



# House Journal

## SECOND REGULAR SESSION, 2008

**Eighth Day**

**Tuesday, October 7, 2008**

The House of Representatives of the Sixteenth Northern Marianas Commonwealth Legislature convened in its Eighth Day, Second Regular Session on Tuesday, October 7, 2008, at 10:03 a.m., in the House Chamber on Capitol Hill, Saipan.

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

A moment of silence was observed.

The Clerk called the roll and sixteen members were present; Representatives Edwin P. Aldan, Joseph C. Reyes, and Rosemond B. Santos were excused.

### **ADOPTION OF JOURNALS**

None

### **INTRODUCTION OF BILLS**

H. B. NO. 16-175: A Bill for an Act to amend 1 CMC adding a new Subsection creating the Military Family Relief Act of the Commonwealth; and for other purposes.

Offered by: Representative Joseph N. Camacho

Referred to: Committee on Health, Education, and Welfare

H. B. NO. 16-176: A Bill for an Act to amend Subsection 2204(B) of Section 3 of Public Law No. 15-105 regarding the Health Care Professions Licensing Board; and for other purposes.

Offered by: Representative Victor B. Hocog & one other

### **INTRODUCTION OF RESOLUTIONS**

H. J. RES. NO. 16-17: A House Joint Resolution to request that the Secretary of Homeland Security ensures that the regulations implementing the Consolidated Natural Resources act of 2008 provide for the most equitable possible treatment of existing foreign investors in the commonwealth of the Northern Mariana Islands.

Offered by: Representative Joseph N. Camacho

### **MESSAGES FROM THE GOVERNOR**

GOV. COMM. 16-213: (10/3/08) Informing the House that pursuant the Legislature's override, H. B. NO. 16-77 became **Public Law 16-17**.

GOV. COMM. 16-214: (10/2/08) Informing the House that he disapproved H. B. NO. 16-25, HD2, SS1 (To require the advice and consent of the Senate for appointees to the Medical Professional Licensing Board; and for other purposes.” [Deadline: 12/1/08]

GOV. COMM. 16-215: (10/3/08) Certification for an annual salary in excess of \$50,000 for Dr. Jean Olivia Grant.

GOV. COMM. 16-216: (10/3/08) Certification for a vacant position at the Workforce Investment Agency.

GOV. COMM. 16-217: (10/3/08) Submitting Requesting the Legislature’s early action on S. L. I. NO. 16-10, H. B. NO. 16-138, and H. B. NO. 16-139.

GOV. COMM. 16-218: (10/5/07) Executive Order 2008-17 - Declaration of State of Disaster Emergency: CUC’s Imminent Generation Failure and the need to Provide Immediate Reliable Power during Repairs (Continuation #2).

Speaker Arnold Palacios: Please take note of Gov. Comm. NO. 16-218. For the members’ information, we just got that communication late yesterday afternoon. I know that perhaps most if not everyone probably needs some time to read it over, digest the extent and the implications of this communication. I for one will most likely take couple of days and hopefully am able to comment on this particular issue on the next session. I recognize Representative Babauta.

Representative Babauta: Thank you, Mr. Speaker. On Gov. Comm. NO. 16-217, I think this has to deal with the Worker’s Compensation. I know Mr. Speaker that we have a similar version of the Initiative in the House, but I wonder which Committee are these Initiatives assigned to so that we can expedite the bills.

Speaker Arnold Palacios: I will check with the respective Committees, I believe the pension obligation bonds, which is the S. L. I. No. 16-10 is with the Committee on Ways & Means, and perhaps I might have jointly assigned that to Education & Welfare, but in any case, the Presiding Officer will take note of that. I know that we also have two pension obligation bond initiatives that were introduced in the House that may be similar if not the same as the one that was introduced in the House by the Vice Speaker. I will check with the Chairman and see how we will approach these issues. Thank you for that comment. I recognize Representative Sablan.

Representative Sablan: Thank you, Mr. Speaker. This is with respect to Gov. Comm. 16-218, the Declaration of State of Disaster Emergency. In number two and three of the findings, the Governor makes references to regulations and permitting requirements that would have applied to the Aggreko Installation. Once again, as with the previous declaration suspends pertinent safety and environmental regulations. My concern, Mr. Speaker, is that the generators do not comply with federal requirements elsewhere in this disaster emergency declaration that the Governor indicates. A concern for federal used oil regulations and an interesting complying with that portion of the law, but it is not clear at all what if anything, CUC and the Administration intends to do in order to ensure compliance with the clean air requirements. For the members’ information, the Public Utilities and Infrastructure Committee for the Saipan Delegation did took a tour of the Aggreko installation as well as power plant I, and right on the Aggreko generators, there is a name plate that says, “these generators are for export only, they are not intended for use within the United States,

and they do not comply with clean air requirements.” The Governor might have the authority to suspend local regulations, he obviously does not have the authority to suspend federal requirements. I would like to request, Mr. Speaker, that we get some clarification from the Governor, and from CUC, as to how they intend to resolve this matter with EPA.

Speaker Arnold Palacios: Thank you for raising that issue. When we were going through the process of getting the Aggreko generators, and in fact, after the legislature gave the green light for the Aggreko contract to proceed, I guess the last hurdle was the funding. I had the opportunity to call the Department of Environmental Quality because in that contract, it does require that the CNMI secure all permitting and clearance. I did ask our officials at DEQ whether the temporary generator was going to require clean air permit. We did have ample time for CUC to request for an expedited permit, if not, a waiver completely because of the nature of the circumstances that the Commonwealth particularly Saipan that was in. I guess that they did not do that. There was ample time to have addressed that issue and they did not do that, and now we are requiring a State of Emergency to back track that effort, but I note that we should, and encourage your Committee, but the Chair as well as the PUTC will look into the matter and will ask for more clarification on this particular issue. There are also merits of other directives coming out of the Emergency Declaration which needs to be looked at and clarified with the Governor. I recognized Representative Yumul.

Representative Yumul: Thank you, Mr. Speaker. I would like to state for the record that I am present.

Speaker Arnold Palacios: Welcome to the House. Clerk, please note that Representative Yumul is present. I recognize Representative Babauta.

Representative Babauta: Thank you, Mr. Speaker. On the same subject, I think that it is wise to note – during the deliberation of this Declaration, and allude to the fact that the Federal Government through the Department of Defense – I have known or it has been rumored in the Commonwealth that the same company has been utilized by the Department of Defense. I would like to find out what is the rationale between the Commonwealth using the same model of engine versus the Department of Defense whether it be the Army or the Marines that contracted Aggreko to use those elsewhere in the Iraq or Afghanistan. I know that they are not part of the United States for that matter, so I think that it is wise to take that up as a discussion purposes.

Speaker Arnold Palacios: Thank you. I believe that would be relevant question that the committees or even the members outside the committees would ask. We are not saying that temporary power generation should be shutdown immediately, but at least the agencies involve should have been on top of this particular issue, and should have formally requested EPA for either a waiver or temporary permitting. There has got to be some process. I know that there are conditional permits that could have issued. Right now, I believe that EPA is now scrambling to see what they can do. I recognize Representative Benavente.

Representative Benavente: Mr. Speaker, the Aggreko power plant has been running now for about a month. If there were federal violations, there should be some enforcement steps taken. Are we aware of any violation that have been pointed out by EPA or by any Federal Agency?

Speaker Arnold Palacios: EPA is looking at the issue. It is the owner’s – it is on us at that time that we were going to activate the system. It should have been our responsibility to have cleared that hurdle away, but let us just hope that at the end of the day when EPA goes through all these

evaluation that those or that system would not be shut down because of our lack of effort to get clearance. I hope that is not going to happen in the next fifteen days. Continue, Representative Benavente.

Representative Benavente: I ask that, Mr. Speaker, because I think that before we continue on and debate back and forth, I think that we need to clarify this further. I did get a chance to speak with someone from DEQ, and the information that I receive was that because in the vicinity where power plant I, basically using the same diesel and the same exhaust, it falls under the same exemption or whatever you call it. Again, I am not going to speak on behalf of DEQ, but I think that there are enough questions as to whether there really is such violation, or there is such on the Federal side. As Representative Sablan pointed out, the Governor may have the authority to suspend provisions of the local regulations which he is basically trying to do in this case. Now, if we are concern about federal regulations, I suggest that we find out a little bit more, we can call someone from DEQ to respond to something like this.

Speaker Arnold Palacios: I believe EPA at this point in time is making the evaluations for that. I recognize Representative Apatang.

Representative Apatang: Thank you, Mr. Speaker. Our people are finally getting a little breather on the power situation. Instead of us looking for issues to finding problems, what we need to do is probably get together with CUC and DEQ, and try to help these agencies, instead of us picking on EPA issues and all that. This is our problem. We are always trying to find faults instead of solutions. If you know – if that is your experience that they are meeting the regulations, then by God, let us sit down with the proper agency and see what we can do to help solve the solution or solve the problem so that our people can get the proper power that they need. We suffered long enough. We can sit up here and talk all day long about situations and problems – get our hands and feet wet. Get involve with the agencies. Get some tents and table out there. If we just sit here and b\*\*\*\*\*, and b\*\*\*\*\*, and b\*\*\*\*\* about problems, we are going to continue to have problems, but if you go out there and recommend a solution, suggest what we can do, especially if you have an experience from that particular area, I am sure that the Administration will appreciate that. That is why we are here – for our people. Now, if you go cry to EPA again about not being in compliance, why do we not just contact EPA and find a way to help CUC. Come on, let us all stop all these crap. Thank you, Mr. Speaker.

Speaker Arnold Palacios: Just so that we clarify the issue of the Declaration by the Governor, it does include either suspension of local regulations and laws. Having said that, it does warrant some concerns by this body because there was still ample time when we were going through this process. CUC should have asked EPA for a conditional permit or temporary permit. I am not saying that we are just complaining here, I think the issue here now is that EPA is looking into it, and I hope that we do not have to go back. I recognize Representative Hocog.

Representative Hocog: Mr. Speaker, in the essence of time and moving forward to do what we have to do, we have made habits of killing the time for the session with informational purposes and complaints. I recommend, Mr. Speaker, that if a member is allowed to speak his or her peace, and we do not have the answer to such, I urge the Speaker to refer any concern to the appropriate committee, and then that committee would report that. If we are going to spend time again discussing the issue, we will probably be adjourning before 12:00 p.m. with one subject. So, I urge my good Speaker to please assign the appropriate committee for any concerns and that committee would be required to respond in the next legislative session.

Speaker Arnold Palacios: I thought that I did that already. I know that Representative Sablan is the Committee Chair for PUIC under the Saipan Local Delegation is going to look into that, and I thought that I reiterated to the Committee on PUTC to also look into this. Representative Hocog, recognized.

Representative Hocog: I understand the importance of those concerns, Mr. Speaker, but I guess to spend discussing the issue in the absence of any concrete answer, we will continue to be airing out different ways with the same answers that we are seeking. So, I would like to move on, Mr. Speaker, on another Order of Business.

The Chair recognized Representative Yumul.

Representative Yumul: Thank you, Mr. Speaker. On that note, I would like to ask that if there is no objection that we go to the Introduction of Resolution.

There was no objection.

### **INTRODUCTION OF RESOLUTIONS**

H. RES. NO. 16-54: A House Resolution to request that the Commonwealth Election Commission acknowledge and comply with the Federal Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA), which requires U.S. states and territories to allow overseas absent uniformed services voters and overseas voters to register and vote during federal elections.

Offered by: Representative Ray N. Yumul

### **MESSAGES FROM THE GOVERNOR**

The Chair recognized Floor Leader Camacho.

Floor Leader Camacho: Mr. Speaker, before we leave the Governor's Communication, just so we have a clean record, I would like to make a motion in reference to Representative Apatang's words as to the words, b\*\*\*\*\* with "complaint", the words c\*\*\* with "situation".

The motion was seconded.

Speaker Arnold Palacios: I think it is appropriate and reasonable to change those words please. I recognize Representative Sablan.

Representative Sablan: Before we move on from the Governor's Communications, just one more point with respect to the same communication. Mr. Speaker, we cannot find solutions to the problems if we do not know the cause of the problem, and we should be concern about non-compliance with Federal Environmental and Public Health regulations. Because it involves public health hazards, and because right now CUC is under a stipulated order with EPA for water, wastewater, and used oil violation, and now, we could be facing liabilities for clean air violations, this costs money, and there are real public health impacts to all of these violations. So we should be concerned. I suggested that we focus now on resolving the compliance issue with EPA, and my suggestion – I suppose a solution that I will be proposing would be for us to continue putting

pressure on the Governor and CUC that absolute necessity of speaking directly with EPA and ensuring that we can resolve these issues and come back to compliance. The other issue in this Communication that I wanted to raise was with respect to the Directive 7 where the Governor authorizes CUC to procure with all deliberates be the contractor's necessary to remove the used oil from tank 104. As I noted earlier, we are under stipulated order for used oil violations, and I assume that the purpose of this Directive would be to address some of the concerns and the mandates that were required to meet under the stipulated order. But, my fear, Mr. Speaker, is that if we do not address and put focus on the fundamental problem which was lack of planning, which led to violating the clean air regulation in the first place – lack of planning, lack of cognizance about the Federal Regulation that apply, that we might repeat the same mistakes with these used oil situation, and we will have another sole source contract that would be incredibly lucrative to whoever gets that, and we might still be facing the same liability and concerns, which all of these will cost us money. Thank you, Mr. Speaker.

Speaker Arnold Palacios: So noted. I recognize Representative Palacios.

Representative Palacios: I will make this very short, Mr. Speaker. First of all, thank you, that is why we voted for the privatization so that would hopefully address Representative Sablan's concern about CUC not really getting prepared or addressing these concerns. Thank you, Mr. Speaker.

Speaker Arnold Palacios: Ready. Let's move down to Senate Communications.

### SENATE COMMUNICATIONS

SEN. COMM. 16-80: (10/3/08) Transmitting for House action S. B. NO. 16-9, CS1, entitled, "To amend 1 CMC § 2553(k) to provide for a three percent (3%) simple interest rate for outstanding obligations of the Commonwealth; to amend 7 CMC § 4101 governing the award of prejudgment and post judgment interest against the Commonwealth; to amend 7 CMC § 4101 concerning pre and post judgment interest generally; to codify a policy concerning the payment of tax rebates without penalties and interest; to amend 7 CMC § 2205 regarding the sovereign immunity of the Commonwealth in the payment of money judgments; and for other purposes," which was passed by the Senate on October 2, 2008. [*For action*]

SEN. COMM. 16-81: (10/3/08) Transmitting for House action S. B. NO. 16-42, entitled, "To amend Public Law 15-2 to reinstate a Board of Directors to oversee the Department of Public Lands within the Executive Branch; and for other purposes," which was passed by the Senate on October 2, 2008. [*For action*]

SEN. COMM. 16-82: (10/3/08) Transmitting for House action S. L. I. NO. 16-10, entitled, "To add a new Section 10 to Article X of the Constitution of the Northern Mariana Islands to authorize the Commonwealth to issue pension obligations bonds and for other purposes," which was passed by the Senate on October 2, 2008. [*For action*]

SEN. COMM. 16-83: (10/6/08) Transmitting a certified copy of S. R. NO. 16-22, entitled, "A Senate Resolution extending sincere appreciation to Monsignor Louis Antonelli of San Isidro Mission, Sinapalo, Rota for his dedication and devotion in serving the residents of Rota and preaching the word of God with devotion and for years of commitment to the Community." [*For info*]

The Chair recognized the Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker. I would just like to make a very short comment on SEN. COMM. 16-81 in reference to Department of Public Lands – whether we take up the bill today or send it to a Committee, this is actually a very pressing issue both from Tinian and Rota, and also here in Saipan. I know that there is a project that is happening now north of Nikko Hotel, and at this stage, even as a Representative of Precinct IV, I have very little information in regards to this and I have been asking the department for any input, and it seems like we have been kept in the dark. I encourage the members that we look into this matter.

Speaker Arnold Palacios: Are you suggesting that we act on this immediately?

Floor Leader Camacho: Yes.

Representative Yumul seconded.

Speaker Arnold Palacios: I was very concerned about P.L.15-2 in the last Legislature when it basically abolished and seized or abolish the autonomy of MPLA. There were a lot of good discussions out in the public. That is why I am very hesitant to act on this type of legislation immediately. It took us almost six months if not more, and I stand to be corrected by the former Speaker. I believe that we need to slowly deliberate on this and make a final decision before we even amend this and accept it, but for First Reading deliberation, I would be amendable if there is no objection to put it on the Order of Business on the Bill Calendar when we get to that. Certainly, this is a...**[End of Tape 1 Side A]**

Speaker Arnold Palacios:**[Beginning of Tape 1, Side B]**...we do this immediately. We can discuss and deliberate on it. Is that okay, Floor Leader? When we get to the Bill Calendar, we can discuss this. In regards to SEN. COMM. 16-82, I am going to ask the Committee on Ways & Means, because the previous House Legislative Initiative was assigned to Ways & Means, this is a very similar if not the same piece of legislation that is in your committee. Please take a look at it and we are going to need a Committee recommendation immediately on this. I recognized Representative Babauta.

Representative Babauta: Mr. Speaker, just to reiterate again, because we saw the Governor's Communication this morning requesting that this particular legislation be enacted sooner, so I suggest that the Committee, if we can perhaps get the Committee rolling as soon as possible. This will be the third POB in this Legislature so we all know that we are on the same track with the Administration. I would assume that methodology is of great importance that we need to compromise.

Speaker Arnold Palacios: There are now three pension obligation initiatives by different members of the Legislature. I will try to ask the Committee to see which one they will put forth. I recognize Representative Hofschneider.

Representative Hofschneider: Thank you, Mr. Speaker, SEN. COMM. 16-80 and possibly SEN. COMM. 16-82. SEN. COMM. 16-80 is very clear that is taxation and it is the domain of the House not the Senate Bill. They are not authorized to do so under the Constitution. On SEN. COMM. 16-82, potentially can be construed as a borrowing bonds obligation, it initiates from the House. These two Senate Bills are, I stand corrected, Mr. Speaker, are the domain of the House.

Speaker Arnold Palacios: I am going to ask the legal counsel that is here today to give us a quick reading on that. I recognized Representative Sablan.

Representative Sablan: Thank you, Mr. Speaker. As Representative Babauta noted, there were couple of very similar Legislative Initiatives introduced in the House with respect to SEN. COMM. 16-82. There is also very similar bill that has been introduced in the Senate with respect SEN. COMM. 16-80, I believe that was referred to Committee and perhaps that could be something that we expedite committee review for as well.

Speaker Arnold Palacios: We will look into that because if it is as SEN. COMM. 16-80 then the same fundamental question that Representative Hofschneider just raised would be appropriately addressed. Ready.

Several members voiced, "ready."

Speaker Arnold Palacios: Let us take a five minute recess, please.

*The House recessed at 10:39 a.m.*

*RECESS*

*The House reconvened at 10:50 a.m.*

Speaker Arnold Palacios: We are back to plenary session. We left off with the Senate Communications. Let us move down to our next Agenda.

### **HOUSE COMMUNICATIONS**

HSE. COMM. 16-73: (10/3/08) From Representative Aldan informing the Speaker that he will be off-island beginning October 6 to October 13, 2008.

The Chair recognized Representative Sablan.

Representative Sablan: Thank you, Mr. Speaker. I have a very short statement that I would like to read it into the record, if that is okay.

There was no objection.

Representative Sablan: I would like to clarify for the record my vote on the bill that was passed by the House during the session last Friday, October 3<sup>rd</sup>. H. B. NO. 16-171 was introduced by Representative Babauta on October 2<sup>nd</sup>, and subsequently placed on the Calendar. The bill proposed to reprogram lapsed funds that have been appropriated to Precinct 2 for the House of Manhoben, which is run by Karidat, also in Precinct 2. Representative Babauta had requested that the bill be placed on the Calendar and voted on expeditiously because the Youth Center faced possible shutdown due to funding uncertainties, as a result of grant that had expired or been reduced for the center among other reasons. During the recess for lunch on Friday, Representative Babauta spoke to me personally and ask for my support of the bill, and I took the time after that conversation to call Karidat in order to get a better understanding with the needs of the Youth Center and the services

that it provides to the community. When I returned from lunch, I felt reasonably comfortable about voting “yes” on that bill. The session was supposed to resume at 2:00 p.m. on Friday, I returned to the House at 2:00 p.m., and shortly thereafter, there was a power outage that lasted a little over half an hour, which delayed the session considerably. I waited in the lobby and then moved to my seat in the Chamber when the power came back on, and just before 3:00 p.m. before the session had actually started, and as other members were still filing in, I stepped out of the Chamber for few minutes. The very short time that I was out of the Chamber, the Session resumed, H. B. NO. 16-171 was rapidly and apparently without much debate and discussion substituted for a much different bill that appropriated a greater sum of money from Precinct 2. Not only to Karidat, but also to road projects that I actually voted against in a previous bill, and to the College bookstore renovations that I had not even been aware of, and the (inaudible) began. I was naturally a bit disoriented when I walked back into the Chamber and was asked for my vote, and when I inquired as to the bill that we were voting on, I was told the Karidat Bill. There was no mention at all of the Substitute Bill. I honestly had no reason to believe that the bill had changed so dramatically in a few minutes that I had been out of the room. That possibility did not even occur to me, and so I voted, “yes.” I did not even realized that the bill had been changed at all until after the session as I was gathering my materials, and noticed a Substitute Bill that had been slipped under my papers while I had stepped out of the Chamber. I see now that I had been naïve. In the last ten months, I learned some hard lessons as a freshman legislator about the games that are played up here. Last Friday’s session was just one better lesson. While I am disappointed by the gamesmanship and the lack of diligence that we exercise in appropriating public funds that we all are scarce, I am also frankly disappointed in myself for letting my guard down for those few minutes in trusting that I would be given accurate information when one, my support for the bill was initially being requested, and two, when I asked for clarification about the bill that we were actually voting on. I realized that it is too late to change my vote, and in any case changing my vote would not have resulted in a change in the outcome. The bill passed. It is in the Senate now, and I can only hope that they will be more thorough in reviewing the bill then any of us will, but that vote has been bothering my conscience since Friday. I would like to clear both my conscience and the record, had I been more cognizant of the game that was being played at the time, I would have voted “no” on H. B. NO. 16-171, HS1. Thank you.

The Chair recognized Representative Babauta.

Representative Babauta: Mr. Speaker, without objection from the Chair and the members, I would like to give the opportunity to Representative Sablan to withdraw her vote so that her record would stand as it reflects on her comment this morning.

There was no objection.

Speaker Arnold Palacios: I do not believe if I can do that.

Representative Babauta: Although the Rules do not allow that, if there is no objection from the members, we can still override the Rules subject to appeal of course, but I am giving her the opportunity because you have already ruled the result – if there are no objections from the members, I wish to allow her that opportunity to...

Speaker Arnold Palacios: Representative Sablan, would like to withdraw your vote on that particular legislation.

Representative Sablan: Can I just clarify that I am actually allowed to?

Speaker Arnold Palacios: You can.

Representative Sablan: Under the Rules?

Speaker Arnold Palacios: Yes, if there are no objection.

Representative Sablan: If there are no objections, then I would like to vote “no.”

The Chair recognized the Floor Leader.

Floor Leader Camacho: Mr. Speaker, perhaps maybe a very short recess. I do recall something in the Masons and I would like to clarify if we can allow Representative Sablan. We will try to accommodate her, but we have to see if the Rules allow us to do that.

Speaker Arnold Palacios: Short recess.

*The House recessed at 10:54 a.m.*

*RECESS*

*The House reconvened at 11:05 a.m.*

Speaker Arnold Palacios: We are back to our plenary session. We were discussing the issue regarding the points Representative Sablan pointed out in voting for a particular bill. She did not agree with some of the changes that was made to the legislation, but be that as it may, I certainly appreciate every member’s decision in terms of explaining, and that is why we have this House Communication. I believe that legislation has gone and has passed the House, and I will rule that we will let it go. Representative Deleon Guerrero, recognized.

Vice Speaker Deleon Guerrero: Thank you, Mr. Speaker. I have not objections to Representative Sablan explaining what happened and her disappointment. The only thing I take exception is this subtle insinuation that it was a gamesmanship, the one can construed that saying that it was intentional. Every member has a right to substitute. It is part of our parliamentary procedures. I do not think that there was any intention of doing it behind Representative Sablan’s back. If you go out to the bathroom or reading another bill and it passes, and you did not catch it, it is very unfortunate, it happens to all of us here. As unfortunate as that may be, I just want the record to show that there was no intention of doing it while she was gone. It was unfortunate that she was not there. Things have a way of going out to the media and it comes out as another “oh boy network” tactic. That was not the case. So, I rise, Mr. Speaker, to defend out Minority Leader that it was by no means any intention of trying to do it while Representative Sablan was not there. Thank you.

The Chair recognized Representative Salas.

Representative Salas: I just wanted to say also that actually I was a little bit confused myself too on that particular substitute. I was under the impression that the money that was taken out from Precinct 2 was going back to Precinct 2, but apparently, part of the road project was going to Precinct 1. I was a little bit confused, and just wanted to note that.

The Chair recognized the Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker. I believe we are under Resolution Calendar?

Speaker Arnold Palacios: We will move down to Resolution Calendar.

**COMMUNICATIONS FROM THE JUDICIAL BRANCH**

None

**COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE**

None

**COMMUNICATIONS FROM DEPARTMENTS & AGENCIES**

None

**OTHER COMMUNICATIONS**

MISC. COMM. 16-51: (10/6/08) From LB Deputy Director Glenna SP Reyes regarding the Speaker's inquiry on LB employment contracts.

There was no discussion under this Item.

**REPORTS OF STANDING COMMITTEES**

None

**REPORTS OF SPECIAL AND CONFERENCE COMMITTEES**

None

**UNFINISHED BUSINESS**

None

**RESOLUTION CALENDAR**

Floor Leader Camacho: Mr. Speaker, I move to adopt H. J. R. NO. 15-17 in reference to Foreign Investor and Department of Homeland Security.

The motion was seconded.

Speaker Arnold Palacios: The motion on the floor is to adopt H. J. R. NO. 15-17, and it has been seconded.

**H. J. R. No. 15-17:** A HOUSE JOINT RESOLUTION TO REQUEST THAT THE SECRETARY OF HOMELAND SECURITY ENSURES THAT THE REGULATIONS IMPLEMENTING THE CONSOLIDATED NATURAL RESOURCES ACT OF 2008 PROVIDE FOR THE MOST EQUITABLE POSSIBLE TREATMENT OF EXISTING FOREIGN INVESTORS IN THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.

Speaker Arnold Palacios: Discussion. I recognize Representative Hofschneider.

Representative Hofschneider: I support the intent, Mr. Speaker, but I just have a question. What prompted this? Is there a factual or a trend or indication in fact that Homeland Security through the regulation may not be looking favorably and uniformly on foreign investors here already in the Commonwealth.

The Chair recognized the Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker. Presently, the United States has three different types of foreign investors. There is an E1, E2, which are basically foreign investors that want to take their money and invest it somewhere in the United States. They do not want citizenship or green cards, they just have money to spend. And there is an EB5, which is, at some point in time, this investor wants to get a green card or a citizenship. In order to have an EB5, you need at least a million dollars investment, and you have to create at least ten jobs. Presently, the Commonwealth, what we consider as foreign investors is about \$150,000.00 worth of investment. If the Homeland Security were to apply what the U.S. standard of foreign investors, it would almost wipe out our entire sector of foreign investors. What we are asking Homeland Security is for the period of the transition period to allow us to try to figure out where from the \$150,000.00 and the One Million obviously – we need to come together because an investor who can qualify to invest in a One Million dollars and create ten jobs – if he can qualify for that, can go to Los Angeles or New York, unless there are some special reason he would come to the CNMI. So we are trying to figure out where that middle ground is, but in the mean time, we are asking from this Resolution is that, our present foreign investors to be grandfathered in until we can figure out what it is. The Department of Commerce is going in with a fine toothcomb weeding out those undesirable foreign investors.

The Chair recognized Representative Hofschneider.

Representative Hofschneider: There is where the complication is, Mr. Speaker. The Floor Leader pointed out the word, “undesirable”. I have been out of the Legislature in the Fifteenth, but I recalled that even the Foreign Investment Act has been repealed or significantly lowered, thereby, spurring a lot of perhaps – I do not know the definition of “undesirable” business, but in my personal opinion, a foreign investment for tire shops and roadside vendors is beyond me. A lot of people are quite disturbed with our Foreign Investment Act or Foreign Investment Law in the Commonwealth. It seems like we are too desperate that irrespective of the quality of investment that we are looking for so long as it is called foreign investment. It shows that this body also is quite responsible in not delineating and doing away with the foreign investment threshold. I remembered the original foreign investment back in the Eighth Legislature. It was introduced by former Representative Crispin Guerrero. That has been stabbed and doctored a few times in the most recent legislature that it gives no meaning at all to foreign investment. It is the same predicament, Mr. Speaker, in terms of the definition, and that we are asking Homeland Security is, what we have just done in recent past, we invite a foreign investor to come in, and then, with the initial approval stages, they promised Heaven and Earth job opportunities, economic derivatives, but only to find out that after everything is signed and dotted, it is not the case. I will support the Resolution, but I think that we all have to face up. What do we want our Commonwealth to be – a good quality destination, or a mass of industries that does not compliment one and another. It is a fundamental question, and if we were to appeal to the Homeland Security to fairly treat existing foreign investment, then, we have to make the heart decision that says, this categories of businesses is not what we are looking for to begin with, and try to clean up the industry, try to bring a sense of foreign investment environment

whereby new investors in fact looking at us and say, hey, they got something good going. I will support, but I am just kind of uneasy with what we are asking Homeland Security. It is too broad. I think the only thing good about it is, it would retard or reduce the exodus of small businesses in the Commonwealth that are contributing now to the general welfare of the islands, but I think, we need to all come up with something that delineates and clearly set the threshold for Foreign Investment. Thank you.

The Chair recognized Representative Benavente.

Representative Benavente: Thank you, Mr. Speaker. If you remember, just prior to our trip to Washington D.C., Secretary of Commerce Mike Ada came to us with this particular concern. After he met with the team of federal officials that came over to discuss with us the proposed regulations prior to drafting the regulations, he had brought this issue with this team, and brought up the concerns and basically showed him how if this was implemented without any consideration for the foreign investors that are here in the Commonwealth – that it would be an economic disaster basically because of the numbers that are involved in the businesses that are here that would not be able to qualify under the current existing Federal Law on foreign investment that there will just a handful of the many that are here in the Commonwealth. When he asked the question or pointed out to the team, none of them had anything to say about it. They basically shrugged their shoulders like “yes”, they just have to leave. The Secretary of Commerce also pointed out the numbers, and I am sure that we have that communication. Those numbers are large. When we are looking at the kind of investment – those that will not qualify that they have on the Commonwealth, and the kind of revenue that it generates for our economic base, is just such a large amount that if that were to happen, if there is no consideration for a gradual phase out or in this case for now an immediate grandfathering clause to allow that phase out, then, there will be an economic disaster that we would have to be faced with. That comes in less than a year from now. It is critical that we adopt this Resolution knowing that the Administration is not – because of the lawsuit not attempting to negotiate with the federal agencies, but at least we here at the Legislature take action that we feel is very important and necessary. We need to do this quickly and possible while the federal officials are putting up this regulation. I agree with Representative Hofschneider, and that is the first thing I said to the Secretary of Commerce when he brought this matter up to me. I ask him how many of these are tire shops and \$4.00 haircut shops, and investors that we really do not want here in the Commonwealth? What is important is that there are a lot of legitimate foreign investors who will not be able to qualify, or who would have to leave comes June 1<sup>st</sup>, 2009 if there is not consideration on this new regulation. Thank you, Mr. Speaker.

The Chair recognized Representative Hofschneider.

Representative Hofschneider: Now, it is quite evident and quite clear. Is that in response to Representative Benavente and may be the Floor Leader? Is that where page 2, line 18 to line 21 comes into play?

Floor Leader Camacho: Yes.

Representative Hofschneider: Okay. So in fact, we do not know how the regulation is to be written, and we are appealing. So under that section is what we are asking? Are we also in the mindset of allowing Homeland Security to make the determination as to the undesirable as you put it?

The Chair recognized the Floor Leader.

Floor Leader Camacho: The way the group has been working, Representative Hofschneider is that, we need to at least voice our concern regarding this issue because right now in regards to foreign investors, the CNMI as a whole is very silent on the matter. The next step which is assuming that the federal government allows us is time, this transition period. What the Department of Commerce is doing now and the Department of Immigration – they have been going in there and weeding out those undesirables, but that is more on the purview of the CNMI government because they have the records, and it is easier for them to verify where the businesses are located, and whether it really is a \$4.00 haircut place or a tire shop, or...

Representative Hofschneider: That is essentially what I am getting at, Mr. Speaker, and I am happy to hear that. Thank you.

The Chair recognized Representative Sablan.

Representative Sablan: Thank you, Mr. Speaker. During the Joint Federal Relations Committee meeting between the House and the Senate members, this issue that the impact of the federalization law on the CNMI's foreign investment program was raised, and there were some members who felt that it would be worthwhile for us to even revisit our own local program, look at witnesses, loopholes, and that exists presently. At the times, I recalled we agreed to prioritize a Joint Resolution and asking for consideration in the Special Visa Waiver Program for the tourism industry, specifically to include China and Russia. The reason why that was prioritized and incorporated as well into the Committee Report was because regulation for that particular program was expected to be promulgated in January of next year. So time was of the essence and there was quite a bit of review on that particular Joint Resolution. My concern with this Joint Resolution is, first of all, what we are asking for is not entirely clear to me. I am a bit concern that we are asking for inclusion of all the present foreign investors and that we state that foreign investors in the Commonwealth have not represented a threat to the welfare, safety, and security of the U.S. I supposed part of my concerns stems from the fact that this is really the first opportunity that I have had any way to review this. It was just introduced this morning and I would be interested in going back to the particular provisions of Public Law 110-229 if the members would allow that opportunity. My understanding had been that there already was a requirement that the Secretary of Homeland Security should create a CNMI only foreign investor program, and that there would be considerations naturally to current investors. So are we just asking them to follow the law, or are we considering that there might be reason to not include everybody now who presently holds the Commonwealth only foreign investor visa?

Representative Benavente: Point of information, Mr. Speaker.

Speaker Arnold Palacios: Please proceed, Representative Benavente.

Representative Benavente: As I state earlier, the Secretary of Commerce in fact told us that when he brought this matter up to the team, the team did not have an answer that basically without anything included in the regulation, the federal law will apply, and the majority of those investors will not qualify to remain in the Commonwealth and they would have to leave. So, from what Representative Sablan is saying, the understanding by the Secretary anyways is that, there is no proposed language offered by the team that is drafting that regulation. Thank you.

Speaker Arnold Palacios: So in essence, this Resolution is asking them to make those considerations. You still have the floor, Representative Sablan.

Representative Sablan: It has occurred to me that perhaps – the reason why the Homeland Security Delegation did not have answers for any of us in terms of what would be in the regulation because none of the regulations have been drafted at that point. Of course, it would make sense for us to weigh in and I wholeheartedly support that as regulations are being drafted at this time, but what I would like to ask Mr. Speaker and the members is that we go back to what the GAO report says and also go back to what the actual public law says and just make sure that we are not asking for something that is already provided for in the law, and perhaps we could fine tune what exactly we are requesting. So if that would be allowed for in a recess or we could defer action at this time – I understand the need to make sure that our own voices are heard, and I completely agree that the local foreign investor program should not just be automatically shut down, but my understanding of the law was that, there is already a transition provided for and I would just like for the opportunity to verify that.

The Chair recognized Representative Hocog.

Representative Hocog: Thank you, Mr. Speaker. I guess the House Joint Resolution is being drafted in anticipation for consideration which is so a guess game whether Homeland Security will even look into it or not, but as a precautionary step to sell the idea of maintaining this smaller foreign investors, maybe, Mr. Speaker, this is the right Resolution to – because this is just a guess figure or idea whether it could be taken or not. Maybe this is the right time to consider the bill that was prefiled to insert also entry permit for long term investors and long term resident status under the Immigration Laws of the Commonwealth. This is the right time so that we can also see what they have in mind. This is just a guess game. Why do we not even try to include that at this point in time?

Speaker Arnold Palacios: Let us have a short recess.

*The House recessed at 11:29 a.m.*

**RECESS**

*The House reconvened at 11:38 a.m.*

Speaker Arnold Palacios: I believe that upon recommendations of some of the members, we go into Committee of the Whole so we can ask Ms. Lynn Knight to perhaps add some clarification to some of the questions that we have.

Floor Leader Camacho: Thank you, Mr. Speaker, motion for Committee as a Whole so we can entertain Ms. Lynn Knight.

The motion was seconded and carried by a voice vote.

The House dissolved into the Committee of the Whole at 11:39 a.m.

**COMMITTEE OF THE WHOLE**

The House returned to plenary session at 11:45 a.m.

Speaker Arnold I. Palacios: The session shall reconvene. Are there any further discussions. I recognized Representative Hocog.

Representative Hocog:...[inaudible-microphone was off]

Speaker Arnold I. Palacios: Thank you. Ready for the motion?

There was no further discussion and the motion to adopt H. J. R. NO. 16-17 was carried by voice vote.

Speaker Arnold I. Palacios: The motion is carried. I recognize the Vice Speaker.

Vice Speaker Deleon Guerrero: I was just looking at the time, and if we were going to be going to the Bill Calendar, can I request perhaps that we break for lunch and resume after lunch.

Speaker Arnold I. Palacios: We have one more Resolution. Floor Leader, recognized.

Floor Leader Camacho: Thank you, Mr. Speaker. Motion to adopt H. R. NO. 16-54.

The adoption motion was seconded.

**H. R. No. 16-54:** A HOUSE RESOLUTION TO REQUEST THAT THE COMMONWEALTH ELECTION COMMISSION ACKNOWLEDGE AND COMPLY WITH THE FEDERAL UNIFORMED AND OVERSEAS CITIZENS ABSENTEE VOTING ACT (UOCAVA), WHICH REQUIRES U.S. STATES AND TERRITORIES TO ALLOW OVERSEAS ABSENT UNIFORMED SERVICES VOTERS AND OVERSEAS VOTERS TO REGISTER AND VOTE DURING FEDERAL ELECTIONS.

Speaker Arnold I. Palacios: Before I call for the question, I would like to ask Representative Yumul to give us a synopsis of what this is all about.

Representative Yumul: Thank you, Mr. Speaker. It is really simple. The Uniform and Overseas Citizen Absentee Voting Act which was enacted by Congress in 1986, it allows for persons who reside or U.S. citizens who reside outside of the continent of the United States or outside of their voting jurisdiction to be allowed to vote for federal office positions. If they fail to meet a deadline which is basically one, the election date, you must be a registered voter in your state or territory. You must request for an absentee ballot from that state or territory, however, if two weeks prior or two weeks short of the election you failed to receive that ballot, this law allows for you to download the attached write in absentee ballot so that you may exercise your rights to vote. It is not meant for you to write in candidates that are not officially on the state or territories ballot, but you are just exercising your right to vote for that state or territories list of candidates that have been approved by the local election or commission's board. Then you have to mail it in and it will be counted once it is received by the local election because this is for federal position. This will not authorize you to vote for state candidates or candidates for any other office other than in our – for example Washington Delegate. If you look over at the actual official federal write in absentee ballot, you will see two asterisks. One for U.S. Senator and the other for U.S. Representatives/Delegate, and it clearly states under the two asterisks that legal residents of American Samoa, Guam, Puerto Rico, U.S. Virgin Islands and to include us, may only vote for delegate. So you cannot vote for the

President or the State Senator for example. This is very important for members in the Armed Forces most especially because as we know it is very difficult to have absentee ballots mailed out in time to be received by the requesting person and then to turn around and mail it back. This will allow for them to continue with what they are doing, which is, for the military, it is the mission at hand, and it allows for them to cast their vote and be counted.

Speaker Arnold I. Palacios: Representative Yumul, have you ever brought this up to the Election Commission?

Representative Yumul: I have attempted to contact them, but at this point, because there are only twenty eight days left before the November 4<sup>th</sup> Election that this is very important for them to entertain, and if they need to adopt rules, it needs to be done. It is a Federal Law, and if we need subsequent legislation, that would be forthcoming. It is just that the urgency of time is not on our side at this particular moment.

The Chair recognized Representative Babauta.

Representative Babauta: Thank you, Mr. Speaker. I was reading part 1 of this form and it says that it is only applicable to citizens who are residing outside of the United States. Am I correct? Not necessarily residents of the Commonwealth residing in the States?

Representative Yumul: That I have not got into detail, but again, this is primarily targeted for our Military personnel that are overseas. Of course, if you are a registered voter of the CNMI, meaning, you must be a U.S. citizen to begin with because that is a requirement, and you are in a U.S. State, whether you can use this has not been researched, and that is why it is very important to get this information over to the Election Commission so that they can make that determination and issue appropriate rules governing that policy.

The Chair recognized Representative Babauta.

Representative Babauta: I just want clarification because Chairman Yumul brought up the two asterisks on the last page of the form, I was reading here and it says, it is applicable to American Samoa, Guam, Puerto Rico and the U.S. Virgin Islands, because the Commonwealth is not cited in this form?

The Chair recognized Representative Yumul.

Representative Yumul: Just to reiterate what the Vice Speaker had said, at the time this Law came into affect, we had a Washington Representative, now year 2008, we have a Washington Delegate that does not mean that your rights to vote is null and void. You still have the right to vote. It is just that it is pretty obvious that even the federal agencies that are tasked to ensure that every person exercises their rights to vote is falling behind the curb, they actually should have been on the ball on this one, and they must provide the guidance to the Election Commission. As you read the Law, it actually requires that the person that is nominated by the U.S. President to provide U.S. Congress with certain statistical data such as voting numbers, persons who exercise this voting style, must be reported every four years. At this point, I think we just need to get clarification from both our Election Commission and from the Federal Voting Agency so that we have clear guidance. This is the first for the Commonwealth so it is very important that we put this among other issues on the table so that we have clear understanding of what needs to be done.

The Chair recognized Representative Sablan.

Representative Sablan: Thank you, Mr. Speaker. I am just noting, again the first time I ever see this Resolution and so I am kind of scrambling to make sense of it. Am I reading this correctly? The present Federal Law requires that States would accept valid voter registration applications and absentee ballots if the application is received not less than thirty days before the election? So in this case, that would not apply anymore because we are at twenty eight days as you stated earlier.

Representative Yumul: No. No. What it means is that you cannot exercise this function unless you are within the twenty eight day window. You can use this Federal Voting Ballot outside of the thirty day window meaning, the Federal Law wants you to work with your state or territory to get a valid state or territory absentee ballot, but this is a parachute for those persons that have met state requirements by registering to vote, by requesting an absentee ballot but have failed to receive it in a timely manner, then this would become their life line because as we all know, everybody has the right to vote. What I am bringing to this attention is that if this type of ballot is received by our Election Commission that they cannot disregard as a failure to vote or an unauthorized voting document. It is valid and they should counted.

Representative Sablan: So for our Uniformed and Overseas citizens who are already presently registered, what you are saying is that, their ballot should be accepted.

Representative Yumul: If they do not receive a CNMI absentee vote packet, they can submit this in two weeks prior to the election.

Speaker Arnold I. Palacios: Let me clarify this situation. In the last election, one of our Representatives was off island and ended up in Saipan on Election Day, missed the absentee ballot that he requested, so therefore, he was not allowed to vote on island. So he failed to vote. Right, Representative Yumul?

Representative Yumul: That is a yes and a no, Mr. Speaker, because this only applies to federal positions.

Speaker Arnold I. Palacios: Yes, but it was a very similar situation.

Representative Yumul: Very similar.

The Chair recognized Representative Hocog.

Representative Hocog:...[inaudible – microphone turned off]

Representative Yumul: As amended. I believe, Mr. Speaker, these documents that are attached, I pulled from the website and everybody is welcome to go to it. It is *fvap.gov*. It is everything that you need to know about on how to go about utilizing this type of voting system. It is online. It is valid and current.

Speaker Arnold I. Palacios: Ready for the question?

Several members voiced, “ready.”

There was no further discussion and the motion to adopt H. R. NO. 16-54 was carried by voice vote.

Speaker Arnold I. Palacios: The motion is carried. Floor Leader. Will the members be amendable to come back at 2:00 p.m. to continue the session?

Floor Leader Camacho: Mr. Speaker, motion to recess until 2:00 p.m. this afternoon.

The motion was seconded and carried by voice vote.

*The House recessed for lunch at 12:00 p.m.*

*RECESS*

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

Speaker Arnold I. Palacios: We are back from recess. We left off with Resolution Calendar.

Floor Leader Camacho: Mr. Speaker, motion to adopt H. J. R. NO. 16-15.

The motion was seconded.

**H. J. R. No. 16-15:** A HOUSE JOINT RESOLUTION AUTHORIZING THE PUBLIC SCHOOL SYSTEM (PSS), ON BEHALF OF THE GOVERNMENT OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS, TO INCUR A PUBLIC DEBT UP TO \$20,000,000.00 (TWENTY MILLION U.S. DOLLARS) FOR THE FINANCING OF THE CONSTRUCTION OF A GYMNASIUM AT SAIPAN SOUTHERN HIGH SCHOOL, KAGMAN HIGH SCHOOL, HOPWOOD JR. HIGH SCHOOL, ROTA HIGH SCHOOL, AND TINIAN JR./SR. HIGH SCHOOL; AND CLASSROOM RENOVATION AND OTHER CAPITAL IMPROVEMENT PROJECTS BY THE PUBLIC SCHOOL SYSTEM, BY AFFIRMATIVE VOTE OF TWO-THIRDS OF THE MEMBERS IN EACH HOUSE OF THE LEGISLATURE PURSUANT TO ARTICLE X SECTION 3 OF THE COMMONWEALTH CONSTITUTION.

Speaker Arnold I. Palacios: Discussion on the motion. I recognize Representative Sablan.

Representative Sablan: Thank you, Mr. Speaker. At our session on Friday, we did agree to defer action on that particular Joint Resolution until we could refined the language of the Resolution. I understand that Representative Reyes is not here at this time, but I did communicate with him about deferring action for just a few more days. I just started receiving some comments and suggestions for improving the current resolution, and I wanted to ask the members for their indulgence for just a few more days, and we should have an improved resolution.

Speaker Arnold I. Palacios: So you got in touch with the author?

Representative Sablan: Yes, this morning before the session.

There was no objection.

Speaker Arnold I. Palacios: Okay we will withhold on that. Floor Leader recognized.

Floor Leader Camacho: Thank you, Mr. Speaker. Just so the record is clear, motion to withdraw H. J. R. NO. 16-15 until a later time.

There was no objection.

Speaker Arnold I. Palacios: H. J. R. NO. 16-15's motion for adoption has been withdrawn. Let us move down to the Bill Calendar.

### **BILL CALENDAR**

The Chair recognized Representative Hocog.

Representative Hocog:...[inaudible – microphone turned off]

Speaker Arnold I. Palacios: Any objection.

There was no objection.

Representative Hocog:...[inaudible – microphone turned off]

Speaker Arnold I. Palacios: Floor Leader, you wan to consider that? We are back to our Bill Calendar. You want to...[**End of Tape 2, Side A**]

Floor Leader Camacho: Mr. Speaker, motion to suspend the Rules, in order to place H. B. NO. 16-176 on the Bill Calendar.

The suspension motion was seconded.

Speaker Arnold I. Palacios: The motion is carried. Floor Leader, recognized.

Floor Leader Camacho: Motion to place H. B. NO. 16-176 on the Bill Calendar.

The motion to place H. B. NO. 16-176 was seconded.

Speaker Arnold I. Palacios: The motion is carried.

Floor Leader Camacho: Thank you, Mr. Speaker. Since we are on the roll, I would like the indulgence of the members to pass H. B. NO. 16-176 on First and Final Reading.

The motion was seconded.

**H. B. NO. 16-176:** A BILL FOR AN ACT TO AMEND SUBSECTION 2204(B) OF SECTION 3 OF PUBLIC LAW NO. 15-105 REGARDING THE HEALTH CARE PROFESSIONS LICENSING BOARD; AND FOR OTHER PURPOSES.

Speaker Arnold I. Palacios: Discussion. I recognize the Vice Speaker.

Vice Speaker Deleon Guerrero: I just wanted to ask the author to clarify for me page 1, line 16, the Provisions of 1 CMC § 2901 as amended (appointments) shall not apply to the composition of the board. I am sure that it deals with appointments, but I am not quite sure what that provision says about appointments. Can the author help me understand it?

The Chair recognized Representative Babauta.

Representative Babauta: The Governor realized the criteria on the appointment. This is required being a woman and also of Carolinian descent. That is the section that applies to the standard appointment.

Speaker Arnold I. Palacios: Short recess.

*The House recessed at 2:15 p.m.*

*RECESS*

*The House reconvened at 2:36 p.m.*

Speaker Arnold I. Palacios: We are back to our session. Floor Leader, you want to effectuate that motion.

Floor Leader Camacho: Thank you, Mr. Speaker. Per the counsel's advise, to add a letter "g" on page 1, line 16, right after 1 CMC § 2901.

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

Speaker Arnold I. Palacios: The motion was seconded. Any discussion?

Legal Counsel Jose Bermudes: *And perhaps, just get rid of "as amended (appointments)." Just get rid of all that. It does not mean anything.*

Speaker Arnold I. Palacios: Further discussion? I recognize Representative Salas.

Representative Salas: Mr. Speaker, just for clarity. Everything at § 2901 then is still applicable.

Speaker Arnold I. Palacios: Correct.

Representative Salas: Okay.

The floor amendment offered by the Floor Leader was carried by voice vote.

Speaker Arnold I. Palacios: The motion is carried. We are back to the main motion. Ready.

Several members voiced, "ready."

Speaker Arnold I. Palacios: Clerk, please call the roll.

The clerk called the roll on the motion to pass H. B. NO. 16-176, HD1 with the following result:

Rep. David M. Apatang	yes
Rep. Oscar M. Babauta	yes
Rep. Diego T. Benavente	yes
Rep. Joseph N. Camacho	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Victor B. Hocog	yes
Rep. Heinz S. Hofschneider	yes
Rep. Raymond D. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Christina Marie Elise Sablan	yes
Rep. Edward T. Salas	yes
Rep. Ramon A. Tebuteb	yes
Rep. Ralph DLG. Torres	yes
Rep. Stanley T. McGinnis Torres	yes
Rep. Ray N. Yumul	yes
Rep. Arnold I. Palacios	yes

Speaker Arnold I. Palacios: H. B. NO. 16-176, HD1 hereby passes the House on First and Final Reading. Floor Leader, recognized.

Floor Leader Camacho: Thank you, Mr. Speaker. I have a motion to pass on First and Final Reading, S. B. NO. 16-34.

The motion was seconded.

**S. B. NO. 16-34:** A BILL FOR AN ACT TO AMEND 1 CMC § 6103(A) OF THE ELECTION LAW; AND FOR OTHER PURPOSES.

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

*The House recessed at 2:40 p.m.*

**RECESS**

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

Speaker Arnold I. Palacios: We are back to our session. Floor Leader, can you provide some light on this?

Floor Leader Camacho: For the benefit of the members, Mr. Speaker, my understanding from a member of the Election Commission is that they are having problems in particular out of Tinian for people to step up and take on this task. The person occupying that position – his term has expired, and they are anticipating that there might be a problem because they are presently do not have a quorum to convene for the Delegate race that is coming up in November. He is willing to continue to be board member but the law prevents him from doing that. I guess it comes down to the members whether you are oppose to term limits or not opposed to term limits, but that is an issue that you can struggle with. The present practical matter is that they do need a quorum come

November in order to convene to start counting the ballots, and they might not be able to fill that position if this particular restriction is not removed.

The Chair recognized Representative Hocog.

Representative Hocog: Thank you, Mr. Speaker. I was trying to get a hold of the author of the bill to get what is his intention and he is not available so I do not know if there is a new board that just expired or what, but maybe it would be good to refer this back to the Committee until further clarification from the author.

The Chair recognized Representative Salas.

Representative Salas: Just reading this law here, apparently the quorum is five, but it does say that one of the members from each Senatorial District has to be present, so I think that is where the problem lies.

Speaker Arnold Palacios: Yes because we do not have a member from Tinian on the Board of Elections.

Representative Salas: They are suppose to have two from each Senatorial District and five in Saipan. So I guess they obviously need to appoint someone else as soon as possible.

The Chair recognized Representative Sablan.

Representative Sablan: Thank you, Mr. Speaker. I would agree with Representative Hocog's suggestion that we should – one of the rare times that we agree, that it might be prudent to refer this the Committee and perhaps if you can instruct the Committee to go ahead and have some committee review here to expedite that because of the concerns of Tinian. If the current law provides for or requires that the presence of representatives of each of the Senatorial Districts, and there is only one from Tinian, I guess I would like to take some time to understand why there is such a difficulty filling those positions. Second, for the members to consider is, there must be a reason in the first place for establishing these term limits. During the recess, I was talking with the legal counsel about other ways to improve this language if we decide to extend term limits or provide for three terms rather than just two, but there are ways that we can go about this that would take into consideration the original intent.

Speaker Arnold Palacios: Let me refer that to a Committee then if there is no objection. I recognize Representative Yumul.

Speaker Arnold I. Palacios: I just want to state for the record that the issue is about consecutive four year terms. So there is a break in the consecutiveness then that person may be reappointed. The issue is just back to back appointments or basically an eight year term.

The Chair recognized Representative Hocog.

Representative Hocog: Well there is more to it, Mr. Speaker. You know whenever we deal with the policy for a limited term, there seems to be a question of fairness if a board member will be there for thirty four years, I guess that we should seriously look into any agency that would have also a term limit. I understand that even the Commissioner at the Election Commission is trying to put a term

limit on how long an Election Commissioner would sit on that position, and this is just to avoid further control of all the elections. So it is due that we refer this and seriously look into this legislation.

Speaker Arnold I. Palacios: If there is no objection from the Floor, I am going to ask that we withdraw this motion for the time being.

Floor Leader Camacho: Your preference is to refer it to Committee, Mr. Speaker?

Speaker Arnold I. Palacios: Yes.

Floor Leader Camacho: Motion to refer to Committee, Mr. Speaker.

The motion to refer S. B. NO. 16-34 to Committee was seconded.

Speaker Arnold I. Palacios: The motion is to refer S. B. NO. 16-34 to a Committee, and I will exercise my authority to do that right now because this is a Federal Election that we are facing, and I am going to ask that – go out of the normal and assign this to the Committee on Federal and Foreign Relations. Representative Benavente, would you be so kind as to take on this task to look into these issues of S. B. NO. 16-34? Consult with the author and please find out why the reasoning behind this. I recognized Representative Benavente.

Representative Benavente: Mr. Speaker, there is an appropriate Committees that should look into this matter, and not the Committee on Federal and Foreign Relations.

The Chair recognized Representative Babauta.

Representative Babauta: Mr. Speaker, your recommendation is germane with Chairman Benavente's Committee because this is Federal...[inaudible – microphone turned off]...at any rate, he only has one bill in his Committee, Mr. Speaker, and I am willing to help.

The Chair recognized Representative Hofschneider.

Representative Hofschneider: Mr. Speaker, the drafting of the bill may have been doctored different from § 6103 that is encoded. Omissions of language and sentence is very clear that where they took this is different from what is encoded in the book. Section 6103 in that amended sentence under line 6, no member may serve for more than two consecutive four year terms or in the case of members appointed for less than four years. Consecutive is omitted in the drafting of § 1634.

The Chair recognized Representative Benavente.

Representative Benavente: Mr. Speaker, are we discussing the motion...[inaudible – microphone turned off]

Speaker Arnold I. Palacios: Without any objection – nobody had objected to it being referred back to Committee, and I was basically saying that I am going to refer this to the Federal Foreign Relations Committee.

Representative Hofschneider: I was just pointing out...

Speaker Arnold I. Palacios: He was just pointing out what the Committee may look into.

The Chair recognized Representative Benavente.

Representative Benavente: Mr. Speaker, it is not that I am afraid to work or obey your directions, Mr. Speaker, but this particular legislation should be referred to the Committee on Judiciary and Governmental Operations, and that has to be given due respect. I realized that the Chair is not here, but it should be assigned first to that Committee with respect that she deserves to review this based on her committee's responsibilities, and if she objects to it, then I will be gladly ready.

Speaker Arnold I. Palacios: I do take that recommendation seriously, but let me reiterate my appointment. I will assign this to your Committee. I may be taking the risk that the Chairman of Judiciary and Governmental Operation might get upset for me not assigning this to her Committee, but I will deal with that and I will suffer the consequences. Okay, this is now with the Committee of Federal and Foreign Relations with immediate urgency. I recognize the Floor Leader.

Floor Leader Camacho: Mr. Speaker, I have a motion to adopt on First and Final Reading, H. B. NO. 16-143 in reference to Special Judge.

The motion was seconded.

**H. B. NO. 16-143:** A BILL FOR AN ACT TO AMEND 1 CMC § 3305; AND FOR OTHER PURPOSES.

Speaker Arnold I. Palacios: Discussion on the motion. I recognize Representative Sablan.

Representative Sablan: I feel that this would warrant some discussions, Mr. Speaker, so before we take this to a vote, I guess I would like to ask the author and any other proponents to explain why we are making this policy change, and what is the necessity of doing this?

Representative McGinnis Torres: I can answer that.

The Chair recognized Representative Torres.

Representative McGinnis Torres: Mr. Speaker, when a Judge or Justices do not make the election for the retention, they have no business sitting back in the Court as Judge or Pro Tem as Special Judge. The people spoke that they do not want that Judge to be a Judge anymore in court. Why are they still being called in to sit as Pro Tem Judge? I do not see any further explanation than that. It is very clear that the people rejected him to continue as a Judge. Thank you.

The Chair recognized Representative Sablan.

Representative Sablan: I ask if this actually applies to anyone.

Representative McGinnis Torres: I am sorry?

Representative Sablan: Does this actually apply to anyone at this time?

Representative McGinnis Torres: Yes. Let me go back when former Judge Virginia Onerheim was rejected during the election for her retention. She was called in twice to sit as a temporary Judge.

Another Judge that was rejected in the election was Tim Bellas. He continues to sit in as Pro Tem Judge and he sat on many cases, even in the Supreme Court as Special Justice. If you doubt it, you can call the Judiciary and find out. I am not making up a story.

Speaker Arnold I. Palacios: Ready.

Several members voiced, “ready.”

Speaker Arnold I. Palacios: Clerk, call the roll.

The clerk called the roll on the motion to pass H. B. NO. 16-143 with the following result:

Rep. David M. Apatang	yes
Rep. Oscar M. Babauta	yes
Rep. Diego T. Benavente	yes
Rep. Joseph N. Camacho	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Victor B. Hocog	yes
Rep. Heinz S. Hofschneider	yes
Rep. Raymond D. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Christina Marie Elise Sablan	yes
Rep. Edward T. Salas	yes
Rep. Ramon A. Tebuteb	yes
Rep. Ralph DLG. Torres	yes
Rep. Stanley T. McGinnis Torres	yes
Rep. Ray N. Yumul	yes
Rep. Arnold I. Palacios	yes

Speaker Arnold I. Palacios: By a vote of 17 “yes”, H. B. NO. 16-143 passes the House on First and Final Reading. Let me recognize Representative Salas.

Representative Salas: Just on line 3, maybe just have the Clerk correct the word “appoint” to “appointment”, please.

Speaker Arnold I. Palacios: Clerk, take a note of that. Floor Leader, recognized.

Floor Leader Camacho: Mr. Speaker, motion to pass on First on Final Reading, H. B. NO. 16-134.

The motion was seconded.

**H. B. NO. 16-134:** A BILL FOR AN ACT TO REQUIRE GOVERNMENT OFFICERS AND EMPLOYEES TO COMPLY WITH REQUESTS FOR PUBLIC RECORDS BY A MEMBER OF THE LEGISLATURE BY AMENDING 1 CMC § 1308; AND FOR OTHER PURPOSES.

Speaker Arnold I. Palacios: Discussion on the motion. I recognize Representative Benavente.

Representative Benavente: Mr. Speaker, I authored this legislation, and I was not sure whether this was requested by the Chair that this place on the Calendar. I wonder if the Committee had deliberated on this at all.

Speaker Arnold I. Palacios: I think that you might have requested that this be on the Calendar.

Representative Benavente: I do not remember doing – If I may continue. There is a current language in the existing law that requires government officials from the Executive Branch to comply upon request by members of the Legislature for response or for information being requested by the members of the Legislature. I remembered many years ago when I served here in the Legislature that there were times when officials from the government would just disregard information being requested by members of the Legislature. Even though there is a statute for a provision that requires them to do so, and I guess it is because there is no penalty provision for not complying. What I am attempting to do is to provide for an enforcement provision of that statute and by providing for a penalty provision. That is the intent of this bill.

The Chair recognized Representative Torres.

Representative McGinnis Torres: Thank you, Mr. Speaker. I would like to “*tochi*” a little bit more to my colleague that sponsored the bill. The bill is appropriate and that we need to pass this bill. I for one, I have been ignored. The reason why I took the Northern Marianas College to court is because they completely ignored – *Ma ambesti i position ya man aguguat man man osge achuk-ha ilek-na i Lai na*, you have to produce. It is still active in court, and as a matter of fact, October 16<sup>th</sup> will be the day that both parties will go back to the court and report what improvement or what has been resolved. Up to now, I have not heard from their attorney. I have been ready and waiting for them to call on me, but so far – I suspect that their private attorney will still be in the fines of the court order.

The Chair recognized Representative Hocog.

Representative Hocog: Mr. Speaker, can we have short recess before we consider this.

Speaker Arnold I. Palacios: Short recess.

*The House recessed at 3:10 p.m.*

*RECESS*

*The House reconvened at 3:19 p.m.*

Speaker Arnold I. Palacios: We are back to our session. There seems to be a wide ranging opinion on how this legislation shall proceed. Let me ask the author if he has any recommendations.

Representative Benavente: Thank you, Mr. Speaker. I did ask whether there were some deliberation by the Committee because I expected that this bill be deliberated and reviewed thoroughly by the Committee, but because it has not and there are some concerns being raised presently, I would agree and ask the Floor Leader to recall the motion and refer it back to the Committee.

The Chair recognized the Floor Leader.

Floor Leader Camacho: Based on the comments during recess and the inputs of some members, motion to refer this bill back to the Committee.

The motion to refer H. B. NO. 16-134 back to the Committee on Judiciary and Governmental Operations was seconded.

Representative McGinnis Torres: Privilege.

The Chair recognized Representative Torres.

Representative McGinnis Torres: Thank you, Mr. Speaker. May I ask that we go back to item 7 on our Calendar? I want to make an official statement.

Speaker Arnold I. Palacios: Is there any objection.

There was no objection.

### **HOUSE COMMUNICATIONS**

Representative McGinnis Torres: Thank you, Mr. Speaker and members. This is in regards to my statements made in the House Session, and it turned out to be a Miscellaneous Communication 16-51. A memo from the Legislative Bureau addressed to the Speaker. Mr. Speaker, I am not going to argue with the Legislative Bureau Deputy Director over the issue of the 90 day employment contracts of the LB employees. The response given by the Deputy Director did not answer the question. All personnel contracts already have a provision that address changes in the budget and for terminating a contract with or without cause. My specific question is why some staff being singled out in this 90 day contracts? I brought this issue directly to you as the Presiding Officer for this House because it is the proper venue to discuss such issue, and to inform the members during the House Session. The issue at hand is a serious matter that completely warrant our...

Speaker Arnold I. Palacios: Representative Torres, could you hold on a minute...[Change of tape]...Please proceed, Representative Torres.

Representative McGinnis Torres: Thank you, Mr. Speaker. I think I need to re-read my statement.

Speaker Arnold I. Palacios: It seems like you have a written statement there?

Representative McGinnis Torres: Anyway, let me just repeat that paragraph. Mr. Speaker, I brought this issue directly to you as the Presiding Officer of this House because it is the proper venue to discuss such issue, and to inform the members during the House Session. The issue at hand is a serious matter that clearly warrants our attention. I am not sure the Deputy Director understands that I do not have to inquire directly to the Legislative Bureau for any matter.

Speaker Arnold I. Palacios: Let me respond. The Legislative Bureau Acting Director executed those contracts. The inquiry was for me to check. She would be the proper individual to check with. So the response is, if there are additional inquiries that you would like, we can sit down with the Acting Director of the Legislative Bureau to further clarify the issues that you have. We can arrange for a meeting with her. Okay. Floor Leader, we will now go back to our Bill Calendar.

### **BILL CALENDAR**

Floor Leader Camacho: Mr. Speaker, motion to pass on First and Final Reading, H. B. NO. 16-60.

The motion was seconded.

**H. B. NO. 16-60:** A BILL FOR AN ACT TO AMEND 9 CMC § 2407 AND TO REPEAL 9 CMC § 2408, AS ENACTED BY PUBLIC LAW 15-25 ; AND FOR OTHER PURPOSES.

Speaker Arnold I. Palacios: Discussion on the motion. Representative Hofschneider, recognized.

Representative Hofschneider: Thank you, Mr. Speaker. Can we just hear the purpose of striking out “delineated requirements or liabilities.”

The Chair recognized Representative Torres.

Representative Torres: Actually, it is just a redundant on the subsection. It is duplicative. The Committee as well as the counsel just suggested that just to be consistent with the subsection and the public law to make it consistent.

Representative Hofschneider: For the record, Mr. Speaker, 9 CMC § 8201 at all includes “delineated liabilities.” Can we take a short recess and have the legal counsel check that.

Speaker Arnold I. Palacios: Short recess.

*The House recessed at 3:25 p.m.*

*RECESS*

*The House reconvened at 3:31 p.m.*

Speaker Arnold I. Palacios: We are back in session. I recognize Representative Deleon Guerrero.

Representative Deleon Guerrero:...[inaudible – microphone turned off]...Under the findings, you have the second paragraph...[inaudible]

Speaker Arnold I. Palacios: First of all, we imposed a Driver’s Education Law in the Fifteenth Legislature. Because I authored that legislation, I had an audience with some of the insurance companies, and one of the potential driving education businesses that was going to get into that – they were trying to get surety bond for the driving school. They could not get any surety bond on island. It is my understanding is that, one of the reasons why we put a surety bond in is so that the business does not close up and leaves the clientele to pay into that, leave them hanging after they pay that fee. It is my understanding that a business of this nature will not take on more than ten individuals at a time to get them through getting their final test. So he requested that this be eliminated while he cannot find somebody to take on the surety bond. Secondly, it is his understanding that \$1,500.00, he is not going to walk away from the business.

Representative Hofschneider: Mr. Speaker, how many times do we hear that a cashier taking the nights income and parking the vehicle at the airport and leaving island. A mere \$3,000.00 you hear Poker Arcades being robbed. I mean, Mr. Speaker, this is another issue of foreign investment or an internal local business. To completely remove it, I will not support. Looking at what this insurance community can in fact extend to protect from unscrupulous business whereby fly by nights are what we are trying to prevent. Today, it may be in fact 5 or 10 students, but in other jurisdictions, if

things start becoming accepted, you are talking in the hundreds, and of the cuff of my shirt, Mr. Speaker, I can tell you that at a minimum, there are six hundred kids of driving age every year. Where did I get that? From the High Schools. Every year, we graduate roughly six hundred kids and they are ready to start driving. Six hundred kids at \$300.00, potentially. So to lower the threshold, I am willing to compromise, but to completely remove the surety is beyond me.

The Chair recognized Representative Yumul.

Representative Yumul: Thank you, Mr. Speaker. Back in the Fourteenth and Fifteenth Legislature when I was involved in the Committee on Commerce and Tourism – this is a very interesting issue because what we are dealing with here are students, mostly likely under the age of eighteen or beginning drivers. Just remember that as we as parents, we are ultimately liable – if this child hits a car – if you look at page 2, it talks about property damage at \$15,000.00, a damage vehicle is not \$15,000.00. This just sets the minimum liability insurance that must be covered for that vehicle for both bodily injuries, and for property to include vehicle. So to remove or reduce, we are not saving...

Speaker Arnold I. Palacios: We are not trying to remove...

Representative Yumul: Right. We are not saving any person or any family the liability of damages that can be billed to them. Frankly, if a business cannot get surety, this is something that the Committee on Commerce and Tourism really needs to sit down with the insurance companies to find out why we cannot qualify the driver's – the vehicles here for insurance. The number reason is because we have limited the premiums that are to be charged.

Speaker Arnold I. Palacios: I think you are referring to 2407 (b) right?

Representative Yumul: Right.

Speaker Arnold I. Palacios: If you read that it says, originally the bill under § 1525 has at least 15 – what it did was it eliminates that and it says, amounts set forth in line CMC 8201. 8201 has a schedule of insurance. This language was proposed and recommended by several of the insurance companies because this one is actually redundancy, and there was more coverage in 8201 than there is specified.

Representative Yumul: Mr. Speaker, just remember that under 8207, there is an assign risk plan or ARP. It means that basically, if you present three documents from three different insurance that says that you have been denied coverage, then the Department of Commerce will assign a company and tell them that you will insure this person or this vehicle. I think what we really need is to have the Committee on Commerce and Tourism sit down with the insurance and see where we are at because what we are doing is we are limiting insurance companies from what they can charge.

Speaker Arnold I. Palacios: Let us do that. The recommendation is to put this on First Reading and we could refer this to the Committee on Commerce and Tourism. I recognize Representative Sablan.

Representative Sablan: Thank you. If I may just clarify, all this bill proposes to do is to eliminate the duplications, I mean, the figures are exactly the same in current law that are outlined in Section 2, so the real issue here is the elimination of the surety bond requirement. Could I just verify from

the Committee Health, Education and Welfare – did the HEW Committee consult with insurance companies on the island, and if there was a verification that driver’s education school does not qualify?

Speaker Arnold I. Palacios: I spoke to two companies that have licenses and have been certified. This is problematic for both of them. Perhaps, the recommendation is that we should not repeal it in its entirety, and just put a minimum of threshold would be better. Surety bonds now are very difficult to get even for labor permits.

Representative Sablan: So the issue then was that the present law requires the surety bond that is too high, and the insurance companies found it unusual.

Speaker Arnold I. Palacios: Right.

Representative Sablan: We will go First Reading only. Let me recognize the Floor Leader.

Floor Leader Camacho: Mr. Speaker, I believe the recommendation was to refer it to the Committee on Commerce and Tourism.

Speaker Arnold I. Palacios: We will have it on First Reading and then have the Committee look at it.

Floor Leader Camacho: Perhaps that would be a better way to refer it to the Committee and have them look at it.

Speaker Arnold I. Palacios: Let me ask the Committee Chair on Health, Education and Welfare whether he is amendable to it.

Representative Torres: Yes sir.

The Chair recognized Representative Babauta.

Representative Babauta: Mr. Speaker, I guess Commerce is correct because former Commissioner of Public Safety indicated that it is wise that this bill be addressed by the Department of Commerce. And also, if I may, to allow for the Insurance Association for the Northern Marianas to comment on the changes made to the bill.

Speaker Arnold I. Palacios: Actually it is my belief. I mean, in discussing this issue in the Fifteenth Legislature, Mr. Sixto Igisomar who was a member of the Insurance Association, came to me and recommended that some of the deletions are necessary, but we will ask the Department of Commerce to bring them in. Let me recognize Representative Torres.

Representative Torres: Mr. Speaker, shall we then withdraw our Standing Committee Report?

Speaker Arnold I. Palacios: No. Let me now recognize the Floor Leader.

Floor Leader Camacho: Mr. Speaker, based on the comments and inputs from the members, motion to refer H. B. NO. 16-60 to the Committee on Commerce and Tourism.

The referral motion was seconded and carried by a voice vote.

Speaker Arnold I. Palacios: The motion is carried. Let me recognize Representative Hocog.

Representative Hocog: Mr. Speaker, you mentioned that we are going to have less than two hours session after lunch and it is already 4:00 p.m.

Speaker Arnold I. Palacios: We have ten more minutes. Let me recognize the Floor Leader.

Floor Leader Camacho: Mr. Speaker, motion to pass on First and Final Reading, H. B. NO. 16-66.

The motion was seconded.

**H. B. NO. 16-66:** A BILL FOR AN ACT TO AMEND 3 CMC § 1316(M) TO PROVIDE THE BOARD OF REGENTS OF THE NORTHERN MARIANAS COLLEGE WITH FULL AUTONOMY IN HIRING AND RETAINING THE PRESIDENT OF THE COLLEGE; AND FOR OTHER PURPOSES.

Speaker Arnold I. Palacios: Discussion. I recognize Representative Deleon Guerrero.

Vice Speaker Deleon Guerrero: Mr. Speaker, if there is no objection from the members, I wanted to ask the author to enlighten us...[inaudible-microphone turned off]

Representative Torres: Say it again?

Representative Deleon Guerrero: If there is no objection...

Speaker Arnold I. Palacios: Can we have a little bit of Order here. The Vice Speaker is asking for the author to clarify the bill very briefly. Let me recognize Representative Quitugua.

Representative Quitugua: Mr. Speaker, one of the major concerns of the accreditation is the frequent changes of the turnover of the President of the College, and based on my communication with some of the Board of Regents is that, we have statute that even if they won, the Constitution gave them the authority handle their own personnel, but we have statute that is limiting the Board of Regents authority to offer an initial contract of 4 years instead of 2 years. So they are recommending giving and being in compliance with the recommendation of the accreditation that is to strike out the two year period in the Law, and requiring an initial contract of the President, and give the authority to the Board of Regents to decide whether to give the first contract to 4 years instead of 2 years. Thank you.

Representative Babauta: Point of clarification, Mr. Speaker.

Speaker Arnold I. Palacios: State your point.

Representative Babauta: Assuming, Mr. Speaker, that I...[inaudible-microphone turned off]

The Chair recognized Representative Torres.

Representative McGinnis Torres: Mr. Speaker, just to satisfy my curiosity, the present President of the College is looking at a 4 years contract? Make sure that this is not her...

Representative Torres: That is for the board to decide that.

Representative McGinnis Torres: Make sure that...

Representative Quitugua: Mr. Speaker, if I may?

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

Representative Quitugua: Presently, the President of the College has a two year contract because that is what the law says.

The Chair recognized Representative Yumul.

Representative Yumul: Thank you, Mr. Speaker. Just hypothetically, if this amendment becomes law and the board hires a president and gives them a 10 year contract at half a million dollars, and they only complete one year of that term, will they be able to walk away with full pension. I mean, I think that was the intention for this initial appointment. Is that clause able or is that something that we need to think about?

Speaker Arnold I. Palacios: I think that they are limited to a four year to begin with based on the Constitution. Let me recognize Representative Hofschneider.

Representative Hofschneider: I think Representative Yumul's hypothetical example – more specifically, during Froilan Tenorio's Administration for instance, towards the Election Day, months prior to that, people were being fired through faxes and telephones in spite of an existing contract. The Marianas Visitor's Authority is one at that time, the Commonwealth Ports Authority is another, and the hospital, and without naming names, they have an existing contracts, and when they were fired by way of a telephone call or through faxes, they turned around thereafter and sue the government and they all prevailed, with the exception of one who did not sue. It costs us couple of hundreds of thousands of dollars and that is what technically theoretically can happen with long tenures of clause in terms of contract tenure. I also believe that a two-year term, for an institution like the Northern Marianas College – two years is a short period to really get in place a new direction, and working what needs to be done. In current state of affairs, I think that the trying is very evident that things do not move and get repaired or improved because of scarce resources in the Commonwealth. On top of that, the lingering two year provision of actually executing policy changes in the Northern Marianas College – there will be apprehension about implementing changes because they are under the gun, and that is what WASC Accreditation is focusing on, to try and insulate as much as possible the President from actually implementing policy changes at the Northern Marianas College without having subjected to a two-year term. They are very vulnerable as the current law, and I think that we should give it a try, but it does not leave us not without the oversight. We still have that responsibility, but I think that we can help the progressiveness of the accreditation achieving what they need at the Northern Marianas College with this legislation. It is just another step to the right direction.

Speaker Arnold I. Palacios: Ready.

Several members voiced, "ready."

Speaker Arnold I. Palacios: Clerk, call the roll.

The clerk called the roll on the motion to pass H. B. NO. 16-66 with the following result:

Rep. David M. Apatang	yes
Rep. Oscar M. Babauta	yes
Rep. Diego T. Benavente	yes
Rep. Joseph N. Camacho	yes
Rep. Francisco S. Dela Cruz	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Victor B. Hocog	yes
Rep. Heinz S. Hofschneider	yes
Rep. Raymond D. Palacios	yes
Rep. Justo S. Quitugua	yes
Rep. Christina Marie Elise Sablan	yes
Rep. Edward T. Salas	yes
Rep. Ramon A. Tebuteb	yes
Rep. Ralph DLG. Torres	yes
Rep. Stanley T. McGinnis Torres	abstained
Rep. Ray N. Yumul	yes
Rep. Arnold I. Palacios	yes

Speaker Arnold I. Palacios: By a vote of 16 “yes”, H. B. NO. 16-66 hereby passes the House on First and Final Reading. Should we recess subject to the call?

Representative Benavente: Privilege, Mr. Speaker.

Speaker Arnold I. Palacios: State your privilege.

Representative Benavente: Before we adjourn, Mr. Speaker, I go back to your assignment on SEN. COMM. NO. 16-79, on S. B. NO. 16-34, once again, I point out to you the Rules of the House that requires assignment of certain legislation, I think more specifically described in the Rules as to which bill should be referred to what Committee as I pointed out earlier the impropriety of the Committee on Federal Relations reviewing S. B. NO. 16-34 – so I ask you one more time to reconsider so that we do not violate the provisions of the House Rules and assign this Senate Bill to the appropriate Committee. If you wish, Mr. Speaker, to not assign this a Committee, then it is within your authority to create a Special Committee, and I certainly will not mind sharing that Committee with other members that you wish to appoint, but I still believe that your previous assignment violates the House Rules. Thank you.

Speaker Arnold I. Palacios: I ask if there was any objection. There was no objection unanimously by the House, so if you want to appeal the assignment, you can, but just to satisfy you, I hereby appoint a Special Committee consisting as Chairman of this Committee to look into this legislation, the Chairman of Federal and Foreign Relations and all members of that Committee to look into this. Let me recognize Representative Babauta.

Representative Babauta: Mr. Speaker, earlier I echoed that unless our good Chairman Benavente appeals to which your recommendation have already been upheld by the entire House. Even if he appeals right now, your appointment still stands.

Speaker Arnold I. Palacios: That is why it is so fortunate that sometimes it is fortunate that I have three other former Speakers in the House. Let me recognize Representative Hocog.

Representative Hocog: I think that it is more appropriate for you to appoint the additional former Speakers to join.

The Chair recognized Representative Hofschneider.

Representative Hofschneider: Simply put, Mr. Speaker, that you are the rule.

Speaker Arnold I. Palacios: Let me recognize the Floor Leader.

**ANNOUNCEMENT**

None

**ADJOURNMENT**

Floor Leader Camacho: Mr. Speaker, I move to recess subject to the call of the chair.

The motion was seconded and carried by voice vote.

Speaker Arnold I. Palacios: The House stands recessed subject to the call.

The House adjourned at 4:00 p.m.

Respectfully submitted,

Victoria Guerrero  
House Clerk

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**APPEARANCE OF LOCAL BILLS**

None