okay. That motion has been seconded, discussion on the amendment motion.

There being no discussions on the oral floor amendment offered by Representative Benavente and was carried by voice vote.

Speaker Arnold I. Palacios: If there is no objections could I make some statements.

There were no objections on the floor.

Speaker Arnold I. Palacios: Representative Torres, if I may quandar here what is it we are trying to do?

Representative Stanley Torres: Do you want an answer to that?

Speaker Arnold I. Palacios: Yes.

Representative Stanley Torres: Mr. Speaker, we need to recount our *weed warbler* because it is so abundant. Every where I go I hear them. I know the birds sound...

Speaker Arnold I. Palacios: Now, I know what you are trying to do. You are trying to reclassify it from an endangered species to a threatened species. That is what you are trying to do from what I understand. So where does Kilili come in? Why do we have to ask Kilili? Why not ask the US Fish and Wildlife Service because they are the one that does this?

Representative Stanley Torres: Mr. Speaker, I wrote a letter to Sosa over a month ago and there is no response. So I think it is in the right direction that we ask our Delegate to Washington US Congress to bring it up to the attention of the main offices in Washington DC. We are under the Ninth District, I think its office is in Oregon.

Speaker Arnold I. Palacios: It is the Region 1.

Representative Stanley Torres: I think it is Region...

Speaker Arnold I. Palacios: Region 1.

Representative Stanley Torres: Region 1, okay, overseeing the Pacific portion – including Pagan and Sarigan. I told Congressman Sablan that I will be sending him a resolution and he smiled and said you are going to make me work again – I said yes, we need to declassify these birds because it is choking our economic advancement.

Speaker Arnold I. Palacios: Let me ask – I am trying to visualize, Representative Torres if we send a resolution to our Congressional Delegate I wonder what process he would have to go through to deal

with the Endangered species Act and the request to reclassify. Would he not go through the same process with the US Fish and Wildlife services particularly the Region 1, to request the Region I Director – who is the Region I Director? Sosa?

Representative Stanley Torres: You know, Mr. Speaker Congressman Kilili told us when he was here that he went to the White House – he went to the Secretary of Homeland Security Napolitano without going through the Congressional route asking about our status here on federalization – so I guess he is going to do the same route. To check with the Fish and Wildlife people to check on what do they think our mightiest bird in the Pacific – USS Kitty Hawk out there is watching it guarding the...

Speaker Arnold I. Palacios: Representative Torres, I think if you look at the heading. The heading is kind of confusing because it just says – Requesting Gregorio Kilili Sablan CNMI Delegate to the United States Congress, 111th United States Congress to support – that is the operative word. So what if he says okay Representative Torres I support. What if we put down – if you want to ask him to get the US Fish and Wildlife service to reclassify or delisted why not say to seek for avenue with the pertinent Agency or Department to reclassify this. I mean for us to request or respectfully request Kilili to support this – so what if he supports it?

Representative Stanley Torres: Mr. Speaker, may I request – would you do that now and offer that amendments...

Speaker Arnold I. Palacios: Let take a short recess.

The House recessed at 3:11 p.m.

RECESS

The House reconvened at 3:13 p.m.

(End of Tape three, side A.)

(Beginning of Tape three, side B.)

Speaker Arnold I. Palacios: We are back to session. Before I made the recommendations for amendments on this legislation, I recognize the Vice Speaker.

Representative Deleon Guerrero: Mr. Speaker, we are going around in circles. To me it is irrelevant whether we ask the good Representative Kilili to support or to whatever – help to reclassify this – what is missing in this picture Mr. Speaker is and I have said this over and over again is there is that process to do just that and it has nothing to do with any politician that is what is missing from this picture. There is – and you, Mr. Speaker as the former Director of Fish and Wildlife understands this process better than the rest of us do but it has to start I believe from the local Agency and anybody can correct me to actually conduct the assessment and from there it goes to their grantor agency to whether additional assessment needs to be done and whether such findings support the removal or reclassification or not – that is why I cannot support this resolution we are circumventing that process and we can take it to the President of the United States, but it still will not take away the fact that we are just overriding the right way it should be done and that is why I cannot support this bill in any format – and that is all. Thank you.

Speaker Arnold I. Palacios: Representative Tebuteb, I recall in the last discussion two or three sessions ago the resolution came up for discussion and I had asked to see if you can meet with the local agencies here regarding this issue. Could you please?

Representative Tebuteb: Yes, the Committee did meet with the Fish and Wildlife and the Department of Lands and Natural Resources.

Speaker Arnold I. Palacios: And what did they say?

Representative Tebuteb: Maybe, it would be appropriate if the Committee finalize the Committee Report and then we will present it to the body. But the process that you had tasked the Committee is complete.

Speaker Arnold I. Palacios: Okay. So what is your recommendation in regards to this resolution? Should we hold it until the Committee finish its recommendations?

Representative Tebuteb: I guess that would be up to the body. We can dispose of it or we can pass it.

Speaker Arnold I. Palacios: Representative Salas, recognized.

Representative Salas: Mr. Speaker, I would like to see the Committee Report before we take action on this.

Speaker Arnold I. Palacios: Representative Apatang, recognized.

Representative Apatang: Thank you, Mr. Speaker. This resolution has been sitting in this Calendar for the longest time – this is the second time that we said we are going to wait for an answer. You know – if Representative Torres wants to seek the advice and consent or the approval from the President of the United States that is his option. I do not see why we should stop him from doing that. We have been playing around with this resolution for the longest time – and nobody came out and say send this down to the Fish and Wildlife or send this to the animal industry or whatever for any comments. He has been sitting back there asking that we pass this resolution – all he is asking for is to make Kilili work in Washington – he has been here long enough in the CNMI – three weeks so put him to work – that is what we voted him for. You know he is our Delegate make him work – he has staff that can research instead of spending too much of his time on health issues over there – town hall meeting maybe he can help Representative Torres. But this is his option he wants to do it – everybody has an option here. Thank you.

Speaker Arnold I. Palacios: For your information and just to clarify – as I stated the Chair had the Committee on Natural Resources to take a look at this resolution as it was introduced and as stated by the Chairman the Committee had met with the appropriate Agencies and is in the process of drafting a Committee Report on this resolution. Representative Tebuteb.

Representative Tebuteb: House Resolution 16-14 is another r resolution. That resolution requests the US Fish and Wildlife to do generally this request. This (H. J. R. No. 16-28) is a little bit different – but your question of what is the contention of the Committee on this specific resolution again it is up to the body.

Speaker Arnold I. Palacios: Representative Stanley Torres, recognized.

Representative Stanley Torres: Just to thank Representative Apatang’s for his short comments for supporting my resolution – but let me say a short statement that the further delay or adopting this resolution and firing it out to Congressman Kilili’s office in Washington shows how mighty is the Weed Wabler and even among my fellow colleagues are reluctantly supporting...

Speaker Arnold I. Palacios: There is no reluctance here Representative Torres. The US Congress has have a hard time - has never amended an Endangered Species Act. There have been numerous attempts to repeal the Endangered Species Act. This is going to Congress we can send it to Congressman Sablan and I am afraid that you are not going to even get the process because the process is going to start right back where it is suppose to – at the local Fish and Wildlife Services. I mean – we can send numerous petitions to Congressman Sablan you should just write him a formal letter requesting his assistance, but believe me Congressman Sablan is not going to make this process faster it is not. Congressman Sablan is going to write to the US Fish and Wildlife Services just like Sylvan Igisomar, of Fish and Wildlife Services and they are going to go and ask funding to do a research and they are going to go through the process of petitioning Fish and Wildlife Services – so I think House Resolution 16-14 was actually a vehicle that was already in process – that is already in the midst of the Committee. Let me make a recommendation and a amendment if there is no objections – on the heading “Respectfully requesting Gregorio Kilili Sablan CNMI Delegate 111th US Congress to support and *petition* for the reclassification of the Nightingale Weedwabler from the United States Fish and Wildlife Endangered species list in the CNMI”. And also on page two line 13, to *support and petition* for a reclassification. Discussion on the amendment motion? Representative Raymond Palacios, recognized.

Representative Raymond Palacios: Thank you, Mr. Speaker. I do agree with you earlier when you stated that we need to check with the Fish and Wildlife on island because there was an issue back then about three or four weeks ago where one of the staff of the Fish and Wildlife did agree that the number is growing but not enough to constitute to be taken out of the endangered species list. I believe it should be under our control to determine what number constitutes – and should be included in the endangered species. But there was an article like I said earlier the number is growing but not enough to be taken out of the endangered species list so I do not know – should we inquire or find out from the Fish and Wildlife on island before sending this to Congressman Sablan.

Speaker Arnold I. Palacios: Well, what Representative Torres and what the resolution is attempting to do is to have Congressman Sablan find those facts – make him go through the process too. Ready on the amendment?

There being no further discussion on the amendment motion offered by Speaker Palacios was carried by voice vote.

Speaker Arnold I. Palacios: We are back to the main motion. Representative Sablan, recognized.

Representative Sablan: Thank you, Mr. Speaker. I suppose that we can ask anything of anyone through resolutions, but what we ask and how we ask it and who we ask reflect a great deal on the wisdom and the priorities of this body. I would frankly rather have Congressman Kilili work on other issues, but the fact that we are considering even asking him to do something like this when we know that there is already a process that is science based, that is based on population assessments

and an established mechanism for reclassifying endangered species if such a reclassification could be justified I think would be disappointing to our people. And it is important for us to remember that resolutions are not just expressions of twenty people in this room – they serve as expressions of the community. We are looking at sending this to our US Congressman and Federal officials and frankly I think it would be embarrassing when it is not based on science, or fact or research. It would make more sense and I have said this before we should all along refer this resolution to the Committee – we should have asked for a briefing with the US Fish and Wildlife Service officials and the Division of Fish and Wildlife so that all the members not just the Committee members could have participated and asked questions and if this resolution were simply asking for a science based updated population assessment I would actually support it, but right now I think we are running the risk of exposing this body to ridicule and questions about what is really important and whether or not we really have done the research to understand if we wanted to push for this how to do it properly.

Speaker Arnold I. Palacios: Representative Sablan, let me recognize Representative Palacios's clarification.

Representative Raymond Palacios: Way back during our session the author of this resolution did emphasize that the reason why we are requesting for this because it is hampering investors because of the number. So it is not really embarrassing if it is hampering the investors.

Representative Sablan: It is not based on science. It is based on driving around the island that is not science. And to ask US Fish and Wildlife officials to reconsider – to ask Scientist to reconsider based on one member's drive by assessment is inappropriate. And we should really reconsider...

Representative Stanley Torres: Point of order. It is not just one driver drive-by Representative Sablan. If you do your job and do a one week driving around and parking at different areas and if you know how the birds sounds I am pretty sure you are going to agree with me. And I am not ashamed to ask Washington to relieve me from something that is killing me.

Speaker Arnold I. Palacios: Ready. Representative Hocog, recognized.

Representative Hocog: Mr. Speaker, I guess we should not forget that the Committee on Natural Resources who is handling the other resolution and I would like to ask the Chairman to continue with that finding and this resolution is addressing the Office of our US Delegate while the other resolution will be addressing the Agency itself. So I would like to see that resolution also to come up with its Committee Report. Thank you.

Speaker Arnold I. Palacios: Mr. Chairman, Representative Tebuteb what is the local agency's recommendation?

Representative Tebuteb: Our preliminary meeting with the Agency based on the request to the United States Fish and Wildlife is that they are task to do this survey to collect data's and specifically on this subject they have difficulty in trying to come up with a very objective survey so that it is pronounced. So the Committee awaits the recommendation with regards to that specific resolution to request US Fish and Wildlife to reclassify and remove – House Resolution 16-14 is to remove and the CNMI does not have the authority it is only the US Fish Wildlife. So they are a few other rooms that needs to be filled.

Speaker Arnold I. Palacios: So in essence what you are saying is that the local agency through the Fish and Wildlife service is undergoing a survey process and review process of this species itself – population? Do they have an ongoing survey?

Representative Tebuteb: No. At least with the surface of the discussion there seems to be some opinions of the people of affect the decisions to move forward on this issue. So we have someone saying *yes* we have someone saying *no – I agree, I disagree*. So we are trying to figure out where we go from there with regards to just that specific request on the resolution.

Speaker Arnold I. Palacios: Ready for the question.

The Speaker called on a voice vote for the adoption of House Joint Resolution No. 16-28, HS1, HD2 and there was a division on the floor and therefore, the Speaker called for the roll.

The Clerk called the roll on the adoption motion to H. J. R. NO. 16-28, HS1, HD2:

Representative Edwin P. Aldan	absent (excused)
Representative David M. Apatang	yes
Representative Oscar M. Babauta	yes
Representative Diego T. Benavente	yes
Representative Joseph N. Camacho	absent (excused)
Representative Francisco S. Dela Cruz	yes
Representative Joseph P. Deleon Guerrero	no
Representative Victor B. Hocog	yes
Representative Heinz S. Hofschneider	absent (excused)
Representative Raymond D. Palacios	yes
Representative Justo S. Quitugua	yes
Representative Joseph C. Reyes	absent (during voting)
Representative Christina M. Sablan	no
Representative Edward T. Salas	no
Representative Rosemond B. Santos	absent (excused)
Representative Ramon A. Tebuteb	no
Representative Ralph DLG. Torres	yes
Representative Stanley T. McGinnis Torres	yes
Representative Ray N. Yumul	no
Speaker Arnold I. Palacios	no

Speaker Arnold Palacios: By a vote of nine “yes” and six “no”, H. J. R. NO. 16-28, HS1, HD2, is hereby adopted. Floor Leader, recognized.

Representative Benavente: Thank you, Mr. Speaker. We are done with Resolution Calendar we will now move down to the Bill Calendar.

BILL CALENDAR

Speaker Arnold I. Palacios: Short recess.

The House recessed at 3:34 p.m.

RECESS

The House reconvened at 3:37 p.m.

Speaker Arnold I. Palacios: We are back to our plenary session. Floor Leader, recognized.

Representative Benavente: Thank you, Mr. Speaker. I move for the passage on First and Final Reading H. B. NO. 16-225.

Speaker Arnold I. Palacios: The motion is for the passage of H. B. NO. 16-225 “To amend 4 CMC § 1503(a)(5) to reduce the license fee for pachinko slot machines; and for other purposes” – reference S. C. R. No. 16-84. Do I hear a second to the motion?

The motion was seconded.

H. B. NO. 16-225: A Bill for an Act to amend 4 CMC § 1503(a)(5) to reduce the license fee for pachinko slot machines; and for other purposes.

Speaker Arnold I. Palacios: The motion has been seconded, discussion. Representative Apatang, recognized.

Representative Apatang: Mr. Speaker, I just got a question here on the reduction of this license fee. I wonder if there was an impact study on this – will it affect the local revenues if we pass this bill.

Speaker Arnold I. Palacios: Representative Yumul, recognized.

Representative Yumul: Thank you, Mr. Speaker. At the present time there actually is going to be an impact of zero dollars because there is no pachinko slot machines currently registered.

Speaker Arnold I. Palacios: Okay. Representative Apatang, you still have the floor.

Representative Apatang: Thank you, Mr. Speaker. So what is the intent for reducing the fees – is it the intent to open up the number of machines or what? What is the rationale behind this?

Speaker Arnold I. Palacios: Representative Stanley Torres, recognized.

Representative Stanley Torres: Congressman Apatang, are you asking about the rationale, *yes* it is going to increase the number. An investor is asking for a lower fee so that they can bring their pachinko machines and start generating revenue for the CNMI. I think that everybody has that letter from the investor a couple of months ago.

Representative Apatang: But what is the recommended fee and how much revenue are they are thinking they will raise?

Speaker Arnold I. Palacios: Representative Benavente, recognized.

Representative Benavente: Thank you, Mr. Speaker. I just remembered back that at the time when we had the pachinko machines on the island I am not sure what the numbers are but they did exist when the fee at the time was \$2,000 per machine. They since had to shut down and remove those machines when we increased the fee to \$6,000. And I guess the intent of the proposed legislation is to try to bring that revenue back by bringing down the fee from the \$6,000 to \$2,000 so we can bring those machines back to raise revenues. Thank you.

Speaker Arnold I. Palacios: Are there any more discussions? Representative Sablan, recognized.

Representative Sablan: I think we have been here before – extensive discussions went on during the deliberations of the Committee Report and my concerns months ago remain the same. I do not think that the intent can seriously be as this Committee Report indicates to attract more tourists or to give tourists more in terms of destination enhancement – the intent will be to cut a break to that one investor that has many pachinko slot machines laying around apparently and wants to come in for a good deal and he will profit tremendously as the poker parlors have off of our people. And if anyone here is comfortable with that given the impacts of poker on our community then we should be honest and say so for the record. But if we are not and I am not then I think that we should put this bill to rest because it has – even when the Committee Report was first adopted and people got wind of it – it created a lot of anxiety in the community and I think that the social benefits of not encouraging more gambling in the our small community that has already been so heavily impacted by that far outweigh any additional fees we might incur from the one investor who has so many pachinko slot machines and is just waiting for us to pass this bill. I would like to rest at this time.

Speaker Arnold I. Palacios: Representative Salas, recognized.

Representative Salas: Mr. Speaker, I share the same sentiments. I think there has been a lot of movement and outcry to try to move the poker parlors out of our villages and some instances trying to ban poker totally and I do not think it is right for us to allow another gambling device that could be easily assessable to our people and have them more addicted to gambling... (*End of Tape Three side B*) (*Beginning of Tape Four side A*) whatever revenues supposed to generate I just do not think that it is really right for us to offer something like this for our people to continue to be addicted to gambling. Thank you.

Speaker Arnold I. Palacios: Thank you. Representative Hocog, recognized.

Representative Hocog: Well, I guess Mr. Speaker, the H. B. NO. 16-225 is only requesting the reduction at this point in time and right now what I fail to see in the bill is what would be the local share as a result of reducing this pachinko machine fees. What would be local share and what would be the General Fund's share? Is it 50-50 or is it the same with the regular pachinko poker machine?

Speaker Arnold I. Palacios: It would have to. Particularly on this poker and pachinko slot machines the local fee cannot be higher than the General Fund fee. So if we do lower the General Fund fee from \$6,000 to \$2,000 by operations of law the \$6,000 that is presently the local level will have to automatically go down to \$2,000 also. Am I correct Legal Counsel? It is by operation of law the local tax cannot be higher than the General Revenue Tax. So in this case if we lower the General Revenue License fee which is \$6,000 to \$2,000 then the local license fee has to also go down to \$2,000. And it is split 50-50. Representative Apatang, is that...

Representative Apatang: I just want a clarification as to – right now there is no pachinko slot machines on island because nobody wants to buy a license for \$6,000...I am sorry?

Representative Salas: I think the pachinko machines are on island but they are not operating.

Representative Apatang: They are not licensed to operate.

Representative Salas: Right, they are not licensed because of the amount that they have to pay.

Representative Apatang: The question on my mind is – is the pachinko slot machine a one armed banded machine which was declared illegal back then – it was not legal to have on island but to be licensed to operate on island – is that the same machine?

Speaker Arnold I. Palacios: It is actually – the function is the same if I am not mistaken. They somehow call it pachinko but it really is a slot machine. The operations of pachinko that I have seen in Japan are totally different from this machine that they call pachinko slot machine on island. Representative Hocog, do you clarify that.

Representative Hocog: Mr. Speaker, is the law permissive at this point in time to operate a slot pachinko? So it is just the matter of reducing the fee then. And if there is a couple of unlicensed machines and who owns these machines is interested to operate under the reduced rate being permissive by law this is the call of Saipan and Northern Islands Legislative Delegation to actually decide whether or not to have that.

Speaker Arnold I. Palacios: Well, what the bill is attempting to do is to reduce the General Revenue license fee not the Delegation fee. If you reduce the General Revenue license fee automatically it will reduce the Senatorial local fee.

Representative Hocog: Yes, but what I am saying today, if there is three hundred sitting on island and it is not operating there is zero revenue both for the Local and General Fund. So by asking to reduce the \$6,000 to \$2,000 in order for these machines to be operated simply is they are buying to go ahead and even pay the licenses even with the \$6,000 if they so desire. So I wonder why did they take this out from the shelf and the owner of these machines are not paying licenses under the bracket of \$6,000 and why is it that they are requesting for \$2,000. Perhaps, it is not profitable and it is a way of taking chances again to revitalize interest of players in this smaller bracket of license fees. And even if consideration is to be taken at this point, Mr. Speaker, the \$2,000 fee if there being no interested players again, he stands to lose with whatever machine that he intends to pay the license to operate. So I believe the win – win there is both the Government and the chances of him promoting this kind of industry is a big question on his side because if there is really a profit going to him with a \$6,000 fee why would he not pay that compared to a poker who is paying \$12,000 a piece? Whether you guys want to gamble on the fees for revenue or just shut the amendment off. Thank you.

Speaker Arnold I. Palacios: Let me recognize, Representative Benavente.

Representative Benavente: For the last time as well this is my second time, Mr. Speaker. My comments earlier were meant as a response to the questions asked by Representative Apatang and I did say that I remembered back then when we did have the machines. I also, now, just remembered that one of the reasons why we went from the \$2,000 to the \$6,000 to the \$12,000 fee that we require for the pachinko and poker machines was the intent at the time with the members of the Legislature was to create the attrition if you will to slowly but surely remove the casino machines the gambling machines on the island and I think it has worked in this case with the pachinko – it has not yet worked yet for the poker. But it has worked for the pachinko it was the intent of the Legislature at the time when we changed the fee and you know I still support that intent. Thank you.

Speaker Arnold I. Palacios: Representative Sablan, for the last time.

Representative Sablan: Well, just to follow up on that if Representative Benavente still supports that intent and if other members still supports that intent then why would we be considering passing legislation to revitalize pachinko slot machine gambling in the CNMI if the original intent has have worked – then why would we go back on that? It does not make any sense to me. Second, I have not had a chance to review yet the new Department of Finance Regulations that came out but I had some questions about the types of gambling that the Administration has apparently tried to legalize by regulation – forms of gambling that we had nixed last year’s I recall. And now the way has been paved for that through the regulatory process and I think that is something that we should take a serious look at and challenge. Now, one last comment that was made by the Chamber of Commerce that has not really been made for the record here is stated very articulately I think and I do not always agree with the Chamber but when a prominent business organization tells the Legislature that they believe that it is inappropriate for the Legislature to tinker with established fees and direct response to a request from a single company which we are doing in this case we should think twice. *Such action on the part of the Legislature furthers the impression that the Commonwealth’s business environment is unstable and that the laws, regulations, and fees are driven more by well connected investors than by a coherent legislative vision that equitably forms a framework for conducting business in our islands.* Like I said I do not always agree with the Chamber but could not agree more with that statement.

Speaker Arnold I. Palacios: Ready for the question. Representative Tebuteb, recognized.

Representative Tebuteb: Thank you, Mr. Speaker. Certainly, this is a policy call and other than it is a proposed request legislation that is why this is put forth and anybody of course can make amendments or for that matter vote down the bill and I would like to also remind that I think that there was an attempt by one of our colleagues to work on the poker establishment with regards to the Zoning Law and we have failed on the attempt or what the proposal had attempted to do away with the poker concerns that we have within our community. So it is a policy call and I certainly respect anybody’s opinion.

Speaker Arnold I. Palacios: Certainly. Ready for the question? Representative Yumul, recognized.

Representative Yumul: Thank you, Mr. Speaker. By the time the Committee Report was prepared this was over six months ago and the question at hand when the legislation came to the Committee it was pretty straight forward – it is about revising fees for the purpose of encouraging development. I actually was not here when the debate for this Committee Report subsequent legislation made it to the Bill Calendar, but I guess there was an investor of sorts that have put a document before the body – I am actually unaware of that document. Even when the Committee put this Report together I was unaware that there was an investor so called interested party already looking to bring back pachinko slot machines and then again some comments about the original intent going back many years ago. But to put things into perspective with that – that appeared also when the economy was very vibrant and the direction probably back then was to look into the developing industries such as the Garment Industry and Tourism Industry. Now, we are really left with just developing Tourism at this time and hope for some scraps from the military buildup if any at all in the Commonwealth – Tinian and Saipan. But then this new development with the Department of Finance promulgating Rules for video lottery and these are all new or that in itself is new and I would like to even consider recalling this legislation back to the Committee so we can put that into perspective too and say maybe we do not even need to do anything at this point because we already have this Regulation that might even make casino gambling through a video type of environment up at the La Fiesta.

Speaker Arnold I. Palacios: That is another question that perhaps this body can look into it certainly continues to be an issue. Ready for the question. Clerk please call the roll.

The Clerk called the roll on the motion to H. B. NO. 16-225 on First and Final Reading.

Representative Edwin P. Aldan	absent (excused)
Representative David M. Apatang	no
Representative Oscar M. Babauta	yes
Representative Diego T. Benavente	no
Representative Joseph N. Camacho	absent (excused)
Representative Francisco S. Dela Cruz	no
Representative Joseph P. Deleon Guerrero	yes
Representative Victor B. Hocog	yes
Representative Heinz S. Hofschneider	absent (excused)
Representative Raymond D. Palacios	yes
Representative Justo S. Quitugua	no
Representative Joseph C. Reyes	absent (during voting)
Representative Christina M. Sablan	no
Representative Edward T. Salas	no
Representative Rosemond B. Santos	absent (excused)
Representative Ramon A. Tebuteb	yes
Representative Ralph DLG. Torres	no
Representative Stanley T. McGinnis Torres	yes
Representative Ray N. Yumul	abstained
Speaker Arnold I. Palacios	no

Speaker Arnold Palacios: By a vote of six “yes” and eight “no”, H. B. NO. 16-225 hereby fails to pass the House. Floor Leader, recognized.

Representative Benavente: Mr. Speaker, I move for the passage on First and Final Reading H. B. NO. 16-167, HD3.

Speaker Arnold I. Palacios: The motion is for the passage of H. B. NO. 16-167, HD3, do I hear a second to the motion?

The motion was seconded.

H. B. NO. 16-167, HD3: A bill for an Act to amend 1 CMC § 8222 regarding housing for key government officials; and for other purposes.

Speaker Arnold I. Palacios: The motion has been seconded, discussion. This is in regards to the housing for key government officials. Representative Yumul, recognized.

Representative Yumul: Mr. Speaker, just for the record the House Standing Committee Report cites House Draft 2, although the bill that is attached to it says House Draft 3. Thank you.

Speaker Arnold I. Palacios: Okay. It should be House Draft 3. Discussion on the motion. Representative Apatang, recognized.

Representative Apatang: Mr. Speaker, actually I do not object to the intent of this bill, but I do not think it is fair that we deny our Governor, our Lieutenant Governor housing privileges for its official

residence - Who ever is going to be the Governor or Lieutenant Governor the housing privilege for the official residence. The bill will be okay if those particular houses are built to accommodate the Governor, the family and the guest if they are going to entertain visitors from off island or where ever. Most of the time Governors in every State even the Territory of Guam the Governor has an official residence where they live in because it is maintained and it is presentable to host visitors from off island they are not embarrassed to do that. But if you are going to force the Governor or Lieutenant Governor to stay in a house where it is dilapidated – leaking roof, you see buckets on the floor catching rainwater when ever it rains – you know it is not right. The intent of the bill came up because of the many issues that we are facing. They brought up the former Lieutenant Governor’s utility bill, that is part of the privilege that you have being in there. Some of us want to be – or you can say you are not there yet you are probably dreaming of being up there – one of these days and you would want to stay in a government house a nice building where you can entertain people, but if you do not have that now you are kind of forced to stay in your own residence so the privileges should be transferable – that is part of being a Governor and Lieutenant Governor and the people voted for that and that is what they wanted. It is just too bad that the economic situation is not the same right now. So why are we taking these privileges away. Even the Speaker of the House has privileges like this – they are not using they have a Government house they are not using because who wants to stay in that place up there, now, I think it is being used as an Archive. It does not make sense. I know we want to look good because we say we introduce a bill that will stop all this privileges but to me I feel that whoever is the Governor and the Lieutenant Governor they deserve to live in a good place where they can be proud to bring in visitors and say welcome to the CNMI. Mr. Speaker, I think the timing for this bill is not right at this time. If the Governor has a residence that they can move in and by happy about it and the Lieutenant Governor then I will support the bill, but in the meantime let them stay in their house get the privilege is designed to receive. Thank you.

Speaker Arnold I. Palacios: Are there any further discussion? Representative Hocog, recognized.

Representative Hocog: I just want to congratulate Representative Apatang for his well thought out reasons regarding his opposition of this bill. Thank you.

Speaker Arnold I. Palacios: Representative Babauta, recognized.

Representative Babauta: I would also like to add my congratulations to Representative Apatang. Just one of my concerns here is since we became a Commonwealth this Government has not built any Capital for that matter and we are all responsible – I mean the Legislature aside from the Judicial Branch of course – I mean we expect the highest office to live in a postwar building that annually has been incurring expenses as far as renovation is concern. So we need to realize the fact of the matter is that we need to appropriate funds for this type of facility – whether or not who gets in I do not care, but to come up with a legislation like this is to me personally is something that we need to reassess because we are looking at the highest office in the Commonwealth. I am pretty sure the present Governor can hack his electrical power for that matter and still come up shinning, but I reserve my vote in voting with this bill because we do not know what the future holds we can never tell who is going to come in. It is just that we need to have a presentable facility, Mr. Speaker I am not saying that all of us has a presentable facility our own private residence, but we have to be mindful of the office that he carries. That is the only concern that I have. Thank you.

Speaker Arnold I. Palacios: Let me recognize, Representative Quitugua.

Representative Quitugua: Mr. Speaker, the bill is okay if we have Government houses for the officials, but if we do not have any Government houses and I understand that the current houses are condemned and it is not livable – it is unsafe to live in those houses. So in the absence of Government provided houses how are they going to opt to or not opt to if there is no houses available designated for the Governor and the Lieutenant Governor and for the President of the Senate and the Speaker of the House for that matter?

Speaker Arnold I. Palacios: That is a question that everybody can take a crack at. Representative Salas, recognized.

Representative Salas: Actually, Mr. Speaker I share concerns of both Representative Apatang and Representative Quitugua has. So I have asked the Legal Counsel to come up with some sort of a language that we can offer as amendment, but he is working on it right now.

Speaker Arnold I. Palacios: Representative Sablan, recognized.

Representative Sablan: Thank you, Mr. Speaker. I just wanted to express my continuing support for the passage of this legislation. I guess I do not see it as taking away a privilege the option of public housing will still be there in the law. What I see this bill is doing is correcting a loophole in the law that has sadly been subject to abuse. And in these times of fiscal crisis we need to look at every opportunity to minimize opportunities for abuse. If a descent and presentable and respectable State House is important and is a priority of this body then one option that we can consider for the Fiscal Year 2010 Budget is to include at least a small portion of funds that would go to renovating those public buildings. They are historic sites they are worthy of attention and we could also take it a step further and urge the Administration to apply for Federal funds. There are historic preservation funds that would be available for such a project. There is also Department of Energy Grant Funds that could turn it into a state of the art energy efficient facility that would also be a model for the community. So we do not have to limit ourselves and our imaginations at this point to what we have now, which is a condemned building that has been neglected, but that is our responsibility. If we care about it then we should focus our energies on correcting that. But at this point this legislation again, is just to close loopholes that presently exist and then we can focus our energies on addressing the problems that other members have raised.

(End of Tape four side A)

(Beginning of Tape four side B)

Speaker Arnold I. Palacios: Representative Tebuteb, recognized.

Representative Tebuteb: The intent of this legislation – there are a few points such as, do we need to save money or otherwise, but at the onset it was raised with regards to utilities as an issue it is reflective in the Committee Report. And then the Committee came out with S. C. R. No. 16-78 and that recommendation from that Committee Report reflected those concerns and pegged it at as much as \$500, but in this final bill it does not reflect that concern. And I am in totally agree with Representative Quitugua’s issue. Thank you.

Speaker Arnold I. Palacios: Let me ask. Were there two legislations if I am not mistaken? Vice Speaker Deleon Guerrero, recognized.

Representative Deleon Guerrero: Mr. Speaker, this bill has morphed from this version and then it was amended to give compensation to allow these key Government Officials to be able to receive some benefits and so it was amended to reflect that. But when the Chairwoman of that Committee consulted me, the author I did not agree with that amendment that was never my intent. So I asked them to please report it back in its original form. If the members do not want to support then fine I can live with that, but to do something that was never my intention and to have my name on is not something I would agree with. Mr. Speaker, this bill was intended to address an issue that was never addressed by law. The law is very silent it does not say that you can carry this privilege to your home residence it was just applied silently. If any member if it is the wish of this body that – that privilege be given to key Officials then let us enact a law to say just that and any member is welcome to do that it is not my intent though. With regards to whether the Government officials are not worthy of being occupied or they are not structurally sound that is understandable, but I think this is an apple and that is an orange these are two different issues. Whether a key official is entitled to that benefit it is not an issue – they are entitled to it. If the structure is not sound then we as a body can do something to make it sound. I have seen Government official’s housings renovated with government funds that has been done before and so nothing prevents neither the Administration nor this body from doing just that if that is the concern of this body – I have seen it done it has happened before, but to say that this bill is not right because it attempts to close a loophole because nothing is being done to correct this deficiency is not to me does not make sense – I am sorry. All this bill intends to do is close a loophole that is not addressed by law – that is all that it does. I will support renovating – I support that the fact that our key government officials, our Governor, our Lieutenant Governor, our Presiding Officers should have government housing and that they should be entitled to be able to get free electricity in that government housing because they host. Why? Because it is an official Government residence and I think that is the term that has to be understood here – it is an official government residence. It is not intended to be hosting *kumaire and kumpaire* for barbeques – it is intended that when we have official government guests that you can host them and that is why we as a people allow that government official to be able to avail of that benefit, but please let us not convolute the issue and please I have been accused of this that this is political. I do not care if it applies to whoever the next Governor is. It is just clarifying something that was never clarified by law and if we want let us make the official government residence an issue and appropriate funds accordingly to make it satisfactory – that is all, but let us not convolute the issue. Thank you.

Speaker Arnold I. Palacios: Representative Dela Cruz, recognized.

Representative Dela Cruz: Thank you, Mr. Speaker. I am not sure whether the word is morphed as Vice Speaker Deleon Guerrero states it, but I believe the legislation is rather watered down it has basically been turned upside down if you will. And to some of the members I do agree that the issue is about trying to control expenditures most specifically utility expenditures. But after looking at HD3, I find that on page one, line 15, “*In the event that the aforementioned officials opt not to stay in Government housing then they will not be illegible to receive any housing benefits inclusive of utilities*” – that runs contradictory to the Standing Committee Report on page three, about line 2, and starting off of “*The Committee therefore found it reasonable to amend the measure to provide that when an official opts to reside in his or her private residence an allowance of up to \$500 will be granted for utility consumption*” – now that in itself is very contradictory to me. I wonder if the Committee had taken the time also to see the condition of these houses before actually coming out with this Report. If a building is condemned and I am not sure whether it is condemned then I would not know what to make of it except that these individuals the higher office holders the Governor and the Lieutenant Governor will have to reside somewhere and where would that be – it would be in

their own private residence. But as the bill stands, Mr. Speaker, I cannot support this. Like I said it has been watered down and it is conflicting with the Standing Committee Report. That is all, Mr. Speaker.

Representative Benavente: Clarification, Mr. Speaker.

Speaker Arnold I. Palacios: I recognized Representative Benavente under point of clarification.

Representative Benavente: Thank you, Mr. Speaker. As the Vice Chairman on the Committee on Judiciary and Government Operations (JGO) let me try to explain in what happened. The Committee had mostly finalized the bill with the provision that allowed for the \$500 credit for utilities if government officials resides in their residence and then we had decided to consult with the author of the legislation and when we did consult with the Vice Speaker he convinced us that we would go ahead and present the bill as it was originally introduced that is without the \$500 credit. And so we did so and I guess I must apologize that the Committee Report that was finished was not corrected to reflect the latest decision, but that is what happened. Though at this point I guess I can say that it is the Committee's intent and as you can see without my signature because I did not agree with the legislation that we will present to the body the bill as introduced by the Vice Speaker.

Speaker Arnold I. Palacios: Okay. Representative Salas, recognized.

Representative Salas: I yield, Mr. Speaker. I have talked to my attorney here to my left and the amendment that I was going make was too ambiguous and it would probably open up a can of worms and it would probably take longer to debate. So I decided to forget it.

Speaker Arnold I. Palacios: Alright. Representative Sablan, recognized.

Representative Sablan: I am looking at the same report because the paragraph that follows that Representative Dela Cruz was reading does say that the Committee met with the author and deliberated further and that the majority supports the passage of the original version. So it is there – is that the same...

Speaker Arnold I. Palacios: Yes, it is that is clarified. Representative Yumul, recognized.

Representative Yumul: That was my original concern is that you have basically a Committee creating a House Draft 3, when it really should be House Draft 2, Committee Substitute 1 or some reference that shows that it was a Committee amendment change not a House Draft unless it is being offered. That is why I am confused as to when reading and then I look at the cohesion here that there all broken up.

Speaker Arnold I. Palacios: Let us take a short recess to address that particular issue.

The House recessed at 4:25 p.m.

RECESS

The House reconvened at 4:25 p.m.

Speaker Arnold I. Palacios: We are back to session. Legal Counsel, recognized.

Legal Counsel A. Villagomez: If you reading the findings – I mean the Committee Report explains – the bill was first introduced and it was withdrawn from Committee and then it was amended House Draft 1, and then it was referred back to Committee – the Committee made amendments which resulted in House Draft 2, and then the Committee reported House Draft 2 in Standing Committee Report No. 16-78 it was again debated and then it was referred back to Committee again. So the Committee went back and deliberated and changed the bill again because it reverted back to the original form so that is House Draft 3. When we use House Draft 3 when the Committee makes those changes it is just a recommendation until the House adopts it – it is not official. So it is just a recommendation by the Committee that the House adopt the bill in this form House Draft 3. I know in the past we have used Committee Drafts and Committee Substitutes which leads to confusion because the House Rules does not provide for the Committee to substitute anything or to change anything. The Committee can only make recommendations and if the House adopts it then it becomes House Draft 1 or House Substitute.

Speaker Arnold I. Palacios: Okay, I think we understand.

Legal Counsel A. Villagomez: So with this bill it went back and forth several times this is the second time it has been reported out by the Committee. And according to the Committee this is the original form of the bill – Vice Speaker is this correct – this is original language?

Speaker Arnold I. Palacios: Yes.

Legal Counsel A. Villagomez: So this goes back to the original language of the bill pursuant to this Committee Report.

Speaker Arnold I. Palacios: The numbering system is good. Are there any more? Are we ready for the question? Clerk please call the roll.

The Clerk called the roll on the motion to H. B. NO. 16-167, House Draft 3 on First and Final Reading.

Representative Edwin P. Aldan	absent (excused)
Representative David M. Apatang	no
Representative Oscar M. Babauta	no
Representative Diego T. Benavente	no
Representative Joseph N. Camacho	absent (excused)
Representative Francisco S. Dela Cruz	no
Representative Joseph P. Deleon Guerrero	yes
Representative Victor B. Hocog	no
Representative Heinz S. Hofschneider	absent (excused)
Representative Raymond D. Palacios	no
Representative Justo S. Quitugua	yes
Representative Joseph C. Reyes	absent (during voting)
Representative Christina M. Sablan	yes
Representative Edward T. Salas	yes
Representative Rosemond B. Santos	absent (excused)
Representative Ramon A. Tebuteb	yes
Representative Ralph DLG. Torres	no
Representative Stanley T. McGinnis Torres	no
Representative Ray N. Yumul	yes
Speaker Arnold I. Palacios	yes

Speaker Arnold Palacios: By a vote of seven “yes” and eight “no” the passage of H. B. NO. 16-167, House Draft 3, is hereby disapproved by the House.

ANNOUNCEMENTS

Speaker Arnold I. Palacios: Before we ask are there any Announcements? Representative Yumul, recognized.

Representative Yumul: I have the answer to the question posed earlier about the Governor’s Memo if anyone wants to hear on or off record.

Speaker Arnold I. Palacios: Please proceed.

Representative Yumul: Mr. Robert Shrack, the Acting Secretary of the Department of Finance had deferred that question to the Governor’s Office. Thank you.

Speaker Arnold I. Palacios: So he did not...

Representative Yumul: He is not in control.

Speaker Arnold I. Palacios: So who at the Governor’s Office should we ask?

Representative Yumul: The Lieutenant Governor, Eloy Inos it is his Directive. Of course the Governor did sign the memo, but according to Acting Secretary Robert Shrack he is also directed everybody is included – including the two Branches. Thank you.

Speaker Arnold I. Palacios: Okay.

MISCELLANEOUS BUSINESS

Speaker Arnold I. Palacios: Representative Stanley Torres, recognized.

Representative Stanley Torres: I am not sure if everybody will agree with me in this House, but I think that it is very important that our Chairman for Health Education and Welfare (HEW) should look into this issue. Back in June 2009, a former teacher of the Gregorio T. Camacho (GTC) Elementary School in San Roque as a retired Teacher from Guam and was hired here as a Teacher too for about ten years – he was arrested and indicted for sexually molesting two twelve year girls (students) in Guam as published in the Guam PDN in June of this year. I know this person that he is a loud mouth and arrogant and a show off and I suspect to believe that it probably happened during his employment in our Public School System (PSS) that is unreported. He may have done the same situation that he has in Guam that is not reported – his name is Serafin Pablo I understand that before he got in Guam he is back to teaching school. So I think it warrants an investigation - an inquiry to our PSS that if there is any mention about this incident that it should be reported to the Guam authority to further investigate because this is a serious matter. If he has done something about the same child molestation it should be known and investigated.

Speaker Arnold I. Palacios: Thank you. Representative Ralph Torres, recognized.

Representative Ralph Torres: I would like to thank Representative Stanley Torres regarding this matter and I will definitely look into and perhaps do my own communication with the Congressman.

Speaker Arnold I. Palacios: Thank you. Floor Leader, a motion for adjournment subject to the call of the Chair.

ADJOURNMENT

Acting Floor Leader Diego T. Benavente moved to adjourn subject to the call of the Chair; it was seconded and carried by voice vote.

The House adjourned at 4:35 p.m., subject to the Call of the Chair.

Respectfully submitted,

Linda B. Muña, Journal Clerk
House of Representatives

APPEARANCE OF LOCAL BILLS

FIRST APPEARANCE: 1st Legislative appearance of a local bill is on the day it is introduced.

SECOND APPEARANCE: NONE

THIRD APPEARANCE: NONE