



# House Journal

## SIXTH SPECIAL SESSION, 2008

**Adopted:  
January 12, 2009**

**Second Day**

**Wednesday, June 18, 2008**

The House of Representatives of the Sixteenth Northern Marianas Commonwealth Legislature convened its First Day, First Special Session on Wednesday, June 18, 2008, at 1:55 p.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 fifteen members were present. Representatives Diego T. Benavente, Joseph P. Deleon Guerrero, and Joseph C. Reyes came in late; Representatives Victor B. Hocog and Justo S. Quitugua were absent and excused.

Speaker Arnold Palacios: Representatives Reyes, Benavente, and Deleon Guerrero will be coming in late. Representative Quitugua and Representative Hocog are hereby excused for today's session. Floor Leader, can we automatically go to the Bill Calendar so we can take on two of these bills before we go entertain the Reports of Standing Committees. Representative Babauta, recognized.

Representative Babauta: Mr. Speaker, can you entertain introduction of bills, I have one bill.

Speaker Arnold Palacios: I apologize, we go to Item 3, Introduction of Bills. Before I recognize Representative Babauta, Clerk, please take note that Representative Reyes is present.

### **ADOPTION OF JOURNALS**

NONE

### **INTRODUCTION OF BILLS**

Speaker Arnold Palacios: Please proceed, Representative Babauta.

Representative Babauta: Thank you, Mr. Speaker.

H. B. No. 16-122: A Bill for an Act to repeal Division 4 of Title 1 of the Commonwealth Code; and for other purposes.

Offered by: Rep. Oscar M. Babauta and one other

Referred to: Committee on Judiciary and Governmental Operations

Speaker Arnold Palacios: Are there any more bills or resolutions for introduction? If none, we move down to Item 16.

**INTRODUCTION OF RESOLUTIONS**

None

**MESSAGES FROM THE GOVERNOR**

None

**SENATE COMMUNICATIONS**

None

**HOUSE COMMUNICATIONS**

None

**COMMUNICATIONS FROM THE JUDICIAL BRANCH**

None

**COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE**

None

**COMMUNICATIONS FROM DEPARTMENTS AND AGENCIES**

None

**OTHER COMMUNICATIONS**

None

**REPORTS OF STANDING COMMITTEES**

S. C. R. No. 16-26: Reporting on H. B. No. 16-19, entitled, "To Amend 8 CMC § 1402, and for other purposes." *Your Committee on Judiciary and Governmental Operations recommends passage of the bill with amendments.*

S. C. R. No. 16-27: Reporting on S. B. No. 16-13, SD3, entitled, "To forbear, in certain instances, the collection of the educational financial assistance liability of returning college students who cannot find employment with the Commonwealth due to budgetary limitations or because a position is filled by a foreign national worker; and for other purposes." *Your Committee on Health, Education, and Welfare recommends passage of the bill as substituted by the Committee.*

No action was taken on the Standing Committee Reports.

**REPORTS OF SPECIAL AND CONFERENCE COMMITTEES**

None

## UNFINISHED BUSINESS

None

## RESOLUTION CALENDAR

H. COMM. RES. NO. 16-3: A House Commemorative Resolution honoring and commending Ms. Christine Dela Cruz Torres for her exemplary performance and graduating from the United States Coast Guard Academy and for receiving her commission as an Ensign in the United States Coast Guard.

H. R. NO. 16-27: A House Resolution to express sincere appreciation to United States President George W. Bush for expeditiously signing H.R. 5140, the Economic Stimulus Act of 2008, that, in part, resulted in the Commonwealth of the Northern Mariana Islands receiving approximately \$16.1 million for disbursement to the Commonwealth taxpayers.

H. R. NO. 16-36: A House Resolution respectfully requesting the Director of Quarantine to investigate the matter of alien pests and insects invading the Commonwealth of the Northern Mariana Islands through our CNMI ports of entry.

No action was taken on any of the resolutions.

## BILL CALENDAR

The Chair recognized the Floor Leader.

Floor Leader Camacho: Mr. Speaker, I believe we are in the Bill Calendar at this time.

Speaker Arnold Palacios: Yes.

Floor Leader Camacho: Mr. Speaker, a motion for passage of House Bill No. 16-118 on First and Final Reading with reference to Office of Vocational Rehabilitation (OVR) and disability.

The motion was seconded.

**H. B. NO. 16-118:** A BILL FOR AN ACT TO AMEND 1 CMC § 8347, AND FOR OTHER PURPOSES.

Speaker Arnold Palacios: This is in reference to a recent veto by the Governor on that retirement legislation regarding rehabilitation and disabilities certification. Representative Reyes.

Representative Reyes: Thank you Mr. Speaker. I believe I did pass an amendment to the bill yesterday and that amendment actually has nothing to do with the context of the intent of the law but rather just to be complacent with the request of the Retirement Fund program on the findings. At this time I would like to move for the amendment.

The motion was seconded.

The floor amendment offered by Representative Reyes to H. B. NO. 16-118 is to substitute Section 1 of H. B. NO. 1-118 in its entirety to read:

**“Section 1. Findings and purpose.** The Commonwealth Legislature finds that Public Law 13-60 amended, among other provisions, Title 1 CMC § 8347, to require that potential disabled retirees be evaluated by two physicians and a vocational rehabilitation counselor. The Legislature finds that this requirement has created a hardship for some retirees and for the Retirement Fund because a pool of qualified vocational rehabilitation counselors is not always readily available.

The Legislature further finds that requiring two physicians, one of whom is a specialist in the area of the disability being evaluated, to certify the disability is adequate protection for the N.M.I. Retirement Fund and its members.”

Speaker Arnold Palacios: Discussion on the amendment offered by Representative Reyes. I recognize Representative Salas.

Representative Salas: Basically, he is amending the entire section and putting this in?

Speaker Arnold Palacios: Right. Is everybody clear on the amendment? Is there any further discussion?

There was no further discussion and the motion to adopt the written floor amendment as offered by Representative Reyes was carried by voice vote.

Speaker Arnold Palacios: We are back to the main motion. Is there any further discussion? Ready? Clerk, call the roll.

The Clerk called the roll on the motion to pass H. B. NO. 16-118, HD1 on First and Final Reading:

Representative Edwin P. Aldan	yes
Representative David M. Apatang	yes
Representative Oscar M. Babauta	yes
Representative Diego T. Benavente	yes
Representative Joseph N. Camacho	yes
Representative Francisco S. Dela Cruz	yes
Representative Joseph P. Deleon Guerrero	absent (during voting)
Representative Victor B. Hocog	absent (excused)
Representative Heinz S. Hofschneider	yes
Representative Raymond D. Palacios	yes
Representative Justo S. Quitugua	absent (excused)
Representative Joseph C. Reyes	yes
Representative Christina M. Sablan	yes
Representative Edward T. Salas	yes
Representative Rosemond B. Santos	yes
Representative Ramon A. Tebuteb	yes
Representative Ralph DLG. Torres	yes
Representative Stanley T. McGinnis Torres	absent (during voting)
Representative Ray N. Yumul	yes
Speaker Arnold I. Palacios	yes

Speaker Arnold Palacios: By a vote of 16 “yes” House Bill 16-118, HD1 passes the House on First and Final Reading. Floor Leader, recognized.

Floor Leader Camacho: Thank you, Mr. Speaker. A motion for passage of House Bill No. 16-120 on First and Final Reading.

The motion was seconded.

**H. B. NO. 16-120:** A BILL FOR AN ACT TO AMEND PUBLIC LAW 16-2 TO SUSPEND SECTION 3 OF PUBLIC LAW 15-94 AND TO ESTABLISH AN ELECTRIC FUEL CHARGE CREDIT FUND; AND FOR OTHER PURPOSES.

Speaker Arnold Palacios: Discussion. Representative Yumul.

Representative Yumul: Thank you, Mr. Speaker. First, I would like to say that I applaud the author for putting forward this legislation so that we can bring the issue on how to disburse the electric fuel charge credit that seems to be dogging the Commonwealth Utilities Corporation (CUC) from implementing. My concern is on page 2 starting on line number 1 through 8 with regards to suspending Section 3 of Public Law 15-94. Section 3 of Public Law 15-94 raises the issue on how CUC is to read meters and the cycle or the number of days that the reading has to be conducted within but, most especially, is the prohibiting of having split utility rates for a given cycle. As an example, for the first two or three days a bill would have one rate and then for the remainder of the cycle it would have another rate, which usually is a higher rate. The reason why this section was put into law was because in the 15<sup>th</sup> Legislature we had a very big concern with regards to the consumer having to worry about whether the rates are going to change on them during a given period and having to make financial adjustments. The purpose of this section 3 under Public Law 15-94 was to provide stability to the families so that they are able to project for the coming month what their bill may be based on rate and average consumption. And if we suspend this, it will undoubtedly provide grief and confusion. We need the rates to remain as stable as possible. We have provided CUC through Public Law 16-2 the additional funds so that they can procure fuel, they can continue to operate. They cannot come up and say that because, and according to Tony Muna, the concern that the accounting software is not an easy fix and may take up to 180 days to complete the required reprogramming so that they can implement this section is really a weak argument because this law came in to being October 3<sup>rd</sup> of 2007. It is well over six months. They had more than enough time to reset their computers, the reprogramming of it. I remember Representative Dela Cruz's legislation on splitting CUC bills for the water, wastewater, and utility and CUC brought up the same issue but yet they were able to solve it. So for the sake of the community and to bring stability to them by having CUC set rates for a whole cycle as one rate I think an amendment is in order, and I would like, if there is no objection, to make that amendment now.

Speaker Arnold Palacios: Please proceed.

Representative Yumul: The first amendment is on the title to strikeout "To amend Public Law 16-2 to suspend Section 3 of Public Law 15-94" and then dropping down to line 1 on "Section 1. Findings and Purpose." to strikeout "The legislature finds" all the way through the end of that paragraph on line 8.

Representative Babauta: Point of clarification.

Speaker Arnold Palacios: State your point, Representative Babauta.

Representative Babauta: Can he restate his amendment?

Speaker Arnold Palacios: Representative Yumul, please restate your amendment.

Representative Babauta: My observation is he is striking out without any reference to replacement.

Representative Hofschneider: Point of clarification.

Speaker Arnold Palacios: Please state your point, Representative Hofschneider.

Representative Hofschneider: Can we dispense with the oral amendment and have a copy for each member so that we can follow much better?

Speaker Arnold Palacios: Representative Yumul.

Representative Yumul: Mr. Speaker, I do not have an issue with that. I will eventually make a motion on page 2, to strikeout Section 2 in its entirety and renumber the rest accordingly, but the "Findings and Purpose" still needs to be dealt with. I am just going from page 1 to page 2.

Speaker Arnold Palacios: Short recess.

*The House recessed at 2:10 p.m.*

*RECESS*

*The House reconvened at 2:20 .m.*

Speaker Arnold Palacios: We are back in session and I recognize Representative Yumul.

Representative Yumul: Thank you, Mr. Speaker, I will start from the beginning. My amendment is to omit on the title of the bill the words, "To amendment Public Law 16-2 to suspend Section 3 of Public Law 15-94 and". Then on page 1, line 1, beginning on "The legislature finds that Section 2" all the way to "project" on line 8, strike that out. On line 9 to strike out the word "further" so it will read "The legislature finds". On line 19 and 20 to strikeout those two lines. On page 2, lines 1 through 8, strikeout Section 2 in its entirety and to renumber the rest accordingly. I so move.

The amendment offered by Representative Yumul to H. B. No. 16-120 reads:

~~"TO AMEND PUBLIC LAW 16-2 TO SUSPEND SECTION 3 OF PUBLIC LAW 15-94 AND TO ESTABLISH AN ELECTRIC FUEL CHARGE CREDIT FUND; AND FOR OTHER PURPOSES.~~

**Section 1. Findings and Purpose.** ~~The Legislature finds that Section 2 of Public Law 16-2 must be amended to suspend Section 3 of Public Law 15-94 in order to avert a billing requirement that is currently not supported by the current Commonwealth Utilities Corporation (CUC) accounting software. The billing requirement necessitates rate changes that would essentially have customers paying different rates. Moreover, in order to comply with Section 3 of Public Law 15-94, CUC would have to expend money to reprogram its accounting software, which may take up to 180 days to complete the required reprogramming from the date of the notice to proceed with the project.~~

The Legislature ~~furthe~~r finds that Public Law 16-2 did not specifically authorize CUC to establish an Electric Fuel Charge (EFC) Credit Fund in which CUC would use all received government subsidies to give credit to its customers for fuel charges incurred by such customers. The EFC credits shall be 30% for residential customers and 10% for commercial customers of the fuel charges incurred by each customer. The EFC credits would alleviate some of the fuel charge expenses of CUC customers until such time that the EFC Credit Fund is exhausted. Accordingly, the purpose of this legislation is to amend Public Law 16-2 to suspend Section 3 of Public Law 15-94 and to establish an Electric Fuel Charge Credit Fund at CUC to provide EFC credits to customers for fuel charges incurred by residential and commercial customers.

Page 2:

~~Section 2. Amendment.~~ Section 2 of Public Law 16-2 is amended to read as follows:

~~“Section 2. Suspension of Sections 2 and 3 of Public Law 15-94.~~

~~The electrical charges and rates set forth in Section 2 of Public Law 15-94 are hereby suspended from the effective date of this Act to December 31, 2008. Section 3 of Public Law 15-94 is hereby suspended. The billing procedures set forth by the amendments to Part 24 of the Electric Service Regulations of the Commonwealth Utilities Corporation as set forth in 28 Com. Reg. 9, 26156 et seq., (Sept. 27, 2006), which became effective on October 27, 2006, is hereby reinstated retroactive to October 4, 2007.”~~

The motion was seconded.

Speaker Arnold Palacios: Discussion. Representative Raymond Palacios.

Representative Raymond Palacios: What about line 15? Is that okay, because we struck out “To amend Public Law 16-2 to suspend Section 3 of Public Law 15-94”, and on line 15 it says “Accordingly the purpose of this legislation is to amend Public Law 16-2 to suspend Section 3 of Public Law 15-94”.

Speaker Arnold Palacios: Can you just restate that, Representative Yumul.

Representative Yumul: Mr. Speaker, if I may, to strikeout on page 1, line 15 and 16 where it begins with “Accordingly the purpose of this legislation is to amend Public Law 16-2 to suspend Section 3 of Public Law 15-94 and” and capitalize the word “to”. I so move.

Page 1 line 15 and 16:

~~Accordingly, the purpose of this legislation is to amend Public Law 16-2 to suspend Section 3 of Public Law 15-94 and~~ ~~to~~ establish an Electric Fuel Charge Credit Fund at CUC to provide EFC credits to customers for fuel charges incurred by residential and commercial customers.

The motion was seconded.

Speaker Arnold Palacios: Alright, is everybody clear with that full amendment, this basically makes everything consistent. Representative Sablan.

Representative Sablan: While I agree absolutely that rate payers need to have stable rates and that rate should not be subject to changes in the middle of the billing cycle, I am kind of concern about Tony Muna’s last line of his letter, where he says that, if Section 3 is not suspended, CUC will have to hire additional meter readers so that all the meters can be read in one day plus additional vehicles. I am wondering and perhaps the Ways and Means Committee has with...

Speaker Arnold Palacios: Representative Yumul.

Representative Yumul: Mr. Speaker, I yield that question to Representative Hofschneider.

Speaker Arnold Palacios: Representative Hofschneider.

Representative Hofschneider: That remark from Mr. Muna is stretching the imagination of the mind. For all practical purposes the system is in place. They have in fact been doing it in the past and then they switch over to this midstream readjustment of kilowatts usages based on new rates. So he may not have the tenure to substantiate that claim in his letter because what you need is to talk to the management within CUC who has worked for CUC for many years in accounting and billing and they will tell you it is feasible. They have done it in the past, and you do not need to add cost to it.

Speaker Arnold Palacios: Representative Sablan, you still have the floor.

Representative Sablan: I do understand that there could be validity to CUC's concerns about its accounting software. Tony Muna has said that they are dealing with software that goes back to the eighties and that they would have to go in manually and adjust the rates. I guess what I want to know is the funding that was given to CUC as result of Public Law 16-2. Of course, there would be cost involved in updating software or in purchasing new software if that is in fact necessary.

Speaker Arnold Palacios: Representative Hofschneider.

Representative Hofschneider: For the same argument that you can make that whoever sits in billing in midstream of the billing cycle they were told adjust the rate because now that we have to pro-rate according to the formula now that they are pursuing to suspend Section 3 of Public Law 15-94. So the same argument can be made that the man hour required to stop 30 cents and then change it to 32 cents thereafter the same software is in place the same man hours required to account for it is in place there is no need there is no additional software required nor there is an additional man hours required as a result of deleting that section and not giving Mr. Muna his request.

Speaker Arnold Palacios: Alright, ready.

There was no further discussion and the motion to adopt the amendment offered by Representative Yumul to H. B. No. 16-120 was carried by voice vote.

Speaker Arnold Palacios: Is there any further discussion on the bill as amended? Representative Dela Cruz.

Representative Dela Cruz: Thank you Mr. Speaker, I also have a floor amendment to make on the same bill.

Speaker Arnold Palacios: Please proceed.

Representative Dela Cruz: This is to add a new Section a, and I have copies made for all the members but let me just read out this amendment. "Section 3. Amendment. Section 8(d) of Public Law 16-2 is amended to read as follows: "(d) Fifty percent (50) of the fees collected pursuant to Section 6 8 of this Act shall be deposited into a special account within the General Fund and appropriated to the Commonwealth Utilities Corporation to pay for its fuel expense." And the

reason for this amendment, Mr. Speaker, is this is basically a technical error on Public Law 16-2 where Section 8 points back to Section 6 and if we take a look at Section 6 on Public Law 16-2 that is the 50% security deposit so basically just clarifying it and ensuring that these funds from the increase in fees for registrations and so forth 50% is given to CUC for this cost.

Speaker Arnold Palacios: Okay, is there a second.

The motion was seconded.

Speaker Arnold Palacios: Discussion. Representative Yumul.

Representative Yumul: My understanding is to strike out Section 6 and insert Section 8?

Speaker Arnold Palacios: Representative Dela Cruz.

Representative Dela Cruz: Yes just strike out 6 and put 8.

Representative Yumul: Okay I have actually a copy of Public Law 16-2 and section 8 is...

Speaker Arnold Palacios: Short recess.

*The House recessed at 2:25 p.m.*

*RECESS*

*The House reconvened at 2:26 p.m.*

Speaker Arnold Palacios: We are back to our session. Is there any further discussion on the amendment offered by Representative Dela Cruz. Ready.

The motion to adopt the amendment as offered by Representative Dela Cruz to H. B. No. 16-120, HD1 was carried by voice vote.

Speaker Arnold Palacios: We are back to the main motion. Representative Salas.

Representative Salas: Mr. Speaker, the author is not here but I just want to find out the rationale behind the 30% and the 10% for commercial users. Commercial customers are also experiencing difficulties just like everybody else. So, I do not really know where he got the percentages and I just need to understand.

Speaker Arnold Palacios: Representative Dela Cruz.

Representative Dela Cruz: Yes, Mr. Speaker, when we first requested Tony to come out with options, he actually came out with three different options. I had spoken to the Chairman about this as well as the legal counsel and we found that the best option that we saw was the option of 30% and 10% to businesses, and one of the reasons for that is because business owners are actually residential customers as well and that was the idea behind that decision to put in the bill.

Speaker Arnold Palacios: Representative Salas, you still have the floor.

Representative Salas: Yes, I am okay by that. Obviously, if you were to apply the 30% that would probably deplete the coffer much faster but I was kind of concern about the terms of equality but if they are also receiving the 20% as residential then I guess I kind of---so it will be more than---it will be 30%, okay.

Speaker Arnold Palacios: Representative Hofschneider.

Representative Hofschneider: I think Representative Salas just taking it one more step, 10% of the aggregate commercial usage can really wipe off the nine million dollars for the subsidy.

Speaker Arnold Palacios: Any further discussion? Representative Sablan.

Representative Sablan: The last time Tony Muna was here he said that no money had actually been reprogrammed to CUC to pay for fuel or that the money that was supposed to be reprogram for the purposes of fuel subsidy had not actually been reprogrammed.

Speaker Arnold Palacios: Let me clarify that. Before the ink was dry on Public Law 16-2, \$3.5 million was transferred from the non-general fund which was authorized under Public Law 16-2 to pay Mobile Oil. So we did pay and subsidized \$3.5 million. To date, I think we have already done close to \$5.7 million.

Representative Sablan: Has it gone to CUC?

Speaker Arnold Palacios: Yes, specifically to Mobile for the fuel. Maybe he did not know that we know. Okay, ready. Representative Sablan.

Representative Sablan: Yes, thank you, Mr. Speaker, while we are amending Public Law 16-2, I would like to offer another amendment for the members to consider and that would be to...

Speaker Arnold Palacios: Short recess.

*The House recessed at 2:30 p.m.*

*RECESS*

*The House reconvened at 2:30 p.m.*

Speaker Arnold Palacios: We are back in session. Representative Sablan.

Representative Sablan: On the day we passed what would then become Public Law 16-2 a number of us expressed concerns about the changes that were made to the Public Utilities Commission and specifically that the part that allows for a quorum of one. So, I would like to ask if we could take the opportunity now that we have legislation to amend Public Law 16-2 to also just address those concerns. I think it would just amount to amending Section 12 of the Public Law and deleting the part that allows for one person to rule PUC.

Speaker Arnold Palacios: Okay do you want a few minutes to take a look on how you are going to offer the amendment. Short recess.

*The House recessed at 2:31 p.m.*

*RECESS*

*The House reconvened at 2:34 p.m.*

Speaker Arnold Palacios: Let the record show that the Vice Speaker is present. Representative Sablan.

Representative Sablan: Yes, thank you, Mr. Speaker. I would like to offer another amendment to Public Law 16-2 and that would be of Section 12 line...

Representative Yumul: Point of order.

Speaker Arnold Palacios: Representative Yumul, state your point.

Representative Yumul: House Bill 16-120.

Representative Sablan: Okay so I am inserting...

Speaker Arnold Palacios: You are amending House Bill 16-120.

Representative Sablan: Maybe we could just reinsert Section 2? No? Okay. Okay we are adding a new Section 4 and everything else that follows should be renumbered.

Speaker Arnold Palacios: A very brief recess.

*The House recessed at 2:44 p.m.*

*RECESS*

*The House reconvened at 2:46 p.m.*

Speaker Arnold Palacios: We are back in Session. Representative Sablan.

Representative Sablan: And it shall be read as follows, "Section 8407 of Title 4 of the Commonwealth Code, as enacted by Public Law 15-35, is hereby amended by adding a new "subsection (c)" and then strikeout "and (d)," as follows:". So we will keep Subsection (c) and just strikeout in its entirety "Subsection (d)" and that is the amendment. I so move. I could make a copy of this or maybe we could just quickly type it out.

The motion was seconded.

Speaker Arnold Palacios: Discussion. I believe the amendment motion that Representative Sablan is making is to amend Public Law 16-2. If you recall Public Law 16-2 has a provision in it that only requires the PUC to have a quorum of even one person and that is the particular provision that she is amending to make it a simple majority. Representative Babauta.

Representative Babauta: Mr. Speaker, I would assure you and the members that I will work with Representative Sablan and the counsel to make sure that the intended amendment is on the right section.

Speaker Arnold Palacios: I will trust that the counsel will make sure that those sections are properly considered in the finalized version before it is transmitted to the Senate, and I will also make sure that those are inserted. Representative Benavente.

Representative Benavente: Mr. Speaker, I must say and I too, do not wish to delay this session because we do have a lot of bills, but in almost 13 years now in the Legislature, I do not believe I have ever remembered actually adopting an amendment without seeing the amendment or hearing the amendment. I am not even sure if the Rules allow it, Mr. Speaker.

Speaker Arnold Palacios: Representative Sablan actually made the amendment, you heard her amendment. She made reference to certain sections of Public Law 16-2 which is the sections that she is deleting. Now if you want to take the time for us to all go back to Public Law 16-2 and make reference to see whether the sections that she is citing are accurate and correct we can do that. But, I thought that we were going to trust the legal counsel because actually she conferred with the legal counsel to get those sections. We can do that but I trust the legal counsel, he gave her the citation that she needs. Representative Benavente, you still have the floor.

Representative Benavente: Thank you very much. I correct that, I forgot this is actually going on my 13<sup>th</sup> year as a member of the legislature. Just one question though, the last time we acted on a similar legislation Representative Sablan had made and offered and we had approved several amendments and then she voted “no” on the bill. I wanted to ask before I vote on the amendment that she is willing to offer, will she be voting “yes” on the bill? Thank you Mr. Speaker..

Speaker Arnold Palacios: Well you do not have to answer that but you will vote on the bill, Representative Sablan.

Representative Sablan: Well, Mr. Speaker, I have no objections to taking additional time so that we can put something in writing. We could make copies of the particular pages that are being affected. In fact, I think we probably should.

Speaker Arnold Palacios: I trust the legal counsel and I trust you. Okay. We basically clarified exactly what you are intending to do and everybody basically agrees that it is abnormal to have a quorum of one. Okay. Ready for the question.

The motion to adopt the amendment offered by Representative Sablan to H. B. No. 16-120, HD2 was carried by voice vote.

For the record purposes, the amendment made by Representative Sablan reads:

**“Section 12. Amendment.** Section 8407 of Title 4 of the Commonwealth Code, as enacted by Public Law 15-35, is hereby amended by adding a new subsection (c) ~~and (d)~~, as follows:

(c) Notwithstanding any other provision of law or any provision of any executive order, once three Commissioners have been appointed and confirmed, the PUC is deemed organized and no further action shall be required for the Commission to begin its duties; and Commission shall commence operations immediately.

Speaker Arnold Palacios: Are you ready for the main motion? We will be voting on House Bill No. 16-120, HD3. Clerk, call the roll.

The Clerk called the roll on the passage of House Bill No. 16-120, HD3 on First and Final Reading:

Representative Edwin P. Aldan	yes
Representative David M. Apatang	yes
Representative Oscar M. Babauta	yes
Representative Diego T. Benavente	yes
Representative Joseph N. Camacho	yes
Representative Francisco S. Dela Cruz	yes
Representative Joseph P. Deleon Guerrero	yes
Representative Victor B. Hocog	absent (excused)
Representative Heinz S. Hofschneider	yes
Representative Raymond D. Palacios	yes
Representative Justo S. Quitugua	absent (excused)
Representative Joseph C. Reyes	yes
Representative Christina M. Sablan	yes
Representative Edward T. Salas	yes
Representative Rosemond B. Santos	yes
Representative Ramon A. Tebuteb	yes
Representative Ralph DLG. Torres	absent (during voting)
Representative Stanley T. McGinnis Torres	present (abstained)
Representative Ray N. Yumul	yes
Speaker Arnold I. Palacios	yes

Speaker Arnold Palacios: By a vote of 16 “yes”, House Bill 16-120, HD3 passes the House on First and Final Reading. Floor Leader.

Floor Leader Camacho: Mr. Speaker, if you do not mind, we can cover a few more bills that are already on this calendar.

Speaker Arnold Palacios: Please proceed.

Floor Leader Camacho: Mr. Speaker, a motion to pass House Bill No. 16-109 on First and Final Reading.

The motion was seconded.

H. B. NO. 16-109: A BILL FOR AN ACT TO ESTABLISH A MILITARY FAMILY RELIEF FUND; AND FOR OTHER PURPOSES.

Speaker Arnold Palacios: A Bill for an Act to establish a Military Family Relief Fund. Discussion on the motion. Representative Yumul, recognized.

Representative Yumul: Thank you, Mr. Speaker. While this legislation did not come with a committee report, I would like to ask the author to just briefly explain what the purposes are for this relief fund.

Speaker Arnold Palacios: Representative Reyes.

Representative Reyes: Thank you, Mr. Speaker. I think my colleague here, a member of the 442<sup>nd</sup> himself and I love him dearly and I know he would probably be deploying shortly and I am just concern about his wife and his family so that is the whole intent. Actually, if you notice, the bill itself creates two types of license plates which would be the Armed Forces Veteran license plate to be sold for \$100.00 and Support Our Troops for \$50.00. A Veteran would pay a \$100.00 because they are proud of themselves to be Vets, and for the civilian population I am sure they do not mind paying \$50.00 to support their troops. The whole intention of the bill, Mr. Speaker and members of this House, is to provide a relief fund. As you may know when people get deployed at times the family faces hardship here. We have no hospitals although they are entitled to TriCare and just so many other matters including counseling and all. The facilities are in Guam and Hawaii and in particular too I am still going through the so called health insurance premiums which in case they need some assistance and just for any other assistance that the military family will be seeking for in the event that they need it and their husbands or their wives are not here because they are out there somewhere in the camel territory. And the custodian here would be the Military and Veterans Affairs Office and as you can see that 15% of all funds shall be deposited to the account and she is to promulgate the regulations, I believe, within 120 days.

Speaker Arnold Palacios: Short recess.

*The House recessed at 2:48 p.m.*

*RECESS*

*The House reconvened at 2:49 p.m.*

Speaker Arnold Palacios: We left off with Representative Yumul having no copy of the bill. Do you have a copy bill now? Okay proceed with your questioning please.

Representative Yumul: I believe the Chairman Representative Reyes was still describing the intent of the legislation.

Speaker Arnold Palacios: But you do have a copy of the legislation?

Representative Yumul: Yes, I do.

Speaker Arnold Palacios: Representative Reyes, proceed.

Representative Reyes: Thank you, Mr. Speaker. I would like to make an amendment on the floor on page 3 lines 7 and 8 where it says “15%” let that be “25%” and then after the word “program” continues on until it says “and to defray the Bureau of Motor Vehicles cost for the license plate”.

The motion was seconded.

Speaker Arnold Palacios: Representative Sablan.

Representative Sablan: Do we know how much it cost to actually purchase a license plate? What would the actual cost be that we are defraying for BMV per license plate?

Representative Reyes: Then I apologize I really do not know but I know it is at a very low minimal cost for the license plate.

Speaker Arnold Palacios: Representative Yumul.

Representative Yumul: It is not an exact amount but the last discussion I had with the Bureau of Motor Vehicle, the Chief said that even with \$25.00 registration fee prior to the enactment Public Law 16-2 the cost to order in vanity plates actually exceeds \$25.00, so I can give you the base line that it is greater than \$25.00 and because these are considered vanity plates because they are in small production it should be well over---(End of Tape 1, Side A)

Representative Sablan: The cost for Support our Troops license plate is \$50.00, for Armed Forces Veteran is \$100.00, even setting aside 25% for administration, operations, and defraying the cost might not be enough to pay for the cost of production for license plate and operations.

Speaker Arnold Palacios: Representative Reyes.

Representative Reyes: Please refer to page 3, starting from line 11, where it says “the fund also consists of the following: (d) The Fund consists of the following:

- (1) Appropriations made by the CNMI Legislature.
- (2) Donations to the Fund.
- (3) Interest as provided in subsection (e).
- (4) Money transferred to the fund from other funds.
- (5) License plate fees collected pursuant to Section 5 of this Act.
- (6) Money from any other source authorized or appropriated for the Fund.”

Representative Sablan: Sure, I recognize that but if there are no appropriations because there is no money to transfer to this fund and if people do not donate then all we have are and even if people do not buy license plates then I guess we would not have any cost. I am just concern that we might be creating another program that would end up being under funded or not utilized it at all.

Speaker Arnold Palacios: Representative Reyes.

Representative Reyes: Mr. Speaker, again, this is a program I do not think it is going to have an impact on the general fund from the government. As I said you can donate. If you wish, if you got a lot of money in your account you can donate to this account at any time, and Mr. Speaker, this is a test that I do not think it is going to cost the government much or anything actually the way I see it. And as I said, the Legislature can appropriate. We do not have to appropriate but we will accept the appropriations so to speak. We would accept donations. There are so many things that we can get money and to deposit into the funds. We are not saying we are going to get money out of the general fund, it says, we can appropriate, but we do not have to.

Speaker Arnold Palacios: Okay, let me recognize the Vice Speaker and maybe he can provide clarification. Vice Speaker.

Vice Speaker Deleon Guerrero: Actually I have a question and I need clarification on something else as well.

Speaker Arnold Palacios: Maybe your question will clarify.

Vice Speaker Deleon Guerrero: On the same page “subsection (e)” I think I understand the intent but the way it is worded makes it a little bit unclear, “The Secretary of the Department of Finance shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money maybe invested.” I think this reads that the Secretary of Finance may invest the money aside the administrative cost that you have just raised to 25% that those money should maybe be invested in the same manner as, right? That is one. The other one is the next subsection “there is annually appropriated to the Office of Military Liaison and Veterans Affairs all the money in the military relief fund for the purposes of this Act”, what does that mean?

Speaker Arnold Palacios: Representative Reyes, do you want to clarify that?

Representative Reyes: Thank you, Mr. Speaker, that provision inserted, again, in the event that the Legislature wants to appropriate money to the fund I am hoping that it does not hurt but that does not mean in the absence of any revenue it will not be mandatory. I put this in anticipation of the military build-up that is forthcoming.

Speaker Arnold Palacios: Can we get back on track to this specific amendment that was made and dispose that amendment then we can go into discussions on other portions of the legislation. Representative Sablan, on the amendment.

Representative Sablan: Thank you, yes, with respect to the amendment. So I am just trying to follow the process that BMV would have to go through in order to obtain the funding needed for these specialty vanity plates. So the money would be deposited into this special account, somebody who wants to purchase a license plate would have to go to BMV, place an order, BMV would then have to go to the Office of Veterans Affairs to get the money, and then they can order the plates. Is that what you have in mind, or are you also allowing money to be diverted to BMV?

Speaker Arnold Palacios: Let me ask Representative Apatang because he had done this before and let us see if he can take us through the process. When you order a plate, what do you pay and how is it produced?

Representative Apatang: Thank you, Mr. Speaker. When I introduced the Veteran's License plate in the past the arrangement was that the Bureau of Motor Vehicle, will order a certain number of plates in advance, like 1,000 plates for the Army; 1000 plates for the Air Force; and then 60 plates for the Marine Corp; Navy; Coast Guard; that is ordered in advance from their own funds and then they get reimbursed from the purchase of those license plates because those are special license plates. So that how they do it by ordering in advance using their own money but they recover it from the purchase of the license plate. As you go around and see these cars with A001, AF001, those are the Veteran's License plates.

Representative Sablan: Those are not in other places then those are not actually obtained from the BMV its---

Representative Apatang: Those are from the BMV, they order those because they are the ones using the license plates.

Representative Sablan: Okay.

Representative Apatang: They are the only ones authorized to issue license plates.

Speaker Arnold Palacios: But those plates (Veteran's) A001 cost more than the regular plates. Correct.

Representative Apatang: No, I think the special plates, when you place a special order, it is like a personalized plate which costs \$75.00, these plates cost less because we purchase in larger amounts.

Representative Sablan: But the BMV retains the fees for those license plates to cover their cost.

Representative Apatang: Yes.

Speaker Arnold Palacios: Okay.

Representative Apatang: But in the case here, what the bill is saying is that if you buy a Veteran's license plate for \$100.00 if you are a Veteran and you buy license plate then that \$100.00 will go to the fund and if you buy a Support Our Troops license plate that fee goes to the fund. So I guess the question is how much remains with the Bureau of Motor Vehicle, to subsidize the license plate that they are purchasing.

Representative Sablan: It does not sound like any of the money is really going to go directly to BMV, unless by way of the Office of Veteran's Affairs, am I understanding that?

Speaker Arnold Palacios: Representative Reyes.

Representative Reyes: Mr. Speaker I move, to withdraw House Bill No. 16-109.

Speaker Arnold Palacios: Representative Sablan.

Representative Sablan: I fully support the intent of the bill but if I could ask the author of the bill, is the primary problem here the fact that we do not get the VA assistance that we should be getting

because I heard Veterans express that concern as well that there is no VA Clinic here there is no real federal representative, maybe what we could consider is appealing to the Federal Office of Veteran's Affairs in a strongly worded resolution.

Speaker Arnold Palacios: Representative Reyes, do you want to answer that?

Representative Reyes: Mr. Speaker, I thank the concern of Representative Sablan, but we have tried that many times but we always fail. The Veteran's Affairs Office here, believe it or not, is only staffed by one person only and it is a local VA office. There are than 1,000 Veterans on the island and for this, because I know just amongst the retirees here, Mr. Speaker, these veterans with their benefits bring in over a million dollars a year. Now, we have seen what happened to the families when the last deployment was made with our troops here. And you are right, we do not have any counselors or anybody. This is like seed money to help these guys if they need help. If you are going to convince the Federal VA, I agree, but it will take you a minimum of five years because it is taking me ten years so far and it is going nowhere.

Speaker Arnold Palacios: Representative Hofschneider.

Representative Hofschneider: I would like to offer a suggestion to this cost concern raised by Representative Sablan. Listening to her and the author I think in the middle somewhere the issue is how much is really going to cost BMV and that of the balance how much is that going to the Veteran's account. I think if you just approach it from cost plus would be more appropriate whatever the cost is by BMV to procure those plates in each unit then you add on the fee that is anticipated by Veteran's whether it be \$100.00 per plate in addition to the real cost of the plate so maybe that should be clarified. Because we do not know we just raised the fee to in addition to the current fee so the \$50.00 right, so I think cost plus would be very clear whatever the cost is for each plate you tag on a \$100.00 for that specific plate \$50.00 for the other plate I think we are fine. So it is understood that the cost is recoverable by BMV and that is through the appropriation going to BMV for procurement for license plates then the \$100.00 if it is a Veteran or for the two different kinds of plates \$100.00 for one and the other one is \$50.00 that goes to the fund I think that is a straight approach. The whole issue is Mr. Speaker, we need to show true spirit, and that is what the author is to encourage community spirit and support. When you drive around and you see a mother or a father or a wife driving a car with a license plate that means a whole lot to this community. The last time that they came back and those that have fallen and when you were there that night at the airport road you see that, it is heart touching. So I think that we need to contribute our effort to making this legislation better because we need to show some good effort in showing that this community is appreciative for those who sacrificed their lives.

Speaker Arnold Palacios: Can we dispose of the amendment first. I think Representative Hofschneider summarized your concern and your concern is how is this going to get cost out in terms from BMV and who is going to pick up the cost. Can we dispose of the amendment that he has offered and then we will deal with how this is all going to get cost out. Representative Sablan.

Representative Sablan: The suggestion that Representative Hofschneider offered, if we accept that and I think that sounds perfectly reasonable, it would affect this amendment?

Speaker Arnold Palacios: The amendment that Representative Reyes is inserting is just giving the percentage of where the proceeds will go to, but let us dispose of that and then we can go back and clarify the plates are going to be cost, and then on top of that we will put a \$100.00 over above the...

Representative Sablan: But is it 25% I guess---

Speaker Arnold Palacios: Twenty five percent of \$100.00.

Representative Sablan: So that is \$25.00 to defray the cost to administer and operate program but how much, you know, it is not clear. I think the amendment might have to be re-worded.

Speaker Arnold Palacios: Representative Reyes.

Representative Reyes: Thank you, Mr. Speaker, I would like to withdraw my motion for the amendment.

The motion was seconded and carried by voice vote.

Speaker Arnold Palacios: We are back to the main motion and I talked to the author and he has agreed to put this on First Reading. Floor Leader, could you restate the main motion.

Floor Leader Camacho: Thank you Mr. Speaker, considering all the discussion that this bill has come up, respectfully sir I make a motion for passage for First Reading only on House Bill No. 16-109.

The motion was seconded and was carried by voice vote

Speaker Arnold Palacios: Representative Sablan.

Representative Sablan: Since the bill is being passed on first reading.

Speaker Arnold Palacios: It stays on the calendar.

Representative Sablan: Sure, but could I ask the author and if this is going to be reviewed by an appropriate committee that we also look into not just the issues about who handles the money and how much the fees should be but also about the appropriateness of government fund receiving private donations. It is just not clear to me if that could be an ethics issue.

Speaker Arnold Palacios: I will ask you to please visit the author so you can sit down and discuss how to improve the legislation.

Representative Sablan: I also had a concern about mandating that the Executive Assistant shall establish the capability to receive donations. I think the author noted today that there is just one person and she is already strapped for resources there so that might not be realistic.

Speaker Arnold Palacios: We will allow for you to make those recommendations, that is why we withdrew it and perhaps the author could come back with a substitute. Okay. He is open for your suggestions. Thank you. We move on, Floor Leader, before I recognize that I apologize for that I

want to recognize former Representative Frank Aldan who is in the gallery, the terrorist Representative from the 13<sup>th</sup> Legislature, welcome. Floor Leader.

(LAUGHTER)

Floor Leader Camacho: Thank you Mr. Speaker, a motion for passage First and Final Reading House Bill No. 16-112, CD1.

**H. B. No.. 16-112, HD1:** A BILL FOR AN ACT TO PROVIDE FOR THE ELECTION OF DELEGATE TO THE U.S. HOUSE OF REPRESENTATIVES, AND FOR OTHER PURPOSES.

The motion was seconded.

Speaker Arnold Palacios: Discussion. Representative Yumul.

Representative Yumul: Thank you Mr. Speaker, I would like to offer an amendment on page 3, line 14.

Speaker Arnold Palacios: Please proceed.

Representative Yumul: Thank you I would like to strike out “appropriations” and insert “reprogramming” which will now read:

**§ 6367. Authorization for appropriations reprogramming.**

(a) Except as provided ~~in subsection (b) of this section,~~ herein and notwithstanding the Governor Legislature shall ~~is~~ authorized to appropriate reprogram funds necessary of the Washington Representative account for the conduct of the Delegate election ~~by general or special appropriation act.~~ The Commission shall be the expenditure authority for ~~appropriated reprogrammed~~ reprogrammed funds.

(b) For the First Delegate election to be conducted on November 4, 2008, ~~the Legislature Governor shall~~ ~~is~~ authorized to appropriate reprogram the sum of \$60,000 ~~from the Washington Representative Account is hereby appropriated~~ to the Commonwealth Election Commission (CEC). ~~Notwithstanding any other provision of law, the Commission may hire not more than 5 temporary employees to assist in the conduct of the November 4, 2008, election.~~

The motion was seconded.

Speaker Arnold Palacios: Discussion. Representative Babauta.

Representative Babauta: May I kindly now ask the mover to read the complete context of that new section if he does not have a written amendment, Mr. Speaker.

Speaker Arnold Palacios: Representative Yumul can you re-read the new section now.

Representative Yumul: I will read page 3, line 14, §6367 in its entirety, it shall read:

**“§ 6367. Authorization for reprogramming.**

(a) Except as provided in subsection (b) of this section, and notwithstanding any laws to the contrary the Governor is authorized to reprogram funds of the Washington

Representative's account for the conduct of the Delegate election. The commission shall be the expenditure authority for reprogrammed funds for the first Delegate election to be conducted on November 4, 2008 the Governor is authorized to reprogram the sum of \$60,000 to the Commonwealth Election Commission (CEC)."

Representative Babauta: Your amendment is alluding to reprogramming within the Washington Representative's operational account, is that correct?

Representative Yumul: Yes, that is correct.

Speaker Arnold Palacios: Would you like to make that suggestion Representative Babauta?

Representative Babauta: Not a suggestion, he made that amendment.

Speaker Arnold Palacios: Yes, but towards the end you said "from the Washington Representative's account". Representative Yumul.

Representative Yumul: Mr. Speaker for clarity if no objection I would like to rephrase my amendment to include the word on line 16 after the words "funds" to insert "from" and remove "of". So it will read:

**"§6367. Authorization for reprogramming.**

(a) Except as provided in subsection (b) of this section, and notwithstanding any laws to the contrary the Governor is authorized to reprogram funds from the Washington Representative's account for the conduct of the Delegate election. The commission shall be the expenditure authority for reprogrammed funds for the first Delegate election to be conducted on November 4, 2008 the Governor is authorized to reprogram the sum of \$60,000 to the Commonwealth Election Commission (CEC)."

The motion was seconded.

Speaker Arnold Palacios: Discussion. Representative Sablan.

Representative Sablan: So we are amending subsections (a) and (b).

Speaker Arnold Palacios: Right.

Representative Yumul: My apologies I misread the "(b)" that it was struck out.

Speaker Arnold Palacios: Representative Sablan.

Representative Sablan: I guess my worry now is for future Delegate elections. Does this mean that the Governor would again have to reprogram funds from an account that would no longer exist?

Representative Yumul: No, Mr. Speaker, line number 19 says "November 4, 2008".

Speaker Arnold Palacios: Correct that is only for this election.

Representative Sablan: But the first line of the amendment---Can you read the whole amendment again.

Speaker Arnold Palacios: Okay, Representative Yumul, for those of us that are slow please re-read the amendment just to clarify it.

Representative Yumul: Starting on page 3, line 14, I apologize can we make another amendment and strikeout “subsection (b) of this section” which will now read:

**§6367. Authorization for reprogramming.**

(a) Except as provided herein and notwithstanding any laws to the contrary the Governor is authorized to reprogram funds from the Washington Representative’s account for the conduct of the Delegate election. The commission shall be the expenditure authority for reprogrammed funds for the first Delegate election to be conducted on November 4, 2008 the Governor is authorized to reprogram the sum of \$60,000 to the Commonwealth Election Commission (CEC).

Speaker Arnold Palacios: Okay that is clarified. We are still under discussion of this amendment. Representative Santos.

Representative Santos: This reprogramming is only for this year’s election, every year thereafter it will be properly appropriated or funded through the budget process.

Speaker Arnold Palacios: Representative Sablan.

Representative Sablan: I understand that is the intent I just wanted to make sure that we are wording it that way.

Speaker Arnold Palacios: It is fairly specific the November 4, 2008.

Representative Sablan: But that is in the second sentence and so---

Speaker Arnold Palacios: No, it is for the first Delegate election to be conducted that the Governor is authorized to reprogram the \$60,000. So this is a one time reprogramming we are authorizing the Governor for the November 4, 2008 election, and as Representative Santos had stated it will be appropriated and taken into consideration on future budget submission by the Election Commission.

Representative Sablan: Would it be possible to get this in writing. I just want to be able to see because I think I scribble too many changes in my draft so I am a little bit---

*The House recessed at 2:58 p.m.*

*RECESS*

*The House reconvened at 3:08 p.m.*

Speaker Arnold Palacios: Okay, let us provide some clarity and finality to this amendment. Representative Yumul.

Representative Yumul: Thank you Mr. Speaker, I would like to withdraw my original amendment and I will---

Speaker Arnold Palacios: If there is no objection we should allow.

There was no objection on the floor.

Speaker Arnold Palacios: Please proceed. You have now withdrawn your original amendment and we will allow you to restate your new amendment. Representative Yumul.

Representative Yumul: Thank you Mr. Speaker, on page 3, line 14, Section 6367 which will now read:

**§ 6367. Authorization for reprogramming.** Notwithstanding any provision of law to the contrary, the Governor shall reprogram the sum of \$60,000 from the Office of the Resident Representative's Account to the Commonwealth Election Commission (CEC) for the first Delegate election to be conducted on November 4, 2008. The Commission shall be the expenditure authority for the reprogrammed funds. I so move.

The motion was seconded.

Speaker Arnold Palacios: Discussion. Representative Santos.

Representative Santos: So subsection (a) remains the same.

Speaker Arnold Palacios: It has been stricken out.

Representative Santos: So now §6367 is entitled "Authorization for reprogramming" and then your amendment. Okay.

Speaker Arnold Palacios: Representative Tebuteb.

Representative Tebuteb: The amendment inserted the "Notwithstanding" provision in front the "for the first Delegate". Could you explain why do we have to put in "Notwithstanding" in front of the first Delegate provision?

Speaker Arnold Palacios: Let me explain that. Representative Tebuteb, under Public Law 16-2 we authorized the Governor reprogramming of funds and in that particular law we excluded him from reprogramming from the Legislature, the Washington Representative and the Mayor's Office. That "Notwithstanding" clause will allow him now to go in and reprogram \$60,000.00 from the Washington Representative's account. Okay. Representative Sablan.

Representative Sablan: Well I just wanted to ask for the record if the Washington Representative was consulted about this reprogramming.

Representative Yumul: Yes, he was here early this morning Mr. Speaker.

Representative Sablan: Okay and he was okay with it?

Speaker Arnold Palacios: Okay. Well this is the privy of the Legislature.

Representative Sablan: But can he afford it, I guess, does this hurt the operations of his office?

Speaker Arnold Palacios: Okay. That is clarified. Representative Benavente.

Representative Benavente: Given that the election will be held there are those few days which we can probably take some funds out of that office prior to the end of the fiscal year. Because his term would end at the November election or January 3<sup>rd</sup>, so the funding will be available under his office.

Speaker Arnold Palacios: Okay. Ready.

The motion to adopt the floor amendment was carried by voice vote.

Speaker Arnold Palacios: We are back to the main motion. Representative Hofschneider.

Representative Hofschneider: Thank you, Mr. Speaker. I do not want to mess this bill up with the exception that I appeal to the Floor Leader and the body that if we are not going to entertain House Joint Resolution No. 16-6 I would like to amend this bill and include a special election for this November to place potential initiatives and popular initiatives.

Speaker Arnold Palacios: We will entertain that Joint Resolution and please do not comment on the bill. (Laughter) I will allow you one clarification, Representative Babauta.

Representative Babauta: On Chairman Yumul's amendment this is the entire account of the Washington Representatives, am I correct? Thank you.

Speaker Arnold Palacios: Representative Deleon Guerrero.

Representative Deleon Guerrero: Am I correct, Mr. Speaker, on page 4, line 8, that regular elections will still be held on odd number years for this?

Speaker Arnold Palacios: Yes.

Representative Deleon Guerrero: So it means that this election would be on 2008 the next election for Washington Delegate would be not on 2010 because odd number years. Can somebody clarify?

Speaker Arnold Palacios: Let us dispose of Representative Deleon Guerrero's query here. Legal counsel I will allow you to clarify that. Vice Speaker, what this is doing is redefining what general election means, okay. This 2008 election for the Congressional Delegate is now a special election so

we are going to redefine that also now not as a special election but also as a general election. Representative Benavente.

Representative Benavente: The regular election under the constitution, which we cannot amend through this legislation will continue on in the odd years for the CNMI government, but this regular election for the Delegate to Congress will be a new date set from now on forward.

Speaker Arnold Palacios: It redefines this special election, today, it is now a special election, but redefine this as and clarifies it as general election that is what I am reading here. Continue, Representative Deleon Guerrero.

Representative Deleon Guerrero: Let me clarify this, my understanding is that this Delegate election shall conform with US federal elections which are held during even number years, but this section basically says that it will be held during odd number years. So it is inconsistent with the federal law?

Speaker Arnold Palacios: Let me ask the chairperson of JGO because this is a committee amendment. Representative Santos.

Representative Santos: You are absolutely right, Mr. Speaker. This only clarifies that within the CNMI we do have our elections every odd year, called general elections, regular or general elections, whatever you want to call it, but now it is really clear on this amendment that on every odd year right now has a regular general election be it midterm or gubernatorial whatever, right, it also includes that the it is actually called General Federal Election. The US Public Law 110-229 governs the Delegate election, which will be every two years on an even year.

Speaker Arnold Palacios: Okay, Vice Speaker, clarified? Representative Babauta.

Representative Babauta: Thank you, I would recommend to the Chair and maybe the author that probably in a few days we can probably come up with a consistent election so that we do not have to spend too much, not necessarily the initiative but we can extend one year this term so that we be consistent with the federal.

Speaker Arnold Palacios: Okay. So clarified. Ready. We are ready to vote on the main motion and yes we disposed off the amendment, for the last time Representative Sablan.

Representative Sablan: Well, yes, Mr. Speaker, for the amount if we have considered the fact that the election commission is asking for actually \$87,000.00 and we are only giving them \$60,000.00. Are there plans underway right now to make sure that we properly fund this election? Because right now not including the cost of public education.

Speaker Arnold Palacios: Let me clarify that. For the election this is just for the US Delegate, okay, \$60,000.00 is what they need.

Representative Sablan: No, they asked for even more than that.

Speaker Arnold Palacios: No, \$87,000.00, inclusive of \$27,000.00 if we are going to entertain the House Legislative Initiative that the House passed in the 15<sup>th</sup> Legislature. That has to be dealt with

on a different appropriation, this is only dealing with the Delegate election the \$60,000.00 \$27,000.00 is what is needed for public education and information requirement if we are going to put Legislative Initiative 15-1 I believe which was passed in the 15<sup>th</sup> Legislature and that has to do with the tenure for the Board of Education. If we are going to include that initiative in this special election it would cost an additional \$27,000.00 so we are not right now entertaining that \$27,000.00 we are just dealing with the since this is a Delegate bill we are looking at authorizing the \$60,000.00 only, okay. Ready, Representative Santos.

Representative Santos: A minor correction, Mr. Speaker, on the cover page of the committee report. It references House Bill No. 16-19 after the salutation, your committee on JGO to which House Bill No. 16-19, can that be changed to 16-122, Committee Draft 1.

Speaker Arnold Palacios: Okay. So we are back to the main motion. Ready, we are voting on House Bill NO. 16-112, HD2. We are supposed to be voting I ask for any more discussion, is there anything very critical, and compelling that you can convince me to, Representative Yumul.

Representative Yumul: Yes, Mr. Speaker, my question is on page 3, line 7, I need clarification on what this is trying to do.

Speaker Arnold Palacios: Where?

Representative Yumul: Some drawing of lots. Is this to be on the ballot or is this for in case of a tie?

Speaker Arnold Palacios: Representative Benavente, you are the author.

Representative Benavente: Thank you Mr. Speaker, this is the practice in some of the States without having to spend another \$60,000.00 to hold another special election which is possibly a tie and it continues on, one of the ways in which we can resolve a possible tie here is through the drawing of lots. That is the proposal it is a policy call we can provide for special elections after special elections but I do not think that is what we want.

Speaker Arnold Palacios: Okay, and I ask this from the author also and he says if you are going to have two individuals running for the same office with an equal number of constituency that voted for them then they are both equally popular so some states decides that by drawing of a lot. Ready. Clerk, please call the roll.

The Clerk called the roll on the motion to pass H. B. NO. 16-112, HD2 on First and Final Reading:

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

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

Speaker Arnold Palacios: By a vote of 18 “yes,” House Bill 16-112, HD2 passes the House on First and Final Reading. Floor Leader.

Floor Leader Camacho: Mr. Speaker, motion for passage First and Final Reading H. B. NO. 16-117, in reference to the children’s park here in precinct IV located at the baseball field.

**H. B. NO. 16-117**: A BILL FOR AN ACT TO APPROPRIATE THE LAPSED FUNDS AND/OR UNOBLIGATED FUNDS FROM SAIPAN LOCAL LAW 13-4; AND FOR OTHER PURPOSES.

The motion was seconded.

Speaker Arnold Palacios: Discussion. Representative Deleon Guerrero.

Representative Deleon Guerrero: Mr. Speaker, I realize that the author is not here but I am probably the recipient of the bulk of this funding our Representatives from Precinct II can enlighten us on which account this unobligated funds of \$165,000---End of Tape I, Side B

Speaker Arnold Palacios: Who is the author?

Representative Babauta: Representative Quitugua, myself, and the Floor Leader.

Speaker Arnold Palacios: Representative Hofschneider.

Representative Hofschneider: Thank you, Mr. Speaker. I do now think that anybody here can really look at the redirecting of these funds and as it is newly applied on a, b, c, Section 2. I do not think that anyone can really say it is not important because it is important, but here is something that for some of us that we are not privy to the original appropriation and what is the commitment thereafter. In the Saipan Delegation that appropriated that money for all intents and purposes we have a commitment with the US Postal Service that we do street naming and then the enumeration comes after the construction or erection of all street names. The second partial of the street naming is ongoing I believe it is HK Pangelinan that is contracted to do this project and the fund balance for all intent and purposes that all these years the Saipan Delegation has never touched it because we want to pursue home delivery of mails the mailing system. The only thing that is preventing the US Postal Service from coming in and fulfilling that part of the obligation is the Saipan Delegation to pursue and complete the enumeration of each residences and household and that is the second partial that is ongoing. We have a commitment, we have a contractual obligation that is signed with the

contractor and that there is a commitment, so if you move the money you open a liability on the government. I just want that for the record to show, Mr. Speaker.

Vice Speaker Camacho: Thank you Representative Hofschneider. Representative Dela Cruz.

Representative Dela Cruz: Yes, I just want to add on also, I believe there was a bill yesterday appropriating the same amount of money \$165,000.00 for the Mayor for, I believe equipments for use in the Mayor's office and like Representative Hofschneider had mention this is for the street naming projects and I also want to see in the future mails delivered to residences, but at the present moment we also need to take a look because the street names that have been erected I would say 20 to 30 percent of them are gone or damaged. Where are we going to get the funds to replace those signs once we let go these moneys? It is interesting because it is still quite clear that there was a bill yesterday, yes, House Bill No. 16-121, trying to get the same funding and our street signs are all damaged. We need to replace those, let the money stay for the intended purpose. I know that those are going to cost but even my street I forgot what the street name is already it is not there. So I got to draw maps coming from the hospital going up because I do not know the street name anymore going up there, with that I cannot really say that I am going to agree with this legislation. Thank you, Mr. Speaker.

Vice Speaker Deleon Guerrero: Thank you, Representative Dela Cruz. Representative Benavente.

Representative Benavente: Mr. Speaker, I think Representative Dela Cruz took my notes here and read it out because that is exactly what I wanted to say. I also would like to plead to the author and the co-authors of this legislation. The street signing is a very critical part of Saipan and the project to number homes is also very important for continuing or improving the service to our community through the mail delivery system and so I ask that we leave this money alone and continue with that important project. Thank you.

Vice Speaker Deleon Guerrero: Representative Babauta.

Representative Babauta: Thank you, Mr. Speaker. Those concerns are legitimate comments you, I, and some of us have been here long enough to know the Street Naming project as Representative Hofschneider mentioned earlier although HK Pangelinan was engaged that project has already been completed. Two weeks ago I happen to sit down with Representative Quitugua with the Secretary of Finance incurring this business unit and it was Finance that actually recommend the wording reappropriate and or appropriate of lapse fund and to include the words "unobligated" so that he knows business unit has been completed. So he himself certifies that these funds are unused and this is the balance of that particular project so I beg the indulgence and the support of the members, Mr. Speaker. It is important that we continue to emplace a recreational facility for our younger generations so they would have place to Capital Hill for one as you know is been frequent nowadays by many kids; the little league uses those, the youngsters of Capitol Hill wanted to see a basketball court be renovated and rejuvenated, so I beg the members to support this legislation. Thank you Mr. Speaker. And if I add, Mr. Speaker, several years ago I and then Speaker Benavente constructed through the assistance of DFS the Manhoben Center in Chalan Kanoa and it has been over a decade we did that and we need a little funds to repaint the graffiti that was damaged by some unknown kids.

Vice Speaker Deleon Guerrero: Thank you, Representative Babauta this is a policy call on our part. Representative Hofschneider.

Representative Hofschneider: Mr. Speaker and members I am willing to cosign a commitment to the same amount for the Capitol Hill project if we pursue CDBG (Community Development Block Grant). I will give you my support. It is ready the money is ready all we need to do is---

Vice Speaker Deleon Guerrero: Representative Hofschneider for the record the Koblerville Youth Learning Center was built on CDBG so it is appropriate that the recommendation is followed. Speaker Palacios.

Speaker Arnold Palacios: That is a very good suggestion, Mr. Acting Speaker. I will yield to Representative Babauta to answer.

Vice Speaker Deleon Guerrero: You have the floor, Representative Babauta.

Representative Babauta: Mr. Speaker Pro Tem, thank you. On behalf of Representative Quitugua, and I am pretty sure the Floor Leader will join me, I will support CDBG's funding for my good colleagues election district. Precinct IV and Precinct II have not indulged themselves with CDBG grants in the past and we are willing to sacrifice those programs for the larger election districts. We have earned it for Oleai, for Garapan's Central Park and the rest of Election District 3 who have availed with CDBG. Never in my history in the legislature did I ever go against those programs because the population is very big and it is the need of the community, Mr. Speaker. So I beg my colleague Representative Hofschneider to support me in this endeavor Mr. Speaker.

Representative Hofschneider: Point of clarification.

Vice Speaker Deleon Guerrero: State your point Representative Hofschneider.

Representative Hofschneider: I will support him, Mr. Speaker, if he goes on record that he would put this before the general public of Saipan not to have home mail delivery and I will support him on this occasion. If he goes on record that he does not think that the residents of Saipan would be better off having home mail delivery by the US Postal Service and go with the priority of the language proposed under this legislation, I will support him. If he goes on record Mr. Speaker.

Speaker Arnold Palacios: Representative Babauta, you may respond.

Representative Babauta: Mr. Speaker, let me respond by saying that former Speaker Hofschneider was correct on the enumeration project and it has been completed, Mr. Speaker. So the delivery of service is pending to the Mayor's Office and to be channeled to be coordinated with the US Postal Service. So I only hope that he is content with my comment and, of course, I completely support the delivery of individual delivery of mails to residents and that is the reason why the project was initiated and HK was selected for that particular project. This is the balance of those projects Mr. Speaker. Once again, I humbly ask on behalf of my colleagues from Precinct IV the Floor Leader and Representative Quitugua and of course Representative Palacios.

Speaker Arnold Palacios: Any of this funding going to Precinct II?

Representative Babauta: Yes, but only a little bit Mr. Speaker.

Speaker Arnold Palacios: Okay, clarified.

Representative Babauta: And I beg to differ, somebody did mention the bulk of it, no, that is wrong.

Speaker Arnold Palacios: Representative Salas.

Representative Salas: Mr. Speaker, I just wanted to know if somebody can answer for me why the delay of the home delivery mail, is it the problem with the US Postal Services. I understand from someone earlier the numbering system is in process, is that what I heard?

Speaker Arnold Palacios: Representative Hofschneider, do you want to clarify that?

Representative Hofschneider: Yes, when the Street Naming Commission was in placed they have contracted the street naming and construction emplacement of all streets with the street name, then the second phase of that project which the fund balance kept all these years was to go ahead and procure enumerated or number plaques and start disseminating them to individual business buildings and residences. So the fund balance was kept all these years to find supplemental appropriation to augment the total cost of actual purchase of the numbering system. The numbering system is done, all we need is to pay HK and appropriate the amount that is required to procure the plates.

Speaker Arnold Palacios: Okay. Floor Leader.

Floor Leader Camacho: I will just take one minute from everybody's time here and I appeal to the members to consider that not too long ago we passed House Bill No. 16-105 and 16-106 and 16-107 which took from Precinct IV portions of that in regards to the road being built back in Talafofo and Marpi area and who drafted that it was myself and Representative Quitugua and we gave that money to the San Vicente Elementary to build same for William S. Reyes Elementary School. Times are hard we are trying to find money everywhere.

Speaker Arnold Palacios: Did some of the money find its way to Oleai Elementary School?

Floor Leader Camacho: I think House Bill No. 16-105 was a general reprogramming in regards to money for renovation throughout all PSS and I do remind the members especially in Precinct III that pursuant to *Pangelinan v. Petition* in the CNMI Supreme Court that right across the street here is now Precinct III which will avail themselves of those.

Speaker Arnold Palacios: Let us try to clarify because you were referring to House Bill No. 16-105, 16-106, and 16-107 which is funding for schools and I was just wondering whether Oleai School was considered in that appropriation.

Floor Leader Camacho: I am sure you will benefit from it.

Speaker Arnold Palacios: Representative Benavente.

Representative Benavente: Mr. Speaker, just one more comment. I do have on my hand House Bill No. 16-121 which was introduced by our good Chairman Representative Yumul and just so that we

and I feel would keep peace among the leadership I think we should leave this money alone since there are now two different appropriation bills on the floor rather than argue as to whether we should give that money to the Mayor's Office for equipment that they really need or for the projects offered under this bill. I suggest we leave it alone for the improvement of the street naming. Thank you.

Speaker Arnold Palacios: Representative Babauta.

Representative Babauta: Mr. Speaker, you have seen my parliamentary style in this chamber for the past six years. I never argue for anything that what is worth for this community as stated in against any community. I would and I am sure my colleague Representative Raymond Palacios join me and the Floor Leader and God knows even Representative Quitugua I would force him to do so, that we will commit any funding in the future that would replenish or otherwise augment what is short and including the Mayor's Office who frequent sister city trips for that reason to replenish those funds that he needs for Liberation Day. So that is my commitment Mr. Speaker on behalf of these sponsors in this legislation.

Speaker Arnold Palacios: Thank you. Representative Salas.

Representative Salas: Mr. Speaker, we have a project that is pending and rather than taking money out we should be trying to find money into the project so that we can finish that project, to me it seems more sensible.

Speaker Arnold Palacios: Representative Dela Cruz.

Representative Dela Cruz: Thank you Mr. Speaker. I am not going to take too long but I vaguely remember House Bill No. 16-121 it states for the budget for the Mayor and most especially the Liberation Day carnival that is ongoing right now. He is asking for \$8,000.00 for the video footage of the Liberation Day programs to, I guess, shoot the footages of the programs that is happening down there, it is in House Bill No. 16-121. On this bill, House Bill No. 16-117, it also request \$5,600.00 for the payment of the Chamorro/Carolinian Language Policy Commission TV Talk Show "Abiba Lengguahi-ta" and I watch this show and I think it is a great show for our culture. The thing that kind of bothers me is we have Public Law 15-35 the PUC law and that law it requires a cable TV operator to provide twelve hours or more of free air time, free, for cultural events, governmental events, educational events, this one fits right in there. They are trying to be billed \$1,400.00 per month. I do not know whether this is air time as well as production time, it does not state, but this has to be clarified, especially to DCCA. That we have this free access channel that we can air such programs onto and it will not cost them a cent to air. Of course, production is different, but this is free air time, why are they not taking advantage of this and I believe if I am not mistaken this usually falls under channel 60, that is where we see at times the Senate session and so forth those are governmental shows, and that is free. The government keeps trying to find money for these things or at the same time we do not need to pay for the services, so I just wanted to point that out, \$8,000.00 to video the Liberation, come on. That is it for now, Mr. Speaker.

Speaker Arnold Palacios: Okay. Ready to vote? Clerk, please call the roll on H. B. No. 16-117.

The Clerk called the roll on the motion to pass H. B. NO. 16-117 on First and Final Reading:

Representative Edwin P. Aldan

abstain

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

Speaker Arnold Palacios: By a vote of 6 “yes” and 9 “no”, passage of H. B. NO. 16-117 is defeated by the House. Floor Leader.

Floor Leader Camacho: I am very depressed right now Mr. Speaker (LAUGHTER).

*The House recessed at 3:27 p.m.*

**RECESS**

*The House reconvened at 3:42 p.m.*

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

Floor Leader Camacho: Mr. Speaker it is late in the day and I feel sorry for the staffs maybe we can recess subject to your call.

### **MISCELLANEOUS BUSINESS**

None

### **ANNOUNCEMENTS**

None

### **ADJOURNMENT**

Speaker Arnold Palacios: There is a motion on the floor to adjourn.

Several members voiced “ready.”

The motion to adjourn was seconded and carried by voice vote.

The House adjourned at 4:55 p.m., subject to the Call of the Chair.

Respectfully submitted,

Linda B. Muna,  
Assistant Clerk  
House of Representatives

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**APPEARANCE OF LOCAL BILLS**

**FIRST APPEARANCE: 1<sup>st</sup>** Appearance of a local bill is on the date of introduction.

**SECOND APPEARANCE: NONE**

**THIRD APPEARANCE: NONE**