



# House Journal

## SECOND REGULAR SESSION, 2008

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2nd Day

Friday, August 22, 2008

The House of Representatives of the Sixteenth Northern Marianas Commonwealth Legislature convened in its First Day, Second Regular Session on Friday, August 22, 2008, at 9:56 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, Heinz S. Hofschneider, Joseph C. Reyes, Ramon A. Tebuteb and Ray N. Yumul were absent and excused from the day's session. Representative Stanley T. Torres came in late.

Speaker Arnold Palacios: Representative Apatang, recognized.

Representative Apatang: Mr. Speaker, I just want to wish you a Happy Birthday and many more to come. I think your aging card is on the way. I would also like to request that since Representative Yumul is not going to be here until next year that we just consider him excused so that we do not have to call his name all the time.

Speaker Arnold Palacios: The Minority Leader has pointed that out. Once in a while, we kind of remind ourselves of his absence. Representative Hocog, recognized.

Representative Hocog: Mr. Speaker, Representative Apatang just addressed what I had in mind to inform the House.

Speaker Arnold Palacios: Thank you.

Representative Hocog: And before we proceed with our session, we would like to sing you a song to elevate you more than where you are at today, and I ask Representative Sablan to please lead.

Speaker Arnold Palacios: I appreciate that, Representative Hocog, but maybe we can wait until we get to Miscellaneous Business.

Representative Hocog: Okay, Mr. Speaker, it is your call. Thank you.

Speaker Arnold Palacios: Thank you.

## ADOPTION OF JOURNALS

NONE

## INTRODUCTION OF BILLS

H. B. NO. 16-146: A Bill for an Act to establish Village and Agricultural Homesteading Program for the Islands of Sarigan, Alamagan, Pagan, and Agrigan; and for other purposes.

Offered by: Representative Justo S. Quitugua

Referred to: Committee on Natural Resources

H. L. B. NO. 16-22: A Local Bill for an Act by the Third Senatorial District to authorize SHEFA financial assistance for students who have not obtained a high school diploma or its equivalent who are enrolled in a trade institution such as the Northern Marianas Trades Institute; amend 10 CMC § 3921(e) and § 3922; and for other purposes. [*First Appearance*]

Offered by: Representative Justo S. Quitugua

## INTRODUCTION OF RESOLUTIONS

NONE

## MESSAGES FROM THE GOVERNOR

GOV. COMM. 16-168: (8/6/08) Informing the House that pursuant to the override action of the 16<sup>th</sup> Legislation, S. B. NO. 16-19, SD1 became **Public Law 16-8**.

GOV. COMM. 16-169: (8/15/08) Certification of vacant positions at the Commonwealth Elections Commission.

GOV. COMM. 16-170: (8/15/08) Providing a copy of Mr. Michael Do Sun Pai's drug test results. (*Sealed to JGO Cmte. Chair*)

GOV. COMM. 16-171: (8/20/08) Transmitting a copy of the Petroleum Fuel Farm Feasibility Study. (*See attachment on Leg. Network*)

Speaker Arnold Palacios: I recognize Representative Babauta.

Representative Babauta: Can I clarify with the Legislative Bureau whether the attachment GOV. COMM. 16-171 is already on the network? How thick is this document?

Speaker Arnold Palacios: It is on the network, and it is about a hundred pages. It is on an irregular size paper. I just received it yesterday and it is already on the network.

Representative Babauta: I look forward to reading it, Mr. Speaker, thank you.

Speaker Arnold Palacios: Any further comment on Governor's Communications? Ready? We move on to Item 7.

## SENATE COMMUNICATIONS

NONE

## HOUSE COMMUNICATIONS

HSE. COMM. 16-66: From Representative Hofschneider informing the Speaker that he will be off-island for the period of August 22-30, 2008.

Representative Stanley Torres took his seat in the Chamber at 10:12 a.m.

Speaker Arnold Palacios: Representative Sablan, recognized.

Representative Sablan: Thank you, Mr. Speaker. A couple of communications, but the first one, I would like to request from you and that would be a briefing for the record on your trip to Washington, DC. I do not believe we have received a formal briefing and I would appreciate that greatly in terms of who you met with and what the outcome is.

Speaker Arnold Palacios: Okay, that is noted. I am actually working on a joint report with the Senate President so we will be submitting a joint report to the members of the legislature. Thank you for that reminder. Representative Sablan.

Representative Sablan: Thank you. I do have some comments on a number of issues that have come up in recent weeks and I would like to state them for the record. Mr. Speaker, the recent federal indictments of the Lieutenant Governor, the Commerce Secretary, the Lieutenant Governor's sister, and the former Executive Director of CUC have really dealt a crushing blow to public confidence in government. The tentative response is lawmakers and other public officials to these indictments have only rubbed salt in the people's wounds. The Lieutenant Governor must step down, Mr. Speaker. There is really no question about that. Even if there is a chance that he might ultimately be acquitted of criminal charges in court, in the hearts and minds of so many of our people -- and I have heard from so many of our people -- he has lost all credibility and should not be allowed to remain in public office. Our personal relationships with him do not matter. All that should matter is the public trust. He must step down. I urge this body to take a clear and united position on this issue on behalf of our constituents to urge Mr. Villagomez in the strongest terms possible to resigned from his position or be removed. Second, Mr. Speaker, I believe we must also challenge the increasingly autocratic methods of the Governor. The people are clamoring for a recall, for impeachment, for the legislature to take some kind of meaningful stance against the parade of weekly unjustified emergency declarations, unconstitutional executive orders, highly suspicious sole sourced contracts, nonsensical threats, litigation against the federal government, failures to pay contribution to the retirement fund or to pay down the deficit. And the list goes on and on. The Governor's actions might be at the end of the day technically legal, but they are fundamentally, ethically, and morally wrong. Taken together, they add up to dereliction of duty. Taken together, they add up a staggering betrayal of public trust. I do not deny the Governor's constant reminders that he inherited a mess of problems from previous administrations, but I do hold him accountable for making things worst during his administration and I hold this body accountable for enabling him every step of the way when we have either ignored or outright endorsed his failed policies. It is my view that there is no longer a question of whether or not we have the grounds to pursue impeachment proceedings against this governor, but whether or not we have the will and the courage to do so. But even if this body is not willing to do so, Mr. Speaker, we can at the very least refuse to be complicit in the governor's constant abuses of power and resolve to restore public confidence in the checks and balances of democracy wherever this governor and wherever we by our consent have shattered that confidence. We can at the very least cut his budget and restrain his ability to do further harm to the economy, to the morale of our community, to our relations with the federal government and to the public trust.

And while I am on the subject of the budget, I must ask, Mr. Speaker and members, what is the status of the FY '09 Budget. The budget is essentially the government's plan for the year, and the silence about the progress that we are making with respect to the budget for FY'09 is deafening. Has the committee returned the budget to the Governor to correct the serious discrepancies that have been identified in his initial submittal? Are meaningful efforts being made to prioritize essential services to cut cost, to pay down the deficit and remit employer contributions to the Retirement Fund? Whatever happened to public budget hearings? I am deeply worried that we will be repeating the fiascos of past years which is that no budget was passed, no real government downsizing occurred, the deficit continue to balloon, pensions were denied to eligible retirees and political hiring continue even as hard working and competent government employees saw their salaries slashed. Our people grow increasingly demoralized, increasingly angry, and increasingly restless. I have heard talks about mass demonstrations on the Hill and in the streets, uprisings, and alarmingly even violence. Our people are reaching a breaking point. They have had it with business as usual in this government. They have had it with misspent public funds and misdirected priority. They have had it with rolling blackouts and contaminated water or no water at all. They have had it with the soaring cost of living. They have had it with the petty games, the cronyism, and the shortsightedness of local politics. They are ready to do away with the politics of old and embrace a new politics that is democratic, transparent, inclusive, and guided by long-term vision. They are ready for real change and they want a real plan, not the shoot from the hip strategy that has characterized local politics thus far. Planning takes leadership. It takes courage and political will. I hear these things every day. I hear them every day and I think about them everyday. As discouraging as I have found the last eight months of this term, I continue to hope even now that it is still possible for change in our Commonwealth and in the way we govern ourselves, to begin with this legislature. Mr. Speaker, I think that it is high time that we begin to talk frankly and directly and on the record about what is happening in our Commonwealth. And I would like to hear from the members now about these issues that I have just raised, or about there are certainly other pressing issues, many pressing issues that we can talk about now and that we should state it for the record and take a stand. I have heard that as well from our constituents that they want to hear where we stand on these issues. Thank you.

Speaker Arnold Palacios: I recognize Representative Apatang.

Representative Apatang: Thank you, Mr. Speaker. That is a very good speech from Representative Sablan, but there are a lot of questions here. The things that she is coming up with, the accusations and all, she needs to put that in writing as to what exactly she is talking about. She talked about a lot of issues. She needs to back it up. We cannot just decide on what she is saying. She has to put down in writing what it is exactly that she found about Governor or whatever. I think the Lieutenant Governor has his own mind. He can decide when to step down or not. Let him decide that. As far as the Governor is concern, he is trying his best. We just need to work together with the Administration and come up with solutions. That is what we are here for. Now, if we cannot work together with the Administration, then there is a problem. But, we are here to find solutions so that we can get this Commonwealth moving. You know, we cannot just sit down and say, problem here, problem there, problem everywhere. I know that you have a lot of people out there in the community saying there are a lot of problems. Yes, we know there are a lot of problems, but we need to work together, sit down and come up with a solution instead of keep accusing the Administration about this and that. So if you want us to do something, come up with your issues -- what do you want us to do, what is your solution. Instead of keep saying this and that, come up with a solution, put it on the floor and we will look at it. Then we can work on the solution, whatever your recommendation is. We have to stop this blame game. Let us put our heads together and work together. Let us work with the Administration so that we can get going. We know we have a lot of problems. We have problems

with CUC, some areas in our precinct are without water for three months. What we need to do is sit down, put our minds together, and find a solution. Thank you.

Speaker Arnold Palacios: Clerk, please note that Representative Stanley Torres is present. I now recognize Representative Babauta.

Representative Babauta: Since this is an official House communication to which Representative Sablan just finished commenting on, can we ask for the House communication.

Representative Sablan: Sure. If I can have the indulgence of the members, I would like to put it in a more formal format then I can I can officially submit it as a communication.

Representative Babauta: At any rate, maybe that can be sufficient.

Speaker Arnold Palacios: Even in that format, Representative Sablan, you can put it in because it is already recorded. The Clerk had noted it as a House communication so if you can submit that.

Representative Sablan: Sure. I can submit that perhaps after the session then.

Speaker Arnold Palacios: Alright.

Representative Sablan submitted her official communication on August 26, 2008, and entered into the House Records as HSE. COMM. 16-67.

Representative Babauta: Mr. Speaker, I rise not in defense of anyone outside the Legislative Branch, but I would totally take heed and support Representative Tina Sablan's comments with respect to issues arising out of the legislative hall, primarily if it is from the House of Representatives. Let me just remind everyone the democratic process to which this republican form of government is administered. While we are cognizant of the fact that we see issues appearing in the neighboring island the territory of Guam, in California, or for that matter the United States as a whole, I would humbly support the idea of levying having both our local and federal judicial process take its course. If it warrants that at legislative member is attached to any of these comments primarily on recent criminality that is arising out of this Chamber, then so be it, Mr. Speaker, I would support the idea of Representative Sablan. Otherwise, this legislature has no business at all to even bring the issue of impeachment in the Halls of the House, because we were never in fact a part of these recent incidents. There was never an official request made to the House. We cannot unilaterally just go out and yank somebody's neck into this Chamber just for the benefit of being a comedian to the general population of the Commonwealth as far as the issues are concern. So let us be mindful of those personalities that are occurring because of our grievances or frustrations. Again, consistent with Representative Tina Sablan's comment, we might also, Mr. Speaker, probably consider Item No. 11 as part of the solution, and maybe adhere to the letter of Ms. Annelyn S. Sablan who is supporting the hiring of Mr. Gregorio Cruz and Mr. Ed Propst to augment the technical and professional assistance to our ailing and cancerous power plant down at Lower Base. So we might consider this offer and maybe the Chair can write a very strong recommendation to whoever is in charge with CUC now to consider hiring these gentlemen so that maybe they can contribute to the solution of our Lower Base cancerous power plant. Thank you, Mr. Speaker.

The Chair recognized the Vice Speaker.

Vice Speaker Deleon Guerrero: Thank you, Mr. Speaker. That was a very well-prepared speech by Representative Sablan and she asked for our comments, our thoughts, or our feelings regarding the issues she raised. I would like to share my feelings about it, Mr. Speaker. First of all, I would like to say that not every member of the legislature agrees that impeachment is the way to go. There are problems, she is right. She mentioned utilities--people are frustrated with the power blackouts. She mentioned lack of payment to the Retirement Fund. I want to say -- she talks about stopping the politics. I think some of us have decided not to go in the direction of finger pointing. As Representative Apatang has said, some of us feel that working with the Administration is really our only option right now. Some of us chose to work with the Administration to get this temporary power by the Aggreko Company to come in. By the way, the first shipment is arriving today -- tomorrow? -- regardless, the point I am trying to make is that some of us have decided to roll our sleeves up to make things happen and not just b----- about things that need to happen. Representative Sablan, I encourage you to roll up your sleeves. I think the most you did when we were going to get the Aggreko project going was to say, is that the best solution, can we come up with another solution. I did not really see any solution that would help the CNMI other than you talking about the problem. So I suggest you roll up your sleeves and offer some solutions. I strongly believe now is the time to put politics aside to work with this Administration regardless of political affiliation. That is what most of us have been trying to do. So, I really take exception to your point that you feel the people are frustrated, that we are not doing anything about it, or that by not pushing for an impeachment we are condoning the actions of the Governor. I take exception to your comments. Thank you.

The Chair recognized Representative Stanley Torres.

Representative Stanley Torres: Mr. Speaker, this is not about what have been discussed and if I may be permitted to say something about zoning. Mr. Speaker and members, yesterday I went down to the area where the Aggreko power generators will be located. I saw a sign at the gate that says, Public Hearing, August 28 at 6:00 p.m. at the multi-purpose center. I understand the Aggreko generators are arriving tomorrow. Are they going to be held at the dock until the Zoning Board decides to permit or not to permit? Do I hear anything -- would the Governor override the zoning law for this purpose. I hate to see those generators being held at the dock while the Zoning Board gets their act together. This is an emergency. Secondly, this is about zoning again, I read in the paper that the Zoning Board conducted a public hearing at Kagman and a person by the name of Jesse Torres, I guess airing his disappointment on the Zoning Board that the recommendation of the people of Kagman were not taken into consideration. The Laolao Bay Golf Resort is offering to spend a build a sidewalk from Tank Beach to Kagman High School and is disregarded by the Zoning Board. Is there any interested party that would take that concern from me and investigate why the Zoning Board is not interested in that offer?

Speaker Arnold Palacios: In that regards, the Chairman of the Committee on Natural Resources who is also the Chairman of the Saipan Delegation, can you, Vice Speaker, being the Vice Chairman get together with the Zoning Office particularly with the issue on the temporary power. Please check what that is all about. I am sure that they are probably mandated by statute that they must do this. It is my believe, i.e. the Commonwealth Utilities Corporation will be responsible for making sure that they have a zoning permit if that be that law. But, could you take Representative Torres' concerns on those two issues.

Vice Speaker Deleon Guerrero: Mr. Speaker, I will roll up my sleeves and take that on.

Representative Babauta: Point of information, Mr. Speaker.

Speaker Arnold Palacios: State your point.

Representative Babauta: I would strongly assume that by virtue of the Governor's declaration of the State of Disaster Emergency for CUC any pertinent rules, regulations, and laws that apply to that specific disaster that includes zoning would be suspended temporarily until such disaster is accommodated to appease the public's concern in health, welfare and safety. Thank you.

Speaker Arnold Palacios: You are well on point and perhaps the Vice Chairman will take that into consideration. Several points were raised by Representative Sablan and before I recognize her again, I would like to ask the Acting Chairman of the Committee on Ways and Means to give us a summary briefing regarding the budget status.

Representative Hocog: Thank you, Mr. Speaker, for recognizing me. I have been raising my hand for two minutes, so thank you for your recognition.

Speaker Arnold Palacios: I have you down on my list.

Representative Hocog: Mr. Speaker, I wish to comment on Representative Sablan's message to the House as an official communication. Earlier this morning, the weather looked a little cloudy and it is starting to shine as Representative Sablan delivered her well-drafted speech regarding the action of the House, non-action of the House of not trying to do something about the recent incident of our Lieutenant Governor. In addition her desire for an impeachment as well as a concern on the budget. And that is where I would like to focus on. But, before I touch on that issue, Mr. Speaker, I would like to say that people outside and inside may say whatever they want to say for whatever reason. Whether this body will go along with Representative Sablan's intention with others to involve the House members to the road of impeachment, I would like to see what alternative solution should, and will we partake on that road map for an impeachment process. Secondly, for the House to come up and pressure the Lt. Governor to resign, I guess we are infringing on the democratic process and a decision both humanely and democratically that we are putting ourselves before the line. Mr. Speaker, the Commonwealth is comprised of mostly Catholics and we believe on the principle Catholicism. (*End of Tape 1 side A*) (*Start of Side B*). ...elected from the Covenant Party and why would I not follow Representative Sablan's aspiration to ask the Lt. Governor to resign. But, is that the answer in solving the problem before us. I have heard also from people that the Sixteenth Legislature is no different from the 15<sup>th</sup>, and before that. That is why we are bonded in trying to resolute problems that the Executive Branch forwards for our action. Our failure to provide that resolution is a real problem to the 16<sup>th</sup> Legislature. The Governor is not directing the Legislature what to do. He respects the process of decision making on different branches of government. We are twenty people here thinking about the reaction of what the Administration is asking to assist the general public. We are part of the problem, and we are part of the solution. And not acting on the basis of such request, that I would say is a dereliction of our constitutional duties, not only as elected officials but as citizens and residents of the CNMI. I would like to note that people that are not in-tuned with the present situation, a decision process would naturally and definitely vote negative about how this Legislature comes about with the actions that ties with the Administration's request for assistance. I believe that the 16<sup>th</sup> Legislature despite of political differences is bonded to work together for a resolution to ease the pain and suffering of the community and the Commonwealth in general. Be it as it may, the public and the electorates will have their time when the time comes to change their elected leaders if they are not working. What I envision of Representative Sablan's

message is that being an incumbent, you must be prepared for the next election, because you will be replaced, and that is how I read her message. After thirty years, Mr. Speaker, of being a commonwealth with a bicameral legislature and for someone to just step in yesterday to change this process overnight, I regret to inform Representative Sablan that it is next to impossible. And even if she wanted to, it is the people's decision to make that change. To fork a group of activists to bring to the Legislature, I urge you people to be strong in your leadership because the people in your precinct elected you to lead them. Do not let the people lead you as their leader. And if it takes that leadership for you to lose because you are leading them properly, let it be, and hope to God that whoever comes in does not sink the floating ship today. Now, with respect to the budgetary concern, Mr. Speaker, we all knew that our resources are way far below the spending level of Fiscal Year 2008. Do I need to have a budget? Would I request this membership to have a budget submitted unofficially or officially on April 1<sup>st</sup>? I do not think so, Mr. Speaker. The Committee on Ways and Means is working vigorously, aggressively in trying to identify and make the Fiscal Year 2009 a balance budget despite the fact of what we received on April 2<sup>nd</sup>. Of course, I would like to see a budget forthcoming by September, and your Committee will come up with a skeleton budget worksheet for their review before I bring it to the Floor. Thank you, Mr. Speaker.

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

Representative Ralph Torres: Mr. Speaker, I would like to say a few things regarding CUC. I know that no one in this room likes the current situation. Believe me; I have a three-month old baby girl. In the middle of the night the power shuts down and it frustrates me and I know that every other family out there is frustrated. There are a million things we can do and there are a million things we cannot do. But what we have to do is work with what we have. Whether you agree with the Aggreko Company or not, the generators are coming in. Is that going to help us with our blackouts? Or whether the conversation with the Department of the Interior (DOI) coming in next month to assist CUC -- I mean, for me, whether you agree or disagree those are two solutions, short-term or long-term. Granted, the situations that we are at with regards to the generators are not in the best condition. So we are stuck with this situation with CUC and we have to do our own assessment because I know that each one of us is struggling especially when we go out and hear from everyone else out there in the community. I am also one who hears it. What is the proper action?--that is yet for all of us to sit down and make that offer of what kind of solution is best. The other thing also, is before we start going forward on what is good and what is bad, we have to look back and assess what has been done and what has failed so that we do not repeat it. What we should do is not only not point finger, but work with what we can. Thank you, Mr. Speaker.

Speaker Arnold Palacios: Thank you. I recognize Representative Sablan for the last time.

Representative Sablan: Thank you. Actually I thought -- did you also have comments?

Speaker Arnold Palacios: I will allow you to continue.

Representative Sablan: Thank you. I would just like to respond briefly to the remarks by the members and I thank you for sharing your own thoughts freely. That was exactly what I was hoping for. I raise three primary issues in my earlier statement and that was the indictment of the Lt. Governor and calling on us to take a stand on whether or not he should resign. I strongly believe that he should for the reasons that I just stated. There is a serious crisis of confidence that has been created as a result of these indictments. He has been indicted for public corruption on a matter

related to CUC and every time the power goes out, people think about that. And that is something we should take seriously and I think it is well within our rights as representatives of our people to take the position that this public official should step down. The second issue that I noted was what I call the autocratic methods of the Governor -- these constant states of emergency which all of us have complained about, his executive orders that rewrite statute and make us question whether or not they are even constitutional. I was asked, what solutions am I proposing? I propose that we challenge them, that we not just roll back, change statutes to give it the after the fact blessing like we have been doing. We have done that a number of times in this legislature. This is done a number of times in the 15<sup>th</sup> Legislature. At what point will the Legislature that it is in fact the second branch of government and as such should a check on the powers of the Governor when the powers of the Governor are being abused. To go back to the issue of this crisis of confidence in our government and really that is probably the root of all our problems that comes from a lack of transparency. People do not know when the legislature is meeting, they do not know what meetings are being held behind close doors with the Governor and certain members of the leadership. Decisions come out after the fact and they suffer from it because we have not done our due diligence. So if you are asking for solutions what I propose is that we put some transparency in this process. I am struck, Mr. Speaker and members, by the cycle of repeating the same mistakes over and over. CUC is one example, so emblematic of everything that is wrong with governance here. I found the oversight committee report from 1993 and it was amazing how much was so similar more that ten years ago. Engines were shutting down, we needed to bring up capacity for power generation, we could not pay for fuel, sole-sourced contracts that were under question, and what has changed since then. So, solutions--I propose for transparency. I propose that you support the Open Government Act and apply it to this Legislature. I propose that you support the changes to the House Rules so that we can give people public notice. I have been asked to be willing to roll up my sleeves; I have been willing to roll up my sleeves from day one. I have talked to the Speaker and a number of members about having a Commonwealth summit, an energy summit even, just to focus on our energy problems and have a plan, a creative plan. Ask for assistance from the Federal Government if we need the technical expertise to develop this plan. Where has that gone? Where is our plan? The Aggreko solution is not really a solution because we know that CUC -- and we know this for a fact, CUC will not be able to pay for the remainder of the contract. So we took money out of public lands trust to slap on the funding that they needed for the initial deposit. What happens after that, we need to think beyond the short-term. You are asking me to propose solutions; I am saying we need to think long-term. We need to have some transparency in the way we do business here, and change the way we do business here because that is exactly what people are calling for. Thank you.

Speaker Arnold Palacios: Thank you. I recognize Representative Hocog for the last time.

Representative Hocog: Thank you, Mr. Speaker. Talking about transparency, I urge Representative Sablan to follow transparent decisions if she does not want to follow un-transparent ones. Ever since Representative Sablan sat in this Chamber I can count how many times she voted yes for legislation that would provide for transparency -- two times. Any other transparent job or work that this House did, all these times she voted, no. Solution -- how can you partake in the democratic system if you always, always vote no on questions that are put before the House, whether the rules are suspended to place a bill because of urgent necessity. Why is it that she always votes no on every bill? Transparency--I can sit here, Mr. Speaker, and start complaining and vote no all the time. Do I myself part of the system by going against a bill that will induce resolution to a present problem every time? Transparency. How can I be transparent if I cannot even come and help? I am not here to start complaining from within to without. I am here to help, Mr. Speaker, and I hope we can change this attitude. Our attitude dictates our destiny, our performance. And if every attitude will be

taken negatively, naturally, Mr. Speaker, our performance will always be negative and we talk negative all the time. Thank you.

Speaker Arnold Palacios: Unless there are other members willing to share their thoughts, I would like to wrap up our discussion under House Communications. There is no question that the points raised by Representative Sablan hit us in the conscience. The issue of confidence in our government, particularly in the last few weeks has completely been shattered. One is by the perennial problem with our power infrastructure that continues to deteriorate on a daily basis, compounded by the indictment of our Lt. Governor. There is no question that if we go out in the public, and we hear it even in our own households, our own children raise this issue. So we are conscious about it. We are cognizant about it, we are mindful about it. Whether or not we can individually take a position or collectively take a position regarding the Lt. Governor is something that perhaps we will be thinking about also. It is not something that we should discard. It is something that I know that every one of us in the past weeks have not just shaken our heads but are hurt in our hearts to see something like this happen in our community and in our government. As far as challenging the Governor's rather numerous states of emergency declarations and executive orders, in the past two and a half years I remember challenging the many executive orders and emergency declarations. In fact, I sympathize with one of our colleagues, Representative Stanley Torres who took it upon himself to challenge the Governor. He took the Governor to court, paid out of his own salary because the House counsel was not available to represent him. So there have been challenges. We have challenged the Governor on certain issues. There are, even in our minds, factual issues that we can question ourselves what was the purpose of such a declaration, at times a misconnect, particularly in the past two years where I questioned several executive orders. I just passed out a joint letter from the Senate President and me not necessarily challenging the Governor, but questioning the rather ambiguous and broad language of the last emergency declaration and it is from the members' concern. The Committee on Public Utilities, Transportation, and Communications Chairman had expressed his concern about this directive and asked the Presiding Officers of the 16<sup>th</sup> Legislature to send a strong letter to the Governor making clear our positions on this issue. The crisis that is before us, and I agree with a lot of members, requires that we not be just diligent in making sure that problems get solved correctly, but that we should try our best to help and to operate once we agree on how to approach this. I also take note and am mindful of Representative Sablan's thought that we do have to have a plan that is transparent and that we can account for. I believe some of us have lived on this island much longer than some, and this is one of the deepest the crisis I have ever seen the Commonwealth in. Not just about the economy after a robust cycle in the 1990's to see a collapse exacerbated by the power crisis, the most basic infrastructure, collapsing on a daily basis. To that effect, I as the Speaker and a member of this body decided to the extent that I walked across the street, asked the Governor to meet with me and the Senate President and say, what do we need to do within the confines of the law, because we are in a crisis with our infrastructure. Crisis and confidence -- you are correct, Representative Sablan. But, I personally believe that we should address one a side from the other. The collapsing and daily challenges that we have regarding our power must be addressed immediately and isolated from addressing the institutional issues that is creating the lack and loss of confidence in our institutions of government by our people. I will tell you one of the issues that we raised and I thank Representative Benavente for constantly impressing on the Federal Government when we were in Washington, DC that we need help, not just in technical expertise issues with the engines, but also in the long term planning process to get not just beyond the immediate crisis but also so that that we can address infrastructure issues on a long term basis. As your Speaker, that was my position and I was very, very adamant not just to the Office of Insular Affairs but also to some of the congressional staffers and the U.S. Department of Energy that we need to put together a plan to put the infrastructure back and to have our own human capacity plan so that we do not go back and

pass legislation exempting certain agencies year in and year out to hiring nonresident workers. I recognize the Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker. I know some members have said their peace, and normally I do not like to make comments unless it is important. With the indulgence of the members, let me just add a few pennies into this discussion. Respectfully to Representative Sablan, she made very serious allegations and if I do not comment to them, I would not want somebody to interpret that as acquiescence to her point of view as to how the sessions are conducted here. She made certain comments in regards to the Lt. Governor and whether he should resign, be impeached, or removed from office. I understand the process. I have been on both sides of being a prosecutor and also being a defense attorney. There are allegations made, people are brought to court, and the jury decides your guilt or innocence. We should allow that process to move forward and we should be mindful not to prejudge people because I have seen it many times where the CNMI prosecutor make mistakes, I have seen it where the Federal Prosecutor makes mistakes and that is what the jury is for. And should it come to pass that the Lt. Governor is acquitted, what do we say then. I am sorry that I stood up and said you should resign when lo and behold you are found innocent of those charges. So we should be mindful to hold on and not prejudge the situation. In regards to comments as to whether we should impeach the Governor, I definitely agree with some of the members that we should need real evidence. Be mindful, again, that just because I do not like the Governor or that people disagree with his policies that that is not grounds to impeach a man. I have been here eight months. I have never said I do not want to work with the Administration. I can strongly disagree with the Governor's policies but I am still here and we should not resort too quickly to impeaching a person because we do not like him. But show me grounds, real evidence, that there are reasons to impeach a person and we should act accordingly. But, we are not there yet. And I am sorry letters to the editor is not evidence. Opinions about how well or how not so well he is doing his job is not evidence. Those are serious, serious actions that you are asking in regards to the Legislature and whether we are working. Everyday I see members. I have meetings with the Speaker, the Vice Speaker, the minority members, the chairs of committees, and even department heads. Every person here in one way or another is working everyday. I have yet to see a person abandon the position and go back to their precinct and just wait. We all address small problems and big problems. When our constituents come up to us and say, please help me, there is no water for three days at my house, or please help me, my business is running into the ground because I do not have power. So we are doing our jobs. The 16<sup>th</sup> Legislature has introduced 145 House Bills in eight months. If you divide that by how many days we have been in session, goodness, that is a lot of bills, and many of them are good bills. We have done our best to be transparent in this office. All the sessions are public, they are recorded, transcribed into a journal, votes are taken on the record. And I caution Representative Sablan to say just because you are not at the meeting does not mean it is a secret meeting. So, respectfully, Mr. Speaker and members, thank you.

Speaker Arnold Palacios: Those are very good points and I am glad we are raising some issues. Representative Sablan.

Representative Sablan: I just want to clarify because I think some member might have misunderstood some comments that I made. When I raised the impeachment issue, it is to point out I know that other members have explored the idea, might as well get it out on the Floor. I know that there are people out in the community calling for that as well. There are frustrated, I know that. I am very cognizant that to pursue something like that you need to have real grounds and evidence to make your case. My point and even raising the issue was so that we can talk about it. More importantly that we could consider when we are uncomfortable or we have questions about the

decisions and the actions that this Governor makes, especially when we feel that it might be unconstitutional, that we do our due diligence and it must be challenged--that we exercise our powers as lawmakers to challenge his authority. That was my point. Thank you.

Speaker Arnold Palacios: Thank you for that clarification. We will now move on from the House Communications to Communications from Departments and Agencies.

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

None

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

None

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

DEPT./AGCY. COMM. 16-44: (8/20/08) From Chairwoman Lucy Blanco-Maratita informing the House of the selection of Dr. Rita A. Sablan as the Commissioner of Education.

There was no discussion under this item.

### **OTHER COMMUNICATIONS**

MISC. COMM. 16-43: (8/21/08) From Ms. Annelyn S. Sablan regarding H. B. NO. 16-142, hiring of national foreign workers at CUC, and offering recommendations.

The Chair recognized Representative Babauta.

Representative Babauta: Mr. Speaker, I reiterate my statement with regards to the recommendations.

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

*The House recessed at 11:00 a.m.*

*RECESS*

*The House reconvened at 11:10 a.m.*

Speaker Arnold Palacios: We are back in session. Before we continue to the next item on the Agenda, several sessions ago, I formed a Special Committee on S. B. NO. 16-36 and I gave an instruction to the members of this Special Committee to report to the House in fifteen days. I believe that the 15 days have lapsed or we are close to it so I am going to ask the Chair of that Special Committee on the proportionate retirement legislation what has transpired, to what extent and how much work has the Committee done to resolving that issue. I now recognize the Vice Speaker.

Vice Speaker Deleon Guerrero: Thank you, Mr. Speaker. When you appointed the Vice Speaker to Chair the Special Committee on S. B. NO. 16-36, the Committee did meet and decided to conduct a

meeting with the Retirement Fund Board and the Secretary of Finance. There were many discussions, and many questions were raised. There were many concerns raised from both sides of the aisle--those who were concerned with the integrity of the Fund and also protecting the rights and the privileges of the applicants who want to retire. Nothing was decided during that consultation meeting, Mr. Speaker. The Board of Trustees decided to go back and take those questions that were raised and conduct their meeting. We agreed to meet again after their board meeting, which was last Thursday. Mr. Speaker, this week the Chairman of the Board of Trustees wrote a letter to the Chair of the Committee, copies of which I passed out during the last session. I do not know if everyone has had the chance to read that letter. Basically, they have decided to stand firm on the policy that they adopted which was not to allow anyone to retire. In essence, they did not take a position for or against the bill. They are basically leaving it for us to decide. I do know that they did raise concerns about the amendments that the House made regarding what I call the window of opportunity, the six months and then the two years that we deleted. They feel that without that provision the bill is meaningless. Mr. Speaker, I have asked the Administrator of the Retirement Fund to provide us with the figures in terms of the number of applicants that have turned in their application to retire and how much employer contribution would be needed to satisfy the deficiency. That request is forthcoming, it has not been provided to the Committee. When we get that information, the Committee will meet again and report our recommendations to the full body. So, I am asking for an extension, Mr. Speaker, until we get that data so that we can formulate our recommendation.

Speaker Arnold Palacios: Is there any objection to that? I recognize Representative Apatang.

Representative Apatang: Thank you, Mr. Speaker. To the Chair of the Special Committee, I would like for them to consider all the letters that they have received from all the government agencies before they decide on anything on that particular bill, especially from the Northern Marianas College. They are very specific on the WASC issue, and that will hamper the accreditation issue. So, I ask the Chair to consider that before they make the final decision.

Speaker Arnold Palacios: Mr. Chairman, please make a note of that. I now recognize Representative Sablan.

Representative Sablan: May I also ask the Chair of the Committee if members are considering holding at least one public hearing on the issue? I know that there are retirees on both sides of the issue, and I did share in the memorandum that went out some of the comments that I had received. But it is my sense that the retirees would appreciate an opportunity to submit their testimony, for the record, if they have not done so already.

Speaker Arnold Palacios: Thank you. I think the Special Committee Chairman indicated that he will have a meeting with the Committee and we will allow them to take those concerns into consideration. Representative Salas, recognized.

Representative Salas: Mr. Speaker, I would like to ask the Chair of the Committee to continue to abreast the members of when they are going to meet. He did send out a notice to the members the last time and I was able to partake in that meeting, and I would appreciate it if that would happen again.

Speaker Arnold Palacios: If there is no further discussion, we move on to Item 12.

## REPORTS OF STANDING COMMITTEES

Speaker Arnold Palacios: Representative Salas.

Representative Salas: Mr. Speaker, under Reports of the Standing Committees, I would like to ask the indulgence of the House to defer entertaining these committee reports, both S. C. R. NO. 16-36 and S. C. R. NO. 16-37 until such time that one of the authors of the bill, specifically Representative Heinz Hofschneider is present in our session. I believe both are reports are authored and co-authored by Representative Hofschneider and it is only fair that he be present to state his case.

Speaker Arnold Palacios: Is there any objection to that? Representative Salas is asking that we defer action on both committee reports. I recognize Representative Hocog.

Representative Hocog: I guess, Mr. Speaker, the reason these standing committee reports are placed on today's session is a result of the aggressiveness of the author to place it on today's calendar. And by virtue that there are three additional co-authors presently, I do not see why we should return it to the committee.

The Chair recognized Benavente.

Representative Benavente: Mr. Speaker, we have already deferred action on both standing committee reports for almost the same purpose. In the case of S. C. R. NO. 16-36 the Chair was not here at the time. I just do not see this body continuing to defer action for someone's absence. It may get to the point where we may never be able to take action on it. So I would like for us to consider moving forward and entertaining this. It has been sitting in the Agenda now for several weeks. Thank you.

The Chair recognized Representative Apatang.

Representative Apatang: Mr. Speaker, I too agree that we should move forward and act on both committee reports. The reports have been on the calendar for several sessions already and I think the reports are specific and we should act on them as soon as possible. Thank you.

The Chair recognized Representative Sablan.

Representative Sablan: Thank you, Mr. Speaker. I would just like to clarify -- I do not believe these two committee reports for several weeks as was stated by Representative Benavente.

Representative Benavente: Point of information.

Speaker Arnold Palacios: State your point, Representative Benavente.

Representative Benavente: I am referring to S. C. R. NO. 16-36, which has been on the calendar for several weeks.

Representative Sablan: But as I recall, it was just since our last session, which was not several weeks ago that the report actually appeared on the calendar. Regardless, Mr. Speaker, I think that it is perhaps a matter of courtesy that I would hope that all the members would afford each other and would expect of each other to allow for the opportunity of a member to justify their position on a bill

particularly if they have taken the time and the energy to draft the bill, worked very hard on it and have actually requested -- Representative Hofschneider in this particular case did request to me just before he left, I know he left on short notice -- that we defer debating the issue, either of these issues, I suppose, until he returns. So, I would like to ask the members, I would certainly afford you the same courtesy, and I will support any effort by the members who would wish to be present for bills that they introduce to be able to defend those bills.

Speaker Arnold Palacios: Your points are well-taken.

Representative Sablan: Thank you very much.

Speaker Arnold Palacios: I recognize Representative Babauta.

Representative Babauta: Mr. Speaker, I am beginning to enjoy the theme this morning -- moving forward -- for better or for worst. Mr. Speaker, over the years that I have taken part in this legislative body whether you are the author or not, recent case in point is by the distinguished minority member, Representative Quitugua. He was absent and I was left to defend his bill. It is unfortunate that his bill got killed by the majority of the members, and I recognize and respect that decision. But, I strongly assume that there might probably be reason to believe that the opposition of the committee report not being adopted today might have grounds. This is the forum where we can debate on the adoption of the committee reports and those who are convinced by the reasons of why would should not or why we should are able to judge their own conscience. I believe in the committee's work, although I am not a member of JGO, but I respect that once a committee reports a bill out, I feel it belongs to the full House. So, let us move on and move forward and debate on the issue.

Speaker Arnold Palacios: Okay. I recognize Representative Santos.

Representative Santos: Mr. Speaker, I think we are ready to act on the committee report. We have the authors of the bill today. I did not receive any communication from Representative Hofschneider with regards to not acting today.

Speaker Arnold Palacios: Representative Salas made a recommendation, basically to defer action on the committee reports. Do you want to make that into a formal motion so that we can vote on it, Representative Salas? Because we can go around and have different opinions. Do you want to formalize your recommendation?

Representative Salas: I would like to make a motion to defer action on S. C. R. NO. 16-36 and S. C. R. NO. 16-37 to allow one of the authors of H. B. NO. 16-86 and the author of H. L. I. NO. 16-5.

The motion was seconded.

S. C. R. NO. 16-36: Reporting on **H. B. NO. 16-86**, entitled: "To amend the Commonwealth Entry and Deportation Act (3 CMC § 4301 *et seq.*) to create the immigration category of "Resident Foreign National," and for other purposes." *Your Committee on Committee on Judiciary and Governmental Operations recommends that the House file the bill.*

S. C. R. NO. 16-37: Reporting on **H. L. I. NO. 16-5**, entitled: “To amend section 4 of Article X of Constitution of the Northern Mariana Islands.” *Your Committee on Natural Resources recommends that the House file the legislative initiative.*

Speaker Arnold Palacios: The motion is to defer action on S. C. R. NO. 16-36 reference H. B. NO. 16-86 and S. C. R. NO. 16-37 reference H. L. I. NO. 16-5. Are you ready for the question?

There was no discussion and motion to defer action on S. C. R. NO. 16-36 and S. C. R. NO. 16-37 was defeated by voice vote.

Speaker Arnold Palacios: The motion is defeated. We will now consider the standing committee reports, and I now recognize the Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker. I move to adopt S. C. R. NO. 16-36 reporting on H. B. NO. 16-86.

The motion was seconded.

S. C. R. NO. 16-36: REPORTING ON **H. B. NO. 16-86**, ENTITLED: “TO AMEND THE COMMONWEALTH ENTRY AND DEPORTATION ACT (3 CMC § 4301 *ET SEQ.*) TO CREATE THE IMMIGRATION CATEGORY OF “RESIDENT FOREIGN NATIONAL,” AND FOR OTHER PURPOSES.” *YOUR COMMITTEE ON COMMITTEE ON JUDICIARY AND GOVERNMENTAL OPERATIONS RECOMMENDS THAT THE HOUSE FILE THE BILL.*

Speaker Arnold Palacios: The motion has been made and seconded. Discussion on the motion. I recognize Representative Salas.

Representative Salas: Mr. Speaker, I do understand that Chairwoman Santos is opposed to H. B. NO. 16-86, and I can respect that.

Representative Santos: Point of clarification.

Speaker Arnold Palacios: State your point of clarification.

Representative Santos: (Inaudible - microphone off)

Speaker Arnold Palacios: Clarified.

Representative Salas: Okay, clarified. Then I understand that the three members of the committee may be opposed H. B. NO. 16-86, and I can respect that, Mr. Speaker, that is their prerogative. What I am opposed to and I believe was the improper way this Standing Committee Report was finalized. Mr. Speaker, H. B. NO. 16-86 was entertained for filing in our last committee assembly on June 25<sup>th</sup> but a final decision was not reached. Present at the meeting were the JGO Chair, I and eventually Representative Reyes came in. Chairman Santos had asked to file H. B. NO. 16-86. I objected to its filing. Mr. Speaker, Representative Reyes indicated that he had not taken the time to thoroughly review the bill and asked that the committee delay its decision until he reviewed the bill and offered his comments. Hence, H. B. NO. 16-86 was tabled for the next committee meeting. Mr. Speaker, I was quite surprised and quite frankly shocked to see that Chairwoman Santos and the two other

committee members absent from a formal committee meeting sign the standing committee report recommending filing H. B. NO. 16-86. There is no doubt that H. B. NO. 16-86 is controversial and again, I respect their decisions. That is what we are here for. We meet in committee meetings, we talk, we disagree, we agree then we make the final decision by voting. If a committee was properly called in which Chairwoman usually does -- sends out a notice advising us of a meeting -- and the entire committee was properly informed and we reached a decision to file this, then we would not be having this discussion. That is the democratic way. The vote would have been three to two to file it. I would have agreed. The fact of the matter is we were not given this opportunity, and I believe that is improper. In this instance, Mr. Speaker, I cannot accept the committee's report because as a member of the committee I was not duly notified of any meeting taking place to discuss the disposition of this bill nor was I afforded the courtesy to partake in any further discussion or disposition of this bill. I understand, again, that this bill is controversial and there are some members in this chamber that may be opposed to this bill, and there are also some members that are not opposed to this bill and I can respect that. But at the least, let this bill be calendared so that we can debate on the merits of the bill on the Floor. And I ask for your indulgence in not adopting this standing committee report.

The Chair recognized Representative Apatang.

Representative Apatang: Thank you, Mr. Speaker. At the meeting that according to Representative Salas Representative Reyes was not ready to sign the report because he did not have the time to read the bill, evidently he signed the report after the he read the bill and understood the concept of the bill before he left. Now every member gets a copy of the bill long before a committee acts on it. Every member should have had the opportunity to read it and understand it. We all have a copy of this bill ahead of time, not only in the committee. So every member should have the opportunity to sit down and read and understand what is in the bill so that when you get in here you are ready to act and to vote on it or whatever your decision is going to be. So let us not say that just because these three individuals signed the committee report that that it is not right. As a member, you know that you have a committee so you should study what is in your committee and what bill is going to be discussed and understand it. I do not see any excuse why anybody should not understand what we are discussing today because everybody have had ample time, everybody received a copy of the bill a head of time. So, Mr. Speaker, there is no excuse. Let us ask on the report today.

Speaker Arnold Palacios: We are basically acting on the committee report. Before I recognize Representative Quitugua, I recognize Representative Santos.

Representative Santos: You know, Mr. Speaker, it is really unfortunate that the committee is accused of improper behavior at this form, but let me address that particular issue. I did receive a letter addressed to the entire membership of the House signed by Representative Salas and Representative Sablan citing rules of *Mason's Manual* on Rules of Procedure. I have to say that the letter was written quite well, unfortunately, Mason's Rules do not apply with this particular issue that this committee report was not adopted validly. The reason I say that is because our House Rules provide for such Rules. And the only way that Mason's Rules can be triggered is if our House Rules are silent. If you look at Rule VII, Section 9(b) of our House Rules, and I will read it out for the record, it says: "(b) A report shall be considered adopted by a committee when the Chairperson and a majority of the members of the committee have signed the report concurring therein. A member or members not concurring in the report of the majority may so indicate by submitting a minority report which shall be attached to the committee report or by signing with 'I do not concur'." If you go to the end of our House Rules, Rule XVI, Section 2: "Construction and Interpretation. These Rules

shall be construed according to their plain meaning. In the event that any ambiguity or conflict should arise regarding these Rules, or in the event that these Rules do not address a question or situation which may arise, then such controversy shall first be resolved according to the rules and principles set forth in *Mason's Manual of Legislative Procedure*, 2000 Edition ("Mason's"). In the event that any ambiguity, conflict, question or situation should not be resolved by referencing Mason's, then the second source of authority shall be *Robert's Rules of Order...*" We go back to Rule VII, Section 9(b), it its plain meaning, Mr. Speaker, it clearly states who should act, how, and on what. The Chair and a majority of the members of JGO have signed the committee report, it has been sent out, it has been sitting on the agenda and I have not heard anything from anyone to change this. What I found to be bothersome is when Representative Sablan came to my office and asked me to recall this bill. That is a bit bothersome because you are telling me now that after the committee held public hearings on all three islands that we are just going to disregard the findings of the committee and everybody that came to attend these public hearings. At every public hearing, I made it known that any one is welcome to come to the committee or to the legislature and get a copy of whatever that had transpired at any public hearing on Rota, Tinian or Saipan. These are public records, they are readily available. I do not know how much more the committee can do to analyze this particular bill. We have gone through the hoops, we have listened to everybody on both sides and unfortunately, because of the implementation of the Federal Immigration Law next year this bill, I am sorry, but it is a moot point right now. And quite honestly, it is giving false hopes and that is the sad part about all of this. So, I ask that the work of the committee be respected and let us just act on this committee report today.

Speaker Arnold Palacios: That question has been disposed of. We have voted and the full House is now taking action.

Representative Babauta: Point of information.

Speaker Arnold Palacios: State your point.

Representative Babauta: May I ask the committee -- the second page on the last paragraph states, "The committee further notes that the Public Hearings held on Saipan, Tinian, and Rota produced strong opposition and support of this measure. Both sides produced valid reasoning for its passage as well as for its defeat." So did the committee have some sort of gauge whether the opposition is more edged towards support, from the scale of 1-10?

Speaker Arnold Palacios: Representative Santos.

Representative Santos: I would lean more towards the opposition, but that really does not matter at this point given the imminence of Federal immigration law.

Representative Babauta: And I agree because of PL 110-229.

Vice Speaker Deleon Guerrero: Point of order.

Speaker Arnold Palacios: State your point.

Vice Speaker Deleon Guerrero: We are already going into the merits of the bill and I do not know if the Floor Leader has already offered a motion.

Speaker Arnold Palacios: The motion is to adopt the Standing Committee Report.

Vice Speaker Deleon Guerrero: I stand corrected, Mr. Speaker.

Speaker Arnold Palacios: I now recognize Representative Quitugua.

Representative Quitugua: Thank you, Mr. Speaker. I was just going to point out the Rule that the Chairperson had pointed out. Before the session I asked our legal counsel whether Mason's Rules can supersede a House Rule that is adopted by the House on a specific issue and he said no. So I think the House Rule that was pointed out stands and I think the committee had done the report properly with three members signing and that is what is asked for. Thank you.

Speaker Arnold I. Palacios: Representative Benavente, recognized.

Representative Benavente: Thank you, Mr. Speaker. As far as the committee's action, I feel that given that the majority of the membership of the committee signed the report that it is a proper committee report to be presented to the House. But on the bill itself, Mr. Speaker, even when we first enacted the Nonresident Workers Act for the ability of the Commonwealth to hire nonresidents for the obvious needs of the economy, the business community. In the strongest terms and the strongest policy position that we are taking is that everything was going to be on a temporary basis. From the very beginning it was on an annual basis where all of these positions that we are allowing to hire nonresident workers would be temporary so that if there were qualified CNMI local citizens or U.S. citizens that could fill those positions that we would then not allow business establishments or individuals to hire or fill those positions. It is clear from the very beginning and it continues to be the present policy, Mr. Speaker. And I feel that it is a very correct policy that the use of nonresident workers, although necessary and have contributed so much to the community has always been on a temporary basis. We have several hundreds of our own kids who graduate from high school and several hundreds that graduate from college every year and are looking for a job, looking for opportunities here on the islands. And many times, the government is accused of circumventing existing law to allow businesses to continue to hire nonresident workers. I am not sure what it is, I want to say hundreds and anyone can correct me if I am wrong, but if you go down to the Employment Services at the Department of Labor, you will see a long list of our own local people who are trying to find jobs or are looking for jobs only to find out later that somehow, some way this business was able to circumvent the statute and continued on with hiring a nonresident worker. Even the Federal Government, Mr. Speaker, and given that the U.S. federal law has been enacted to implement the Federal statute in the Commonwealth, they have an even stronger policy on the use of nonresident workers. The eligibility would only be under H-2 and H-1, and those are very, very limited. The consistency of the federal system and the local system has been clear from the very beginning. What this proposes to do, Mr. Speaker, is remove that policy where it allows for a yearly review of such positions and that if there is any local person available and qualified for the job.... *(End of Tape 2 side A) (Start of Tape 2 side B)* ...this, I believe, at this point also, Mr. Speaker, is a very clear intent to circumvent the federal system. I realize that the changes are going to have some effect in the business community and our economy, but given that we have not seen the regulations that allows for this transition period to deal with this concern that we all have with what is going to happen with the business community and the economy, you really can not say that this is the answer or that this is the necessary tool. I still think given those concerns, Mr. Speaker, that our primary objective here as representatives of our own local people is to allow or make sure that we continue to provide the opportunity for our local people to fill those positions. Given the economic conditions with many businesses presently closing down, that pool of jobs that have been available in the past

for our local people have basically disappeared. Almost every position right now is filled. So the only opportunity that our people have is to train themselves by going to college or attending the new trade institution and be qualified to take over those positions that have been occupied by nonresident workers. I understand the concern, but believe me protecting our own local people and their opportunity to find employment and pay for the expensive utility bills that we currently face should be in the forefront of our concern. Thank you, Mr. Speaker.

Speaker Arnold I. Palacios: Representative Sablan, recognized.

Representative Sablan: Thank you, Mr. Speaker. I would like to refocus our attention for now on the question of whether or not this is a proper report pursuant to the Rules. Representative Salas has already provided the background as to how this standing committee report was ultimately submitted to the members. And it was also my understanding that at the last official meeting which was several months ago, June 25<sup>th</sup>, that there was no official decision to act on the bill in one way or another. Now this report came out on July 31<sup>st</sup> officially to the House of Representatives and recommended the filing. Now prior to that just as a point of clarification the Chairwoman mentioned that I came to her office. I had heard that she had requested for a committee report recommending filing to be drafted and it took me by surprise because I had anticipated that there would be another official meeting called for us to take up the issue officially and properly as a committee. And so I went to her to ask her about this report, and was told that yes it would be drafted. Now, I came away understanding that there would at least be a committee meeting for us to review it. And for two members of this committee -- I am a member of this committee not just the author of the bill to be able to have our say and perhaps suggest amendments to the report or even to have the opportunity as the Rules provide to say *I do not concur*. We did not even have that opportunity. The first time I saw this report was on July 31<sup>st</sup> when the rest of the members received it as well, and I am a member of this committee. Now it is true that Rule VII, Section 9(b) which Representative Santos mentioned provided that a committee report shall be considered adopted by the committee when the Chair and a majority of the members of the committee have signed. But, there must be ambiguity and this ambiguity that would trigger Mason's comes down to the question of whether or not it is proper for a committee to adopt a report without having had an official meeting to decide on what course of action the members should take. Now, it is my understanding and perhaps the members that have been in the House far longer than I have and have chaired committees to adopt a report without having had a special meeting to decide on what course of action the members should take. It is my understanding and perhaps the members who have been in the House far longer than I have and have chaired committees and the members of committees far longer than I have can give me some comments but I have observed that some committees do in fact have notice, decide within the committee what action to take and adopt the committee report properly in that way. Other committees do not. The JGO Committee in this case did not do that, so that is the ambiguity that I believe arises. And my question then and the question that Representative Salas had as well is, is it proper for a committee report to come out without having first having a meeting. That is the questionable situation, the controversy that I believe then triggers Mason's. I would like to just verify for a second if the members did have a chance to go through the memorandum that Representative Salas and I submitted to the members and to the Committee. We go through the various rules of Mason's that are quite clear. Committees can only act when properly act when assembled. Committees have no authority to report on anything not agreed upon when actually assembled. That the presiding officers should rule out of order any report that has not been considered in a committee and that no one has the authority to make a report for a committee except as authorized by the committee, and that the chair has never justified in making a report that has not been approved by the committee at a properly convened committee meeting. At this point, Mr.

Speaker, I would like to hear from the members if there are in fact committees in your experience in this legislature who do first have official meetings to decide on an issue. If that is the general practice, or if some committees do and some do not, in which case I would submit to you and I appeal to the members to consider this. There is ambiguity. And then at that point we should refer to Mason's to answer that question. I would like to yield for now, Mr. Speaker, to hear from the members about that, but I do reserve my time for the next time I would like to speak. Thank you.

Speaker Arnold Palacios: You have just gone over your first five minutes, and you have one more. I now recognize Representative Raymond Palacios.

Representative Raymond Palacios: Thank you, Mr. Speaker. First of all, Mr. Speaker, whether the committee report is fair or unfair, biased or unbiased, prejudged or not, proper or improper is not for me to judge. But I strongly believe that it does not hurt to lay it on the table and deliberate on its merit, its pros and cons and whether this is a bill that we truly need to sustain or address the uncertainty of our future. Like I said, it does not hurt to discuss and debate issues that includes it as being moot as a result of the federal immigration law's passage. Laying it on the table, I believe, is a healthy way of doing business. Voting on it is an entirely different ballgame, but it does not hurt to lay it on the table. Let us discuss, let us deliberate and we will take it from there.

Speaker Arnold Palacios: Thank you for your statement. I recognize Representative Santos.

Representative Santos: Mr. Speaker, I just want to reiterate that the Committee has done its work properly.

Speaker Arnold Palacios: Thank you.

Representative Babauta: Point of clarification.

Speaker Arnold Palacios: State your point.

Representative Babauta: Observing the debate, Mr. Speaker, with respect to the standing motion, it seems like we are now debating the legality of House Rules versus the Mason's Rules of Procedure. Mr. Speaker, with all due respect of whether the committee report is moved by anyone in the chamber, it is out of the committee's jurisdiction. So, consistent with the Rules, it now belongs to the entire membership of the House present this morning. So whether or not the members want to support the committee report's intention as reported by the committee, it is now up to the members. I honestly feel that we should stick to the point. The House Rules govern the discussion of the Chamber and you are the Chair, Mr. Speaker, exercise that.

Speaker Arnold Palacios: Thank you. I recognize Representative Hocog before I exercise.

Representative Hocog: Mr. Speaker, the bill in itself which I had co-sponsored contains merit for consideration. What I failed to see is that my proposed amendment to the bill was never entertained. When the bill was first introduced, I made myself very clear about the requirement that I will support this bill. Looking through it there was no amendment that would change the vision and attitude of the members to come close and consider the merit of the bill. Be it as it may, if is correct that the finding of the committee as the public hearings, it was probably not discussed whether the limitation to provide a long term resident in the CNMI was aired out or not. The bill if seriously reviewed will generate revenue. It will provide opportunities to the CNMI. It is difficult, Mr.

Speaker. The way I see the members' reaction today, this is close to its funeral. It is the findings of the Committee that the takeover of the U.S. immigration will nullify the intent of the bill, how true that is I really do not know. But if that is so, I would also like to hear from the author of the bill what she has to say about the whether the immigration takeover will nullify the merit and intent of this bill. If she has an answer to that, maybe this is a good time to disclose it.

Speaker Arnold Palacios: Before we proceed any further, there seems to be a question on the validity of the report. I will rule that it is valid and in accordance with the House Rules. It has been signed by more than the majority of the members of the committee. I also want to note the Representative Sablan and Representative Salas have dissented and I believe Representative Sablan submitted a minority report – is that a minority report?

Representative Sablan: Actually, Mr. Speaker, if I could just offer a point.

Speaker Arnold Palacios: Is that a minority report?

Representative Sablan: No, because we are questioning the validity of the committee report.

Speaker Arnold Palacios: So you are not submitting a minority report.

Representative Sablan: May I clarify?

Speaker Arnold Palacios: Okay, you may proceed.

Representative Sablan: Because we are questioning the validity of the committee report because there was no properly assembled committee meeting to decide on what action to take on this bill one way or the other, we felt that it would be improper because we were not even afforded the opportunity to write *I do not concur* on this report that we should challenge the validity of the report, and actually not take it to the Chair of the Committee, Mr. Speaker, with all due respect, but to the members. Under the Rules of Mason's – whenever the members are questioning the validity of the committee report, that is an appeal that is made to the body, not just to the Chair.

Speaker Arnold Palacios: It looks seems like the hurdle is on the question of whether this report is valid. Representative Santos, I recognize you for the last time. We can move on and we can even vote whether this is a valid report and whether we probably can accept this.

Representative Hocog: Privilege, Mr. Speaker.

Speaker Arnold Palacios: State your privilege.

Representative Hocog: I would like to ask the legal counsel to assist the question of the validity of the Chair that is being questioned at this point in time whether it is within the realm of authority to do that.

Representative Camacho: Point of order, Mr. Speaker.

Speaker Arnold Palacios: State your point.

Representative Camacho: I believe the Representative is asking for clarification from the legal counsel. I believe the Chair of this Body has already ruled on the validity of the report. The next step above that is, if there is going to be an appeal, that is the proper form.

Representative Hocog: Point of order, Mr. Speaker.

Speaker Arnold Palacios: State your point.

Representative Hocog: Mr. Speaker, I think the legal question is not to be determined by you, but by our legal counsel, so I ask the legal counsel to respond.

Speaker Arnold Palacios: Short recess.

*The House recessed at 11:58 a.m.*

*RECESS*

*The House reconvened at 12:08 p.m.*

Speaker Arnold Palacios: We are back in session and we continue to discuss the standing committee report, S.C.R. No. 16-36. We left off debating whether the report as submitted is valid, and I have ruled that it is valid under Rule VII, Section 9(b). My ruling is that the committee report is valid. Now, let me further clarify the issue. If any member wants to appeal that to the full house, then that member may appeal my ruling and the House members shall decide by a vote. So, do we need to continue discussing the report itself or are we to continue to question the validity of my report and my ruling. I recognize Representative Sablan.

Representative Sablan: Earlier in my statement, I asked to hear from the members who have been here in the House and have chaired committees if some committees do in fact have properly assembled meetings and decide within the committee officially what action to take, and if some committees do not. And if there is ambiguity about that then I would submit to the members that that does trigger Mason's and that we should refer to Mason's to resolve the issue of the validity of this report.

Speaker Arnold Palacios: Point taken. I am going to start with Representative Babauta. He has been here for eighteen years. We will listen for your direction.

Representative Babauta: Well, thank you for enlightening the public, Mr. Speaker, about my age in this Chamber. But let me try to simply. I am going to put it as traditional practice because we do not voluntarily practice our parliamentary procedures. In as much as possible, we fervently try to follow the Rules. There is one compelling section of the House Rules that stipulates, insofar as the committee is concerned, the committee can be guided by the House Rules. It went on further to say that the committee may adopt its own rules. I have chaired several committees in the past terms, but as a chairman of the committee, I never asked the committee members to provide our own rules. Why?—because I felt that my committee members are all practical lawmakers and I was confident that the decisions and policies that the committee adopts are the decision of that committee. That is the respect that I honestly believe that if three or more members of the committee or as called for in the House Rules a majority has signed off on a report, then let us respect that because that is the committee's decision supporting the chair. It goes further that if a committee report is adopted by the

majority of the committee and it is presented to the House, let me again reiterate that that committee report belongs to the House. What it needs now is whether the House wants to support that committee report or not, it depends – as the saying goes, it depends for you. So let us be cognizant of the process and to alleviate time consuming debate. I guess it is about time that we understand that even if a bill is place on the calendar at the request of any member, if the majority of the members wishes to pass that bill, so be it even if it does not have a committee report and that is the decision of the House because it is the property of the entire membership. If they do not support it, tough luck, I am sorry, your bill is dead. That is the scenario I am trying to point out being a politician for over 35 years and in various political arena and again, being in this Chamber for my eighth term. I guess we have to be mindful of the independent parliamentary actions that we are taking. So yes you are correct, Mr. Speaker. And if I may add, even if you Rule otherwise and we, your disciples down here, decide to overrule then we can always do that. But, we are mindful of the fact that we are all mature policymakers and we do not want to do that. You are correct, Representative Sablan can always appeal to the chair in a proper motion. However if her appeal does not go through because of the members voting no, then I would assume that my good colleague would understand that because that is the democratic system of this Chamber. Thank you, Mr. Speaker.

Speaker Arnold Palacios: Thank you, I now recognize Representative Benavente.

Representative Benavente: Thank you, Mr. Speaker. While I thank the former Speaker for the information he provided very clearly, this is not necessary. We do not need to go around the chamber agreeing or disagreeing of what a member needs to understand. You have issued your ruling. The next process is that if anyone challenges that ruling, they may do so through a motion. If it gets seconded then we vote on it and we move on, Mr. Speaker. What we are doing here is just not necessary. Thank you.

Speaker Arnold Palacios: Representative Sablan, I am going to put finality to the validity of this resolution. I have ruled that it is a valid report according to our House Rules. So if you want to appeal to the members, make a motion. If not, then we will move on the question.

Representative Sablan: It seems to me that the sentiment of the body is quite clear. And so perhaps an appeal to the body at this point to decide on the matter of the validity of this report will be feudal and I recognize that. If I may, Mr. Speaker, I would like to call attention to the sufficiency of the report. As the Chair and several members have noted, there were three public hearings and a comment period that lasted approximately six weeks, possibly more. Numerous testimonies, if the members have a copy of the letter of appeal that we sent out to all the members we did provide a summary of the many, many comments both in favor and opposed to this bill. The report really falls short of describing exactly what that strong opposition and support entailed and what the valid reasoning was on either side for the members to consider and deliberate on today, or in the future if this bill should come up again. I would like to also note that the report does indicate that the proposal itself would be reasonable and benefit the CNMI. My colleague, Representative Hocog, asked about some amendments that he had asked for in the bill that did not appear in the version of the bill that ultimately came out of the three members of the JGO Committee that signed it. The reason for that is quite simple, because there was no meeting to take up the many, many comments and the recommendations for amendments. There was not only Representative Hocog's amendment that was suggested during the comment period but also other members who had other thoughts to share and comments from the Department of Commerce, from other citizens who would have supported this bill if they could see changes. I am not opposed to amending the bill. I would respect the decision of the body if there is a decision to act on it. But, I would submit then that this report

should not be adopted by the members because it is incomplete, and also I do not think it does justice to the issue itself which are these pressing immigration and labor issues that Representative Benavente has also indicated. Members have said we want to have a seat at the table with federal officials. Members have said we are concerned with what will happen to our workforce over the coming years. Members have said we want to be able to help draft the regulations not just wait for them to come out after they have been written up in Washington, DC. One of the primary arguments of this report is that the bill is moot because of the federal law. Representative Hocog asked me to speak to that particular issue. Well, during our public hearing we did receive comments about exactly that. One of the officials who responded to that particular concern was the Federal Ombudsman, and he said that if we act on this type of legislation prior to June 1<sup>st</sup> 2009, that it is possible. It would be an opportunity for us to ask for accommodation and consideration in the transitional program after June 1<sup>st</sup> 2009. But, if we do not do anything before that date, it is highly unlikely that they would consider any type of legislation that we put forth after that date to attempt to stabilize the workforce and ease our way into this new federalized immigration program. For that reason, Mr. Speaker, I would like to appeal not just to members and to the Speaker but also to the Floor Leader. I did request a recall of the bill for the calendar. We do not have to vote on it today. I am sure that there are amendments that other members might want to offer at some point. I am sure we are all tired, but all I ask is that we not adopt this committee report. Support the Floor Leader and our attempts to get this bill recalled so that we can properly debate this issue at some other future date when we are not as tired and not as hungry. Thank you.

Speaker Arnold Palacios: Thank you. Representative Torres, you have been raising your hand, and I apologize.

Representative Stanley Torres: Mr. Speaker, I move to end discussion and for the previous question.

Vice Speaker Deleon Guerrero: A few more please.

Representative Stanley Torres: I yield for a little more.

Speaker Arnold Palacios: Thank you, Representative Torres. I recognize Vice Speaker Deleon Guerrero.

Vice Speaker Deleon Guerrero: Thank you, Mr. Speaker. Before we end debate, I would like to throw in my two cents.

Representative Hocog: Privilege, Mr. Speaker.

Speaker Arnold Palacios: State your privilege.

Representative Hocog: I would like to recognize our former Vice Speaker from the 4<sup>th</sup> Legislature, Mr. Benigno M. Sablan who is in the gallery.

Speaker Arnold Palacios: Thank you, welcome to the House.

Representative Hocog: And former Congressman Juan I. Tenorio and Congresswoman Cinta Kaipat.

Speaker Arnold Palacios: Thank you. Welcome to the House Chamber, please stand up and be recognized. You may continue, Vice Speaker.

Vice Speaker Deleon Guerrero: Mr. Speaker, I am going to talk about labor in general and about this bill. I may probably be regarded as racist for my comments but it has really has nothing to do with racism when we are talking about employment opportunities for our people. If anything, the previous Nonresident Worker's Act can in a way be termed reverse discrimination in that most of it dealt with employment for nonresident workers and very little dealt with employment of local residents. And that is what I want to touch on. This bill would allow for nonresidents to stay here and be employed for five years. It provides for additional employment status benefits which are outlined on Section 4393 giving them preference almost the same as for local residents. It gives them the ability to go and be employed in different businesses, to go from one employer to another, and they can be employed at will in the same manner as local residents. Mr. Speaker, I do not need to go and cite the Division of Labor's data showing how many local residents are looking for.... *(End of Tape 2 side B) (Start of Tape 3 side A) ...*

Speaker Arnold Palacios: ...since the labor and immigration issues that we face. Vice Speaker, recognized.

Vice Speaker Deleon Guerrero: Mr. Speaker, I do not know where I left off but I believe I was citing the statistics from the Division of Labor. I want to also say that former Representative Kaipat introduced what eventually became Public Law 15-108 to correct the deficiency in the Nonresident Worker's Act to level the playing field for our people to also be able to benefit and be employed. This bill almost takes us on a 100 degree turn going in a reverse direction again. Mr. Speaker, I have looked at this problem for many years. Even the job study that was done by the Office of the Public Auditor and the private sector, including the Saipan Chamber of Commerce, indicated that whoever holds positions in the private sector especially in mid-level or management positions tend to protect their own. I can cite companies who have skirted the law to keep their fellow -- whatever you want to call it-- workers in those positions, holding those positions so that even when a vacancy is announced very rarely do our people get to be put in and be hired. As a policy of this island of our government, that should not be the direction we should be going. Allowing this bill to pass, we will again endorse restricting our people from getting meaningful employment. Now we have the trade school, and I believe we are entertaining a bill to allow the Saipan and Higher Education Financial Assistance (SHEFA) Program to provide assistance to these students to go to this trade school. Representative Benavente said that in the past our kids went to college to get good paying jobs. We are now at the point where our students are the ones to go to trade schools, ones to become carpenters, ones to become electricians, positions that have traditionally and historically been held by nonresident workers. But that is where we are at right now. That is how desperate our people are to find jobs. What are we going to do?—hold those jobs again. Why is there such a huge migration to the states. It is not just because of the high cost of power rates, it is because they have a hard time trying to find employment here. In the past, maybe a carpenter position was not that attractive. I think that is one of the reasons why the vocational school at the Northern Marianas College failed. Who wants to go to school for two years and get a certificate for plumbing and to only get \$3.05 an hour. Things have changed. Now, the minimum wage is going up and our people see that being in the trade profession is no longer such an unattractive endeavor. So things are changing now for the better. Our people need employment and they are going to find it any where they can. I think the federalization law which would restrict the number of nonresident workers is not necessarily a bad thing. I think we still need to have nonresident workers here. Our current workforce cannot accommodate all of it, however, the point that we should keep in mind is that whatever employment opportunity becoming available should first be afforded to our people. It is as plain and simple as

that. If we do not longer have the 16% unemployment rate and we are down to 2% or 3% then okay. But until that time, I do not think this bill has any business in our laws. Thank you.

Speaker Arnold Palacios: Thank you. Representative Santos.

Representative Santos: I will yield to Representative Benavente at this time.

Representative Benavente: Thank you, Mr. Speaker. Just to provide some information. I had chance to speak with some of the labor officials and the numbers that I tried to get earlier is actually dated back in January. The Division of Employment at the Department of Labor started to register people who are looking for jobs. In January they registered a little over a thousand people. With the efforts with the Labor Department where they are rejecting applications for renewals of nonresident workers, almost on a daily basis I was told, Mr. Speaker, employers were denied renewals of those positions because of local individuals qualifying for those positions. We brought that down to a little over 600. So even with the tough stance that the Department of Labor has taken to protect our local people and get them into those jobs, we still have over 600 our people looking for jobs. Passing this bill would basically eliminate that opportunity for a yearly review of those positions by having the review done five years later. Basically we are going to hold those 600 people, plus I do not know how many more who will be registering, and they are going to have to wait for five years before the Department of Labor can fill those positions. And that is not right, Mr. Speaker. Whatever was said in the public hearings and definitely all of us should consider reviewing the public hearing statements, I know that for everyone of us who live in this community that have had opportunities to talk to people throughout the Commonwealth you will hear that this is something that our local people feel very strongly about. You are right, it is a very controversial piece of legislation, but it is controversial in a way that the people wish that we hurry up and get rid of this legislation, to vote it down, so that we eliminate this false hope that the Chairwoman had pointed out earlier and the threat that is being placed upon our local people that might not be able to fill those jobs. Thank you.

Speaker Arnold Palacios: Thank you. I recognize Representative Dela Cruz.

Representative Dela Cruz: Thank you, Mr. Speaker. I also just want to put in my two cents on this legislation. As you recall, the last Saipan and Northern Island Legislative Delegation Session that we had, we appropriate about a hundred thousand dollars for the Marianas Trade Institute. Now, I contemplate whether that was done in futility. We are trying to assist this private institute to train our local people to get jobs, jobs that are normally occupied by nonresident workers. So far, I have heard positive things about this institute. A hundred thousand dollars is a lot of money in trying to assist a private firm, but during the deliberations on that session, we found that that was needed. We found that this is something that can benefit the local resident prospective employees in the private sector. We voted for it because we felt that this is one avenue of getting our people into the workforce thereby decreasing the number of unemployment for the local residents. I understand that there are other positions in the private sector that most likely will not be filled by our residents in the new future, and these are positions that Public Law 110-229 through the promulgations of regulations of Homeland Security and with the input of the local Commonwealth government can come up with solutions on these certain professional positions. My concern here is, we have appropriated funds to help the resident workers and now we are saying, after you get your diploma or certificate you would probably need to wait another five years, ten years if we had Representative Hocog's amendment. Is that fair – is that fair for our people? Take nothing away from this, we do need –

Representative Hocog: Privilege, Mr. Speaker.

Speaker Arnold Palacios: Please state your privilege.

Representative Hocog: Just to correct my good colleague, there was never an amended version of the ten years. Thank you.

Speaker Arnold Palacios: Alright.

Representative Dela Cruz: Thank you for the correction.

Representative Salas: ...and also, Mr. Speaker, Representative Hocog's amendment would be that to qualify for the foreign national status, you would have to be here for ten years. The bill is proposing five years.

Speaker Arnold Palacios: Okay.

Representative Dela Cruz: I understand. And so, this is almost like trying to figure out what is best for the local resident prospective employees as well as what is best for the private sector that needs their employees. All I can say is that the promulgation of P.L. 110-229 will take care of the other employment positions that the local resident workers cannot fill. But at this point in time, we need to take a look at these six hundred unemployed resident workers first and foremost. That is what I believe. And I hope that the promulgation of regulations by the Department of Homeland Security, with the input of the Commonwealth will be something that is amenable to all parties, whether it is the nonresident or the resident prospective employees. That is all, Mr. Speaker.

Speaker Arnold Palacios: I now recognize Representative Salas.

Representative Salas: Thank you, Mr. Speaker. I understand where everybody is coming from in terms of supporting the local workforce and I think we are getting into the bill itself when we are not really supposed to be debating on that issue.

Speaker Arnold Palacios: Let me clarify that. Every member can discuss the merit of the bill because the committee report is reporting on it specifically. So all the statements that Representative Dela Cruz and other members have discussed are very germane. The report is on the bill. Continue, please.

Representative Salas: What I would like to find out from the members is that I am kind of appalled that it seems like sometimes committee reports are done in a manner where – and I overheard this, just calling one or two, or three people and I guess if there is a majority they decide on whether to approve or disapprove a particular bill. I wonder if that is really a fair thing to do for the other committed members that were not even involved. In my mind, it is not the right thing to do. Basically, my opposition to this particular report is the fact that – and Representative Hocog had mentioned if in fact his amendment was entertained. Well, it was not entertained because there was not committee meeting to entertain that. If I remember correctly, on the day that we discussed that we had a committee meeting there was a motion to file it, and I objected. Again, Representative Reyes had said that he needed more time and that we would be rescheduling a meeting to address the issue. I guess that is my point here. I can sit here and argue about the merits of the bill, because I see a lot of positives on the bill that is why I co-authored it.

Speaker Arnold Palacios: I think I have ruled on that and we have gone beyond questioning the procedure and the technicalities of the committee report. Right now we are discussing the report itself as it relates to the legislation.

Representative Benavente: Mr. Speaker, with all due respect to Representative Salas, his comments are basically baseless. The committee report is one thing, but if you consider the fact that we have acted on legislations that were introduced on the day with the opportunity for discussion, with the opportunity for amendments, the arguments and the points issued are baseless. So, I wish that we would move on.

Speaker Arnold Palacios: I have just made that point, so let us go beyond the technicality. We have addressed that issue. We are discussing the merits of the report and its content. I recognize Representative Quitugua.

Representative Quitugua: Thank you, Mr. Speaker. Mr. Speaker, this legislation goes beyond employment. We have to look at the impact of this legislation on the infrastructure, especially the schools. Our schools are experiencing over crowdedness. Our schools are asking for money and we are short of teachers. The bill itself allows nonresident workers to bring in their families. I keep hearing five years, but if you look at the bill, it says, five years and shall be renewable. So it could be ten years, fifteen years or twenty years if we allow this section of the bill to become law. The economic situation here in the CNMI, Mr. Speaker, has awakened many of our residents to really look at the opportunities here in the CNMI now more than ever. I understand that the trade school has over fifty enrollees now. We have students at NMC, Guam and elsewhere and many of them will be coming back. We even have our own children signed a memorandum of agreement or understanding that if they get assistance from SHEFA or through the CNMI Scholarship Office, they are obligated to come back. If they do not, they have to pay back the government the money that they received. So what are we going to do if they come back and all the opportunities that are supposed to be opened are all closed. We close it even more by putting a bigger padlock on this bill in terms of future opportunities. Mr. Speaker, each of us have to think really hard whether to file or pass the bill, and think not for ourselves but the kids of tomorrow. Are we providing them with opportunities, or are we closing the opportunities for them? Si Yu'us Ma'ase.

Representative Babauta: Point of clarification, Mr. Speaker.

Speaker Arnold Palacios: State your point.

Representative Babauta: May I remind again the members that we are discussing the committee report. If we are to discuss the bill, we might as well make a motion to put the bill on the Calendar. Therefore, Mr. Speaker, I move to end debate on this committee report.

The motion was seconded.

Speaker Arnold Palacios: I am going to allow the author of the legislation to last opportunity because all the time that she was speaking, she was speaking on the technicality of the report itself. So, I am going to allow her now to deliberate on the report. Please be mindful of the time, Representative Sablan.

Representative Sablan: Thank you, Mr. Speaker. I would like to note that the concerns that have been raised in opposition to this bill for various reasons were actually raised during public hearings. And if we are discussing the merits of the committee report on whether or not this body should adopt the report, I would like to just note to the members that your concerns, which was shared by other members of the community, are not indicated at all in this report which I would then submit to the House that for that reason – the fact that that opposition also was not entertained in the committee report – that you consider not adopting this report at all. If you want to reject the bill, vote against it, or offer amendments to improve it, by all means let us do so. All I would like to ask of the members is that rather than kill the bill without really even going into these many complex and valid concerns on both sides of the issue that we take it to the Bill Calendar as Representative Babauta had suggested and we all vote our conscience. Having said that, I would like to address some of the more particular concerns that have been raised thus far, one is that I also completely support finding jobs for our citizens and building our human resources in the Commonwealth. That will take time however. After thirty some years of the guest worker program that we have had, I think we can come to the point where we can say, okay, we need a stable workforce, we need to provide opportunities for our citizens, we need to give them a reason to stay. As one of our members noted, people are leaving. They are leaving in huge numbers. How can we get them back, Representative Quitugua, if there are no opportunities here? What this bill proposes is not to take away anything from citizens. The employment preference for citizens remains in the law. What this proposes to do really is free up the labor market, stabilize it a little bit. Let businesses hire the workers they need, let them move around. If they do not, if they are being abused, or if they are not being paid they can leave they do not have to file cases. Businesses do not have to pay for their permits. People who qualify and there would be basic qualifications that would be set by law, and if they qualify they would pay their own permit fees, they will be responsible for negotiating their own contracts. That is what the intent of the bill really would be. That is to stabilize the workforce, free up the labor market. The concerns that have been raised about opportunities for citizens, if we were to be honest with ourselves it would be because wages have been so low because there is no competitive market for labor here. And if we want to bring about a free labor market and encourage higher wages, people who are going to the Marianas Trades Institute – a great purpose – we should have been doing that at the college long ago. They would actually have a meaningful opportunity for a livelihood here rather than going off to greener pastures like they are doing now. I would like to note, I think it was Representative Benavente who noted that the number of unemployed citizens in the Commonwealth. Actually if you include the total number of permanent resident, it is slightly more than that at two thousand two hundred, at least according to the 2005 CNMI Household Increment Expenditure Survey Report. I am pulling these numbers straight from the Department of Labor's annual report of 2007. There are approximately 18,500 jobs in the private sector. This is not including the garment factory jobs. This is not including the domestic helper jobs. Of this number, 10,900 are occupied by foreign national workers and the remaining 7,600 jobs are occupied by our citizens and permanent resident. Even if we were to layoff 20% of the government workforce today and 960 were to move into the private section, we would still not have enough U.S. citizens and permanent residents available to work. What then would happen to our economy and the businesses that need access to a readily available and stable labor force? Mind you, we are only talking about five year permits. And yes, they are renewable but so are the one year permits, so are the two-year permits if there is a need for them and if they qualify. And these are people who would have stayed here for five years legally. They are law abiding people. They have proven their productivity and their necessity in the economy. A question was raised about the impact on infrastructure and allowing resident foreign nationals to bring in their family. Actually that part about allowing them to bring in their family was taken from the existing statute which already allows guest workers who are here now to bring in

their families. So really, this is for people who are here – people who have been absorbed into the schools, have been absorbed into the community, and...

Speaker Pro Tem Deleon Guerrero: Representative Sablan, excuse me for interrupting but can you please wrap up.

Representative Sablan: Yes, I will, thank you. And so the impact on infrastructure that Representative Quitugua mentioned should be negligible because they are here already. He said to think of the kids, okay, let us think about the kids. The kids of the Commonwealth are incredibly diverse right now. Our U.S. citizens are of all ages and ethnic groups and mixtures, and their parents are citizens as well as foreign worker who have lived here for a very long time. So we should think of them as well. In closing, Mr. Speaker and members, I would like to appeal once again to not adopt this committee report, and allow the bill to go on the Calendar. We do not have to go into the intricacies of debating the merits of the bill even more, we do not have to do that today, but I am asking that we place it on the Calendar and then go into the issues and allow for information that was not provided in this committee report as it stands to come out fully so that we can all have the opportunity to debate this bill properly and completely. Thank you.

Representative Benavente: Point of order, Mr. Speaker.

Speaker Arnold Palacios: State your point.

Representative Benavente: I am not sure why the procedure continues to be misunderstood, but for the record, if the committee report recommends that a bill be passed by the House then that bill, based on the committee report shall appear on the Calendar for deliberation. If the committee report proposes to file the bill, then the body is allowed to discuss the merits of the bill in that order of business.

Speaker Arnold Palacios: Point noted. Let me recognize Representative Apatang.

Representative Apatang: Thank you, Mr. Speaker. I just want to say again that the committee did their work. What we are doing is going round and round discussing the same thing. Therefore I move to end this debate and act on this report.

The motion was seconded and carried by voice vote.

[End of Tape 3 side A]

*The House recessed at 12:25 p.m.*

**RECESS**

*The House reconvened at 12:28 p.m.*

Speaker Arnold Palacios: We will go ahead and vote by call of the roll.

The Clerk called the roll on the motion to adopt S. C. R. NO. 16-36 thereby filing H. B. NO. 16-86:

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	yes
Representative Francisco S. Dela Cruz	yes
Representative Joseph P. Deleon Guerrero	yes

Representative Hocog: Mr. Speaker, if I may.

Speaker Arnold Palacios: Proceed.

Representative Hocog: I regret as a co-author of H. B. NO. 16-86 that the vision that I had in that legislation was not seen by the majority of the members. By virtue of that, Mr. Speaker, I actually co-authored the bill based on the merits with respect to the necessities of the respective senatorial districts and I was hoping that that would come about. Nonetheless, after hearing members' and the departments' comments on the impact of the bill – there will no impact at all – despite of whether we pass it or not, or when this bill is passed, there is no merit to be sustainable in the new immigration law. I hope the author and other co-authors will not be painfully affected by a decision that I am about to render. I cannot stomach, Mr. Speaker, voting against a bill that I co-author. But because of the justification provided by members during their deliberation, I regret to inform the author that I would like to depart as co-author of the bill, and therefore, my vote will go with the majority, yes. Thank you.

Representative Victor B. Hocog	yes
Representative Heinz S. Hofschneider	absent (excused)

Representative Raymond Palacios: Mr. Speaker, may I be allowed?

Speaker Arnold Palacios: Very briefly.

Representative Raymond Palacios: I was hoping the committee will be recommending calendaring this bill so that we can be given the opportunity to deliberate on its merits. But since that is not the case as their findings suggested otherwise, I am in no position to question it. Whether the information is complete or incomplete as Representative Sablan stated is not for me to judge. Therefore, my vote is yes.

Representative Raymond D. Palacios	yes
Representative Justo S. Quitugua	yes
Representative Joseph C. Reyes	absent (excused)
Representative Christina M. Sablan	no
Representative Edward T. Salas	no
Representative Rosemond B. Santos	yes
Representative Ramon A. Tebuteb	absent (excused)
Representative Ralph DLG. Torres	yes
Representative Stanley T. McGinnis Torres	yes
Representative Ray N. Yuma	absent (excused)
Speaker Arnold I. Palacios	yes

Speaker Arnold Palacios: By a vote of thirteen yes, S. C. R. NO. 16-36 is hereby adopted by the House and H. B. NO. 16-86 is hereby filed. I wanted to say a few words, but because the deliberation was so long on this particular issue from the technicality standpoint and from the committee report and merits of the legislation I was not able to. But let me just share my thoughts. From the very beginning when I looked at the legislation I began to question its constitutionality. There is a provision in our constitution that prohibits the legislature from creating a new class of non-alien. I have a personal opinion that it does create such a new class, but that is now moot. The bill has been

filed and I just wanted to share my thoughts. What is the consensus now? Should we recess? I recognize Representative Quitugua.

Representative Quitugua: Mr. Speaker, so that we can expedite discussions in the future, when I was raising my hand earlier I was going to comment on Representative Benavente's comment that when a committee report is being discussed, the bill itself can be discussed. So that everybody will understand and that we can move on next time, the bill is not going to be calendared when the report is recommending that it will be filed. So we can discuss the bill itself during the discussion of the committee report. If a committee report is being discussed and it states that the bill is for passage, that is when the bill will automatically go to the Calendar and that is when we discuss the merits of the bill that is calendared.

Speaker Arnold Palacios: Thank you for that. So what is that consensus, are we going to recess? I recognize Representative Salas.

Representative Salas: Mr. Speaker, there is a gentleman that is moving and he has been waiting for a long time to be presented the resolution.

Speaker Arnold Palacios: Thank you for the reminder. Floor Leader, can we entertain a motion to resolve into the Committee of the Whole to present the resolution to the CNMI Little League.

Representative Camacho: Mr. Speaker, I move to dissolve into the Committee of the Whole to present a resolution.

The motion was seconded and carried by voice vote.

*The House resolved into the Committee of the Whole at 1:08 p.m.*

**COMMITTEE OF THE WHOLE**

*The House returned to plenary Session at 1:15 p.m.*

Speaker Arnold Palacios: We are now in plenary session. I recognize the Floor Leader.

Representative Camacho: I move to adjourn subject to you call.

**REPORTS OF SPECIAL AND CONFERENCE COMMITTEES**

NONE

**UNFINISHED BUSINESS**

NONE

**RESOLUTION CALENDAR**

The House did not act on one legislation under this item of the Agenda.

**BILL CALENDAR**

The House did not act on 17 legislations under this item of the Agenda.

**ANNOUNCEMENT**

NONE

**ADJOURNMENT**

Representative Ralph Torres: Mr. Speaker, privilege.

Speaker Arnold Palacios: State your privilege.

Representative Ralph Torres: I would like to say Happy Birthday to Mr. Speaker before we adjourn.

Speaker Arnold Palacios: This is the fourth time you said that.

Representative Ralph Torres: So, 🎵 *Happy Birthday to you* 🎵.... (Members joined in singing.)  
(Applause)

Speaker Arnold Palacios: As a birthday present, please do not call me for the rest of the day. No, thank you very much. I appreciate it. The motion is to recess subject to the call of the Chair, is there a second?

Several members seconded.

The motion to adjourn subject to the call of the Chair carried by voice vote and the House adjourned 1:18 p.m.

Respectfully submitted,

Linda B. Muna  
Assistant Clerk  
House of Representatives

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**APPEARANCE OF LOCAL BILLS**

**FIRST APPEARANCE:** 1<sup>st</sup> Legislative appearance of a local bill is on the day it is introduced.

**SECOND APPEARANCE:**

H. L. B. NO. 16-20: A Local Appropriation for the Third Senatorial District to reappropriate \$15,000 from Saipan Local Law 15-12, section 2(c); and for other purposes. (Rep. Oscar M. Babauta)

H. L. B. NO. 16-21: A Local Appropriation Bill for an Act for the Second Senatorial District to appropriate \$11,000.00 from the Developer Infrastructure Tax collected in the Second Senatorial District; and for other purposes. (Rep. Edwin P. Aldan)

**THIRD APPEARANCE:** NONE