



House Journal

SECOND REGULAR SESSION, 2008

Thirteenth Day

Friday, November 14, 2008

The House of Representatives of the Sixteenth Northern Marianas Commonwealth Legislature convened in its Thirteenth Day, Second Regular Session on Friday, November 14, 2008, at 10:05 a.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

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

A moment of silence was observed.

The Clerk called the roll and fifteen members were present. Representatives Edwin P. Aldan, Victor B. Hocog, Heinz S. Hofschneider, Christina M. Sablan and Stanley T. Torres came in late.

Speaker Arnold Palacios: Floor Leader, could you effectuate a motion to go into the Committee of the Whole so that we can receive Mr. Grey, head of the Division of Immigration and the staff of the Division to hear their testimony and discuss the issue of the implementation of U.S. P.L. 110-229 and the effect that it will have on the employees.

Representative Camacho: Thank you, Mr. Speaker. I move to dissolve into the committee of the whole so that we can receive some messages and comments from the people from the Division of Immigration.

The motion was seconded and carried by voice vote.

The House dissolved into the Committee of the Whole at 10:08 a.m.

COMMITTEE OF THE WHOLE

The House reconvened at in plenary session at 11:42 a.m.

Speaker Arnold Palacios: We are back to plenary session.

Representative Sablan: Privilege, Mr. Speaker.

Speaker Arnold Palacios: State your privilege.

Representative Sablan: I would like for the record to reflect that I am present for the session.

Speaker Arnold Palacios: Yes, I did mention that you were in the building. We now move on to Item 3.

ADOPTION OF JOURNALS

NONE

INTRODUCTION OF BILLS

H. B. NO. 16-192: A Bill for an Act to include the island of Mañagaha from the prohibition of alcoholic beverage sales on election day; and for other purposes.

Offered by: Rep. Rosemond B. Santos

Representative Santos: Without objection, Mr. Speaker, I would like to request that H. B. NO. 16-192 is placed on the Bill Calendar.

There was no objection raised.

Speaker Arnold Palacios: Floor Leader, please take note of that so we can consider it when we get to the Bill Calendar.

INTRODUCTION OF RESOLUTIONS

H. R. NO. 16-66: A HOUSE RESOLUTION TO URGE THE DEPARTMENT OF PUBLIC SAFETY TO REMAIN VIGILANT IN THEIR EFFORTS TO ENSURE THAT THE PROVISIONS OF PUBLIC LAW 15-127 ARE BEING ENFORCED AND COMPLIED WITH.

Offered by: Rep. Oscar M. Babauta and fourteen others

Representative Babauta: If I may, Mr. Speaker, can I request to have this calendared for today's disposition.

There was no objection from the floor.

Speaker Arnold Palacios: There being no objection, it is so ordered. H. R. NO. 16-66 is placed on today's calendar. We are at twelve o'clock already and I would like to call a recess for lunch until 1:30 this afternoon. Is everyone amenable to that? Floor Leader, recongized.

Representative Camacho: Thank you, Mr. Speaker, I move to recess until 1:30 this afternoon.

The motion was seconded and carried by voice vote.

Speaker Arnold Palacios: The House stands recessed until 1:30 this afternoon.

The House recessed at 11:58 a.m.

RECESS

The House reconvened at 1:54 p.m.

Speaker Arnold Palacios: We left off under Introduction of Resolutions. Is there any further introduction? If none, we move on to House Communications.

MESSAGES FROM THE GOVERNOR

None

SENATE COMMUNICATIONS

None

HOUSE COMMUNICATIONS

HSE. COMM. 16-83: (11/13/08) Privilege Speech from Representative Stanley Torres regarding the Office of the Attorney General.

HSE. COMM. 16-84: (11/13/08) From the Speaker to CUC Executive Director Antonio Muña requesting for an updated status on the rehabilitation of Power Plant 1 and other information.

Speaker Arnold Palacios: Representative Stanley Torres, recognized.

Representative Stanley Torres: Mr. Speaker, *ta pacha dididi gi House Communications iyo i iyoku statement ni hu pass out gi nigap for the members, yanggen hayi duda nui iyo i statement ni hu presenta gi nigap, those are factual. Hayi duda u hanao ha' papa' gi kotte' ya u atan iyo siha na cases. Guaha lökkue hu manteteni adopted resolution from FSM National Congress, June 4, 2004, pot si Anthony Welch.*

Speaker Arnold Palacios: Representative Torres, *siña lökkue un na' siguru na un na'i i Governor kopia.*

Representative Stanley Torres: Mr. Speaker, *hu na' siguru si Nace, baihu na'i ha' ta'lo pa'go si Rose ya u follow up, make sure na ma na'i i governor nui iyo.*

Speaker Arnold Palacios: Alright, we now move on to Reports of Standing Committees.

COMMUNICATIONS FROM THE JUDICIAL BRANCH

None

COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE

None

COMMUNICATIONS FROM DEPARTMENTS & AGENCIES

None

OTHER COMMUNICATIONS

None

REPORTS OF STANDING COMMITTEES

S. C. R. NO. 16-52: Reporting on **H. B. NO. 16-12, HS1**, entitled, "To repeal and reenact Title 4, Chapter 10, as amended by Public Law 15-16; repeal and reenact 3 CMC § 4303(q)(10);

amend 3 CMC § 4331(k) as established by P.L. 15-16; and for other purposes. *Your Committee on Commerce and Tourism recommends passage of the House Bill in the form of H. B. NO. 16-12, HS2.*

S. C. R. NO.16-53: Reporting on **H. B. NO. 16-31**, entitled: “To amend the Weapons Control Act to promote and allow resort developments offering target ranges for competitive rifle competitions and skeet shooting, and for other purposes.” *Your Committee on Commerce and Tourism recommends that the House Bill be filed by the House.*

S. C. R. NO. 16-54: Reporting on **H. B. NO. 16-52** entitled: “To permit a borrower of “CDA” to assign land compensation due from the Commonwealth Government to pay for balance on “CDA” loan.” *Your Committee on Commerce and Tourism recommends that the House Bill be filed by the House.*

S. C. R. NO. 16-55: Reporting on **H. B. NO. 16-85**, entitled: “To provide for a liquid fuel tax holiday for the “CNMI” residents 2 days of every month; and for other purposes. *Your Committee on Commerce and Tourism recommends that the House Bill be filed by the House.*

S. C. R. NO. 16-56: Reporting on **H. B. NO. 16-94**, entitled, “To repeal and reenact Chapter 8, Division 5, Title 4 of the Commonwealth Code relating to mechanics' liens, and for other purposes.” *Your Committee on Commerce and Tourism recommends that the above-mentioned bills be filed by the House.*

Speaker Arnold Palacios: I recognize the Floor Leader.

Representative Camacho: Thank you, Mr. Speaker. So that we can all be on the same page, I believe Joint Conference Committee Report No. 16-1 reporting on H. B. NO. 16-169, HD9, SS1, CC1 has been passed out – I will make a motion to suspend the Rules and place this J.C.C.R. 16-1 on the Calendar.

The motion was seconded.

Representative Apatang: Objection, Mr. Speaker. We need some time to digest this conference report before we place it on the calendar. Let us not rush. There are issues here that we need to look at before we act on this budget.

Speaker Arnold Palacios: The motion has been seconded and we are under discussion. The motion is for placement. I recognize Representative Sablan.

Representative Sablan: Thank you, Mr. Speaker. I concur with the points that were raised by Representative Apatang. We just received this Joint Conference Committee Report a few minutes ago. I think we should at least get a chance to read it and digest it before we even get to place it on the calendar.

Speaker Arnold Palacios: Is there any further discussion? I recognize Representative Salas.

Representative Salas: I echo the same sentiments, Mr. Speaker.

Speaker Arnold Palacios: This is for placement, so the motion is to suspend the rules and place the report on the calendar.

The motion was carried by voice vote.

Speaker Arnold Palacios: The motion carries and the rules have been suspended.

Representative Camacho: Mr. Speaker, I believe we are under Reports of Standing Committees at this time.

Speaker Arnold Palacios: You are correct.

Representative Babauta: Point of order.

Speaker Arnold Palacios: State your point.

Representative Babauta: Mr. Speaker, the motion was to suspend the rules. The next motion would be to place it on the calendar.

Speaker Arnold Palacios: Please allow him to do that. We are still under Item 12 of our Agenda.

Representative Camacho: I apologize that is Item 13. Mr. Speaker, since we are under Reports of Standing Committees soon to be under Reports of Special and Conference Committees, I would like to make a motion to place Joint Conference Committee Report No. 16-1 referencing H. B. NO. 16-169, HD9, SS1, CC1 on the calendar.

The motion was seconded.

Speaker Arnold Palacios: The motion is for the placement of Joint Conference Committee Report No. 16-1. Discussion on the motion.

There was no discussion and the motion to place Joint Conference Committee Report No. 16-1 on the calendar was carried by voice vote.

Speaker Arnold Palacios: The motion carries and Joint Conference Committee Report No. 16-1 is hereby placed on the calendar. I now recognize the Floor Leader.

Representative Camacho: Thank you, Mr. Speaker. I believe we are under Item 12, Reports of Standing Committees.

Speaker Arnold Palacios: Let us have some order. Short recess.

The House recessed at 2:00 p.m.

RECESS

The House reconvened at 2:01 p.m.

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

Representative Camacho: Thank you, Mr. Speaker. I move to adopt S. C. R. NO. 16-52 reporting on H. B. NO. 16-12, House Substitute 1.

The motion was seconded.

S. C. R. NO. 16-52: Reporting on **H. B. NO. 16-12, HS1**, entitled, “To repeal and reenact Title 4, Chapter 10, as amended by Public Law 15-16; repeal and reenact 3 CMC § 4303(q)(10); amend 3 CMC § 4331(k) as established by P.L. 15-16; and for other purposes. *Your Committee on Commerce and Tourism recommends passage of the House Bill in the form of H. B. NO. 16-12, HS2.*

Speaker Arnold Palacios: Discussion on the motion.

Representative Sablan: Point of order, Mr. Speaker.

Speaker Arnold Palacios: State your point.

Representative Sablan: It is my understanding that a committee report should appear on the agenda at least for one full day before we move on to adopt it.

Speaker Arnold Palacios: Representative Sablan, the committee report was filed yesterday.

Representative Sablan: Right, but it was not on the agenda until this morning, until a few minutes ago.

Speaker Arnold Palacios: Yes, it was not in the agenda yesterday. It is in today’s agenda because it was filed yesterday. It allows 24 hours after it was filed with the Clerk then it appears on the agenda.

Representative Sablan: I would like to request for a short recess so that I can more thoroughly review the reports.

Representative Camacho: Objection.

Speaker Arnold Palacios: Floor Leader, let us just give her one minute. It is only a page and a half committee report. Short recess.

The House recessed at 2:03 p.m.

RECESS

The House reconvened at 2:04 p.m.

[Recording started after recess with Representative Hofschneider holding the floor.]

Representative Hofschneider: ...it starts out by saying, the purpose of H. B. NO. 16-12, HS1 is to attract foreign retirees seeking to establish a second home. Now I refer the members to page 7, line 12 beginning with the sentence: who is allowed to enter the Commonwealth, is over thirty-five years. Now, I know that Japan, historically, has cradle to grave retirement system and social system. Cradle to grave means you are taken care from the day you are born to the day you die, universal health care and so forth. But I do not recall in my research on the system in Japan or elsewhere in the

Asia-Pacific market that we are targeting to have a retirement system at the age of 35, unless you strike it rich in the stock market. So referring to the committee report, I hope that we can deal with that in the legislation when we get to the Bill Calendar. Thank you, Mr. Speaker.

The Chair recognized Representative Sablan.

Representative Sablan: Thank you, Mr. Speaker. I was concern about the same provision in that bill and I just noted that the committee report does not even indicate or explain the reason for that amendment which would lead me to believe that perhaps the committee report is incomplete. I have some concerns as well about whether or not there was actually a committee meeting to review and discuss this bill. I realize that it has been signed by four of the members, but I am a member of the committee and I do not recall this bill after it was recommitted being raised for discussion in an official committee meeting.

Speaker Arnold Palacios: Did you not go to Rota?

Representative Sablan: Was there a committee meeting that day?

Speaker Arnold Palacios: The committee chair was here.

Representative Sablan: So I would like to hear from the members, was there a meeting on this bill after it was pulled from the Bill Calendar and referred to back to committee? Then I would have some concerns, Mr. Speaker, because the reason as I recall that this was referred back to committee was so that the committee could do proper and thorough review of the bill and that we could also solicit comments from the Department of Commerce and other agencies that might have concerns as well to raise to our attention. I do not believe that that process has taken place. And so I would question the validity and also the completeness of this committee report, and I suggest that we not adopt it.

Speaker Arnold Palacios: Thank you. I know that you are concerned and your concerns are expressed eloquently and clearly. Let us hear from the others. I recognize Representative Salas.

Representative Salas: Mr. Speaker, earlier this morning, the chairman actually came to me and presented some paper to me. I really did not review it, but I did sign it and it just comes to my attention that this is the one that I signed. I too do not believe that we had a second reading on this particular bill. So I would support referring it back to the committee so that we can actually digest it more. It is one of those things where I actually signed something that I did not even read, and this is the first time that I did that, and looked what happened.

Representative Sablan: Clarification, Mr. Speaker.

Representative Camacho: Point of information, Mr. Speaker.

Speaker Arnold Palacios: Order, order.

Representative Camacho: Point of information, Mr. Speaker.

Speaker Arnold Palacios: State your point, Floor Leader Camacho.

Representative Camacho: I believe this question was already answered a few months back – whether or not you have to have a formal sit down meeting or the signatures of the majority of the members adopts the committee report. I believe the legal counsel at that time answer this question. I move –

Representative Sablan: Point of clarification, Mr. Speaker.

Speaker Arnold Palacios: Your points are well-taken, Floor Leader. At the end of the day when we make a decision to refer, defer or whatever we want to do with this report, we will come back to that.

Representative Sablan: Point of clarification.

Speaker Arnold Palacios: State your point, Representative Sablan.

Representative Sablan: Representative Salas indicated that he had been asked to sign the committee report, along with other committee reports. I have been asked the same thing yesterday, because the impression that I had was that these were committee reports that had been separated out of that one omnibus report that the Chair had asked us to separate. But, in addition to those reports was this report –

Representative Hocog: Privilege, Mr. Speaker.

Representative Sablan: Point or order.

Representative Hocog: Privilege, Mr. Speaker.

Representative Sablan: Can I be allowed to finish before that is recognized.

Speaker Arnold Palacios: Short recess.

Representative Hocog: Point of privilege takes precedence over any other motion, Mr. Speaker.

Speaker Arnold Palacios: Representative Hocog, state your privilege.

Representative Hocog: You know, Mr. Speaker, I just find it very inappropriate to be justifying another member's concern. What can happen at this very moment is to ask the member that is a member of any committee to take out his or her signature if that is what he or she wants. But we cannot continue to delay process of any legislation because one or two members do not want to sign the report. Ask the member to withdraw his or her signature if he or she does not want to acknowledge what is in the report and let us move forward. Thank you.

Representative Sablan: Mr. Speaker, may I finish. I was actually going to get to that and I was going to suggest that if there are members who have signed the committee report who do not feel comfortable now with their signature being on it because of the way it was presented, then that signature should be removed and the committee report should reflect that

Speaker Arnold Palacios: Okay, I will allow that. Representative Salas raised that issue. I will allow that Representative Salas' signature be withdrawn from the committee report.

Representative Salas: Thank you.

Speaker Arnold Palacios: I recognize Representative Yumul.

Representative Yumul: Mr. Speaker, on the committee report Representative Salas can, under the Rules, write *I do not concur* to the left or right of his signature, and then we can move on.

Speaker Arnold Palacios: I allowed him to withdraw, we have already done that. I now recognize Representative Quitugua.

Representative Quitugua: Mr. Speaker, so that we would not waste any more time under committee reports, *debi ta tattiyē i iyota* Rules. *Ilekña iyota* Rule: A committee report should be considered adopted by a committee when the chairperson and a majority of the members of the committee have signed the report concurring therein.

Speaker Arnold Palacios: Thank you. Let me say that that is in the Rules I feel it is appropriate to hear objections of members over a committee report. In fact, that is where we are at, under discussion, but you are correct and so the point is a moot point. Ready?

There was no further discussion, the motion to adopt S. C. R. NO. 16-52 was carried by voice vote. Representative Sablan voted “nay”.

Speaker Arnold Palacios: The motion carries and S. C. R. NO. 16-52 is hereby adopted. Floor Leader.

Representative Camacho: Thank you, Mr. Speaker. A motion to adopt S. C. R. NO. 16-53 reporting on H. B. NO. 16-31.

The motion was seconded.

S. C. R. NO.16-53: Reporting on **H. B. NO. 16-31**, entitled: “To amend the Weapons Control Act to promote and allow resort developments offering target ranges for competitive rifle competitions and skeet shooting, and for other purposes.” *Your Committee on Commerce and Tourism recommends that the House Bill be filed by the House.*

Speaker Arnold Palacios: The motion to adopt S. C. R. NO. 16-53 and the recommendation of the committee is to file H. B. NO. 16-31. I recognize the Vice Speaker.

Vice Speaker Deleon Guerrero: Mr. Speaker, I move to refer this bill back to committee.

The motion was seconded.

Speaker Arnold Palacios: The motion is now to refer the report back to committee. The floor is open for discussion on the motion.

Representative Ralph Torres: Mr. Speaker, can I get justification as to why send it back to the committee?

Speaker Arnold Palacios: Vice Speaker, recognized.

Vice Speaker Deleon Guerrero: Rather than kill the bill on the floor, refer it to committee. Let it – do it peacefully.

The Chair recognized Representative Raymond Palacios.

Representative Raymond Palacios: I would like to comment on the filing of this bill. I am not going to challenge nor am I going against the committee's recommendation, but I would like to say a few comments, Mr. Speaker. One of the reasons behind the recommendation to file first of all is that there is a negative impact. Honestly, the impact of the decline in revenues plays a more vital role. In terms of criminal activity, they stated and decided that the risk is great and they used the United States, but this is the "CNMI". I do not know when was the last time that there was an accident here that involves guns. It has been how many years and yet to cite the trend in the United States where of course the gun incidents are rampant and occurring on a daily basis. Like I said, I commend the committee for taking this bill out into the community for public comments. I guess the public is not ready to tackle such an issue which is on weapons. Nonetheless, I would not be the devil's advocate and contradict the concerns of the community. Thank you, Mr. Speaker.

Speaker Arnold Palacios: Man, everybody is excited this afternoon. What did you guys have for lunch? The motion is on referring it back to the committee. Representative Hocog, recognized.

Representative Hocog: Mr. Speaker, I understand the author of the bill wants to put this back to committee as a result of the Vice Speaker's comment that rather than see death that the bill will still be alive. Mr. Speaker, we have to be cognizant of the down trend of economic prosperity in the "CNMI". If Representative Palacios is confident that there is no record of any adverse incident regarding the shooting range, why do we have to refer the bill back to the committee? But if the author so decides to refer the bill, I have no objection. However, I would like to support the author on his quest to provide economic prosperity. Thank you.

Speaker Arnold Palacios: I recognize Representative Benavente, and this is on the motion to refer the report to the committee.

Representative Benavente: Yes, Mr. Speaker, and my comments would be to object to that motion. I think the message that we are seeing from the committee report is that it is not supported by the public. This is not the first time that this proposal has been before the legislature. It has actually appeared before the legislature a couple of other times. And all those times, it continues to be disapproved based on the public's wishes that it not be supported. Referring this to the committee and be presented in a way that it continues to live or continues to be a proposal is a threat to the community basically. And we do not need to do that. If we are not going to support this measure, then I believe that we should reject it so that public will no longer worry that there is this proposal and that it might be considered at a later time. I object to the motion to recommit to the committee and I would like for us to vote on the committee report which proposes to file this legislation. Thank you.

The Chair recognized Representative Sablan.

Representative Sablan: Thank you, Mr. Speaker. I also object to the motion to send this back to committee. We did have extensive committee discussions. In fact, over two committee meetings as well as public hearing on all three islands, we have accepted written testimonies and the overarching was not to discourage new investment. Of course the Commerce and Tourism Committee would not

be endorsing that. But for us, the compelling reason to recommend filing of this bill and the initiative as being proposed was we had the police commissioner come in and say that his Department of Public Safety is not equipped to regulate this new industry, and that even within their department they lose firearms. They have inventory control problems that they are trying to correct right now with the firearms that they have in their own department. So we took those concerns and as well as other concerns from the community about the safety of this industry and weighed that against the potential new investment and decided that we should recommend the filing of this bill and explore other investment opportunities for the “CNMI”. So I would like to ask that we move on with the vote on this report and file this bill as it is. Thank you.

Speaker Arnold Palacios: There is a subsidiary motion to refer this back to committee so we have to dispose of that motion. Representative Yumul, recognized.

Representative Yumul: Thank you, Mr. Speaker. Representative Sablan just cited some very serious allegations concerning DPS and the way they handle firearms. I would like to know if that is a fact or it.

Representative Sablan: It is documented in the committee report and the testimony that we received from the public safety commissioner.

Representative Yumul: Thank you.

The Chair recognized the Vice Speaker.

Vice Speaker Deleon Guerrero: Mr. Speaker, *taya rason, ti ta tungo' ha' hafa para uttimoña este gi floor. Kulan gesture na enlugat di u macho'gue gi floor parehu ha' siempre uttimoña an malak i komiteh. Parafa na para ta na'dangkulu este. Fan gai konsiderasion.*

Speaker Arnold Palacios: Vice Speaker, if there is no objection, *kulan ta nan-na'na' ha' hafa para uttimoña ya komu un atan*, the way that the committee did its due diligence on this particular legislation, it is one of the few legislations that the committee conducted a public hearing for and received recommendations. Perhaps, the Commonwealth is just not ready at this point in time for this type of industry. Your intent is noble and statesmanlike and certainly we are going to call a vote on whether to send this back to committee or dispose of it today.

Vice Speaker Deleon Guerrero: Mr. Speaker, *taigüe i chairman lao antes di hu fatinas este na motion, hu faisén i chairman kao kunfotme ya ilekña na taya problema-ña.* Thank you.

Speaker Arnold Palacios: It baffles me because the committee is recommending filing and you signed off on the committee report, Vice Speaker. Let us call for the vote.

Representative Benavente: Mr. Speaker, the reason I objected is because this is a very controversial issue in our community, almost as controversial as the casino proposal that we had to deal with earlier. If you remember, the leadership had decided through my recommendation that rather than to allow the casino proposal to remain in the committee and have the community think that there is that proposal we decided to vote it down and remove it so that we can have peace of mind and that the of community in which they need to have. This is the same thing and that is the reason I feel it is important that we do not refer this back to the committee and let us remove it. Thank you.

Speaker Arnold Palacios: I think being that is the second time you made that point, it is becoming a very strong point and I certainly appreciate it. Ready? I will respect and allow the former Speaker.

Representative Babauta: Mr. Speaker, because I opted to allow the other members who have raised their hands before or after me – Mr. Speaker, if everyone views the attachment to this report, let me just be blunt with all of you that I was the initial mover of this legislation in the 12th Legislature. I had consulted (*End of Tape 3 side A*) (*Start of Tape 3 side B*) ...and I understand that the master of armory is back in our DPS force having that responsibility again. The individual, Mr. Ogumoro is a certified instructor both in Marine Corps and the Department of Public Safety. He is also a registered member of the ISSF. This is the International Sports Shooting Federation. Be it as it may that the committee feels that a majority of the witnesses have launched an opposition to the approval of this measure, similar to the previous proposals. I applaud the author and the co-authors for coming us with an economic tool to enhance the recovery of our ailing economy in the Commonwealth. I respect the decision of the committee and primarily that of the witnesses that brought about the opposition to such an industry. Mr. Speaker, I recognize the sentiment of the people who have voiced their concern, but one thing I must share with all of you is the last paragraph of the committee report: In conclusion, despite the potential economic activity this legislation may generate, this is not the type of development supported by the committee. I think this should be written as: This is not the type of development that is supported by the Commonwealth or by the people.

There was no further discussion.

The Chair declared that there was a division on the floor when the vote was taken by voice and requested for a call of the roll.

The Clerk called the roll on the motion to recommit S. C. R. NO. 16-53 reference H. B. NO. 16-31 to the Committee on Commerce and Tourism.

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

Speaker Arnold Palacios: By a vote of by a vote of 11 “yes” S. C. R. NO. 16-53 reference to H. B. NO. 16-31 is hereby referred back to committee. The committee will be the Speaker. Floor Leader, recognized.

Representative Camacho: Thank you, Mr. Speaker. A motion to adopt S. C. R. NO. 16-54 reporting on H. B. NO. 16-52.

The motion was seconded.

S. C. R. NO. 16-54: Reporting on **H. B. NO. 16-52** entitled: “To permit a borrower of “CDA” to assign land compensation due from the Commonwealth Government to pay for balance on “CDA” loan.” *Your Committee on Commerce and Tourism recommends that the House Bill be filed by the House.*

Speaker Arnold Palacios: The motion has been made and seconded for the adoption of S. C. R. NO. 16-52. I recognize Representative Yumul under discussion.

Representative Yumul: Thank you, Mr. Speaker. I would just like to say that I am disappointed in the committee finding that this legislation H. B. NO. 16-52 authored by myself and a few others, including the chairman himself, finds that although the Commonwealth Development Authority (“CDA”) is not in agreement with this legislation. This legislation is to provide, at the very least, an option for borrowers of “CDA” an opportunity to assign land compensation due them. As we speak, interests are still being calculated and there is just no way for them to at least assign it so that they can settle their debts. Instead “CDA” wants to go after these borrowers for other pieces of property that they have collateral. I have asked the Secretary of the Department of Public Lands for all land compensation lawsuits and Representative Dela Cruz asked on August 27th, just a few months ago, the same question for land compensation claimants listing. In fact, a few years ago, Secretary Del Rosario himself wrote in response to Representative Dela Cruz that Senator Maria Pangelinan and Representative Hofschneider asked for the same information. They have come up with an amount of approximately \$67 Million. However, they felt that it is outdated. The Department of Public Lands (“DPL”) estimates that realistically they would need between \$150 to \$200 Million to retire the Commonwealth’s outstanding obligations to private land owners whose lands have been taken and have yet to receive just compensation. Going back to this legislation, this is just an option. It is not an option that forces “CDA” do anything. The legislation says that “CDA” *may* – as we know, *may* is a generalized word and the board may or may not. If the board decides not to do it then they have not obligation to do so. In plain language, H. B. NO. 16-52 merely says that the Authority may enter into an agreement whether by modification of an existing loan with the borrower to assign land compensation due to that borrower from the “CNMI” Government itself. “CDA” is an agency of the government. So this is a mere attempt people to make this type of reconciliation. There were even talks of patients at the Commonwealth Health Center (“CHC”) who owe large amounts of money to assign land claims compensation to the hospital so that they can make good on their debt. So, if this legislation is to be filed, this is a very serious statement that we are sending out to the community and that means we, everybody in this room, would have to sit down and find the money to pay them what they are owed, plus interest. We cannot just put this obligation of the “CNMI” Government aside. Thank you.

Representative Babauta: Point of clarification.

Speaker Arnold Palacios: State your point.

Representative Babauta: Representative Yumul alluded to us finding money – to pay who?

Representative Yumul: These land claimants.

Representative Babauta: For them to pay “CDA”? So that they can pay their “CDA” loan.

Representative Yumul: No. This legislation intends to allow borrowers who owe “CDA” but at the same stroke are owed land compensation – to assign that land compensation from land taking as an offset.

Representative Babauta: That is what I am saying.

Speaker Arnold Palacios: Short recess.

The House recessed at 2:06 p.m.

RECESS

The House reconvened at 2:08 p.m.

Speaker Arnold Palacios: We are back in session. Representative Benavente, recognized.

Representative Benavente: Mr. Speaker, the idea is commendable, but what we need to understand that “CDA” is a financial institution. To help us economically, it is supposed to provide loans locally so that people would have opportunities to start a business. But it is an institution where it has a process in which we loan money and we pay and that repayment is very important to “CDA”. Assigning funds that may come 30 years down the line just cannot work when we know for a fact that we owe some landowners over 20 or 30 years. That is why I think this cannot work. Basically at some point, we are going to bankrupt “CDA” because they are waiting for money that the government is not able to pay these landowners, and there will be no funds left to loan out. So, once again, this is commendable and I hope we can find other ways to assist our people but I just do not see this working and I agree with the committee report that we should file this legislation. Thank you.

Representative Dela Cruz: Thank you, Mr. Speaker. I am a co-sponsor of this legislation and one of the things when I look at this legislation is that it is somewhat of a creative way of settling the government’s debt to its own people. The issue of land compensation has been around for years and we can never seem to find enough funding whether it be through bonds and what have you. Again, this is one way, one creative option to take care of this matter for people have had their lands taken away for easements, roadways. It is true, “CDA” is actually a part of this government—it is an autonomous government agency. What we are actually trying to do is get the funds from this one agency to pay off what this government owes to these people. I understand my colleague Representative Benavente indicating that it is a lending institution. He is correct, but if you read the papers now-a-days, “CDA” is also purchasing properties. They are purchasing properties. The fact of the matter is, and the bottom line is, this is one creative step that we can take to lessen the debt of this government. That is all, Mr. Speaker.

The Chair recognized Representative Hocog.

Representative Hocog: Mr. Speaker, while the committee deliberated on the bill and recommended filing, I guess we should take a hard long look that the Federal Court has established precedent how to garnish unpaid land claims. All land claimants in the future, Mr. Speaker, will avail themselves and go to the federal court. And without any creative way of repayment, the next thing that will happen is the Federal Court will garnish our treasury. Do we want that to happen? I do not know. Would we have a government inoperable if that happens?—I do not know. Where would our people be for those who are working in the government?—I do not know. Where would our community be if the federal judicial system impounds all our treasury funds to provide all these land compensations that have been long overdue or any future land compensation that will be forthcoming in the federal court jurisdiction. These are the things that we have to look at. A specific example, Tony Pellegrino v. “CNMI”. Originally, Mr. Pellegrino was owed \$900,000 and today how much is that?—It is \$7.7 Million. It is \$7.7 Million as of today and continues to accumulate \$45,000 monthly interest. Now, Mr. Pellegrino has successfully won three times against “CNMI” in the “CNMI” court and is now availing himself of the Federal Court. Mr. Speaker, that is something that we have to consider. Once that comes into play, the Federal Court Marshal has already gone in and walked into the bank by order of the Federal Court and garnished payment for people with land claims whether we make a sound decision today. What do we do? It is all going to come back to this house and for us to find money to pay for such. If we do not want the Federal Court and garnish without our desire, let us take a hard look at the legislation how do we come to stimulate and accommodate those without going to a drastic end with our treasury in the “CNMI” coffer. Thank you.

Speaker Arnold Palacios: I recognize Representative Salas.

Representative Salas: Thank you, Mr. Speaker. Mr. Speaker, we did take time to speak to the director of “CDA” and also some of the staff and some of the comments they made which I really looked at in determining my position to file this. One of them is the land compensation funds. They have indicated that it is uncertain and they do not even know when they are ever going to receive compensation. So it is this uncertainty, and they just do not like this idea. Another reason is setting precedence – they thought that this opens up and exposes “CDA” to other similar offset situations and they are not even prepared to do that. Also, one of the points I mentioned was that they do not have the cash or the ability to enter into such arrangements. Again, those are two points that made me consider filing this legislation, Mr. Speaker. Thank you.

Representative Yumul: Point of information, Mr. Speaker. It is an offset, there is no cash, and that is the idea.

Speaker Arnold Palacios: Alright. I now recognize Representative Guerrero.

Vice Speaker Deleon Guerrero: Thank you, Mr. Speaker. I heard two members about the issue of land compensation. To me, that is not relevant in this discussion because the bill proposes to allow for a borrower to have his delinquent loan offset through land compensation funds that are owed to the borrower. So, the importance of selling our land compensation issue is one issue, but it is not the issue here. What I think we should be mindful of is that land compensation is a process between the government, mainly the Department of Public Lands and the landowner. You are assigning that “CDA” to represent the landowner in this process and I do not know if that is such a wise idea. There are negotiations involved and so when a person assigns that to “CDA” – I am just thinking about this practically – that person may be – what is the word – *iyo i ti dinanche mana’e-ña* – shortchanged when you give somebody else to negotiate on your behalf. I think that was what

“CDA” was trying to say about them not having the ability to do this arrangement. How did they say it – they did not have the cash or the ability to enter into such arrangements. Let us address the land compensation issue if we are concerned about it. We have a bill and we also have a legislative initiative to do just that. But, to mix, to assign to another agency, I do not think that is such a good policy even for the borrower’s protection. We have an initiative in the committee that would give the Department of Public Lands the responsibility of paying for land compensation through the money that they generate, so let us work on that and get that money out for the people so they can pay what they owe.

Speaker Arnold Palacios: Let me recognize Representative Sablan, because I am been purposely making her wait.

Representative Sablan: Thank you, Mr. Speaker, I will keep it short. I think that the letters that we received from “CDA” explaining their concerns and opposition to this bill are perhaps more persuasive than the committee report itself. And I think we should pay attention to that because “CDA” is not just any regular department of agency of the government. It is an autonomous agency run by a board with an executive director and they all have their own fiduciary duties to uphold. So their comments come from that perspective and I think we should definitely pay special attention to that. It is not a secret that the government has a terrible record compensating people who are owed compensation for their land and for other judgments against the government for that matter, and we should absolutely address that. I do not think that this is the wisest way to go about that. I think this would end up hurting “CDA” in the end and any potential future economic development that might have benefited from a healthy and solvent “CDA”. Secondly, I just want to also point out that it is not just another option that we are providing for landowners and for “CDA”. I understand that the way the bill is worded says that “CDA” may enter into an agreement. They may accept land compensation. But it is not clear under what standards they would or would not accept compensation and it seems to be that because it would be fundamentally unfair to create such a system, we really should not even go there. I can not imagine that there would be any fair way by which “CDA” would decide which land owners they would accept land compensation from and which ones they would not. I think we should pay the landowners what they are owed and focus on that issue and not convolute this issue with “CDA” and their own fiduciary duties. Thank you.

Speaker Arnold Palacios: I recognize Representative Hofschneider.

Representative Hofschneider: Thank you, Mr. Speaker. For all intents and purposes I think “CDA” is treated to be a banking institution. You are allowed to mortgage something of value in commercial banks to the anticipated loan prior to approval. I want to bring up something. First of all, I agree that we should treat “CDA” separate from all other obligations of the government and not commingle the obligations within the government because one entity, as someone has stated, that is governed by a board and the revolving income is anticipated to provide for opportunities for other businesses. I would like to point out something and perhaps recommend to the committee to come up with a legislation. One observation is that in recent past, this year, there are significant delinquent loan buys from “CDA” and as a result foreclosures and auctioning of properties that amounts to total displacement of an individual that has pledged or mortgaged properties. They may or may not be part of this list of clients who the government owes as a result of land compensation but perhaps we should think about a policy that if the government owes them almost equivalent to or more than the amount of loan that is foreclosed or delinquent and therefore pursued in court to remedy the loan that is delinquent perhaps that we should come up with a policy that if a person is owed significantly or to some degree that would satisfy a loan that is foreclosed that “CDA” is prevented from

auctioning that property until the government pays and settles it. It is like a first shot to get it back. That is the minimum that we can do that would not injure “CDA”, that would not injure the individual from being displaced or disown a property that has been mortgaged for that particular loan. Recently, if you have read the papers, perhaps this is the most opportune time to ask “CDA” to give us those that have been legally foreclosed and auctioned. We can look at the displacement of those properties. As a matter of fact, it will be a fire sell when they go out for auctioning, and perhaps some of these clients may be owed by the government three or four times the amount that has been foreclosed and when the property is auctioned, it is at an extremely deflated price. Thank you. I move to end debate.

The motion was seconded.

Speaker Arnold Palacios: The motion is to end debate and it has been seconded. I would have hope that the committee would have taken a look at this because the intent does have merit. Perhaps, there would have been some options such as using that when there is a court judgment. But, the committee recommended filing it. Perhaps, Representative Yumul will come up with a better legislation and incorporate the issues and concerns that were raised. Once he comes up with a better draft, we would make sure that the committee comes up with a good committee report.

The motion to end debate was carried by voice vote.

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

Speaker Arnold Palacios: The motion carries. I recognize Representative Yumul.

Representative Yumul: Mr. Speaker, on that note, I leave it up to the rest of you to solve this issue because I have to move on with other pressing issues, such as the immigration issue.

The Chair recognizes the Floor Leader.

Representative Camacho: Thank you, Mr. Speaker. I move to adopt S. C. R. NO. 16-55 reporting on H. B. NO. 16-85.

The motion was seconded.

S. C. R. NO. 16-55: Reporting on **H. B. NO. 16-85**, entitled: “To provide for a liquid fuel tax holiday for the “CNMI” residents 2 days of every month; and for other purposes. *Your Committee on Commerce and Tourism recommends that the House Bill be filed by the House.*

The Chair recognized Representative Babauta for discussion.

Representative Babauta: Mr. Speaker, before the session this morning I had the chance to talk to the Chairman regarding this committee report. As I understand from the Chair, he had intended to make a request to you and the members to refer this to his committee as a result of your recent appointment of the Special Committee on Fuel.

Speaker Arnold Palacios: Correct.

Representative Babauta: With that being said, I would offer a subsidiary motion to refer this report back to the Committee on Commerce and Tourism.

The motion was seconded.

Speaker Arnold Palacios: That is correct, the Chairman had asked that.... (*End of Tape 3, side B*) (*Start of Tape 4, side A*) ...in view of the recent task force that I asked them to take a look at in terms of fuel. He asked to withdraw the report. Unfortunately, he is not able to be here this afternoon. He had to go to a dental appointment.

Representative Hofschneider: Mr. Speaker, if this is going to be referred back to the committee, I want the committee to make sure that the liquid fuel tax is not diminished as I know that we pledged some portions of the liquid fuel tax for existing bonds. I just want the committee to be aware that we pledged portions of the liquid fuel tax for the bond indenture.

The Chair recognized Representative Sablan.

Representative Sablan: My understanding is that the task of the special committee that you created was to focus specifically on the fuel rate structure for Mobil and Shell. This is, while it is fuel related, it is kind of a different thing. It would impact revenues coming into the government. The committee had good reasons, I think, for recommending filing. So I do not understand why we would send it back to the same committee and then also to the special committee to review. The committee has taken the time to review it.

Speaker Arnold Palacios: The Chairman of the committee asked that it be withdrawn. Perhaps he wanted us hold action or refile it. I wish he is here to explain, but that was his request. I do not think he meant to defer action indefinitely.

Representative Sablan: I respect the action of the chair.

Speaker Arnold Palacios: Representative Salas, recognized.

Representative Salas: Mr. Speaker, just to note that the Chairman did approach me also and he did ask me that if nobody brought it up in this session that I would bring it up to refer it back to committee.

Speaker Arnold Palacios: Okay. So the motion is to refer it back to the Committee on Commerce and Tourism. Can you restate the motion?

Representative Camacho: Mr. Speaker, I can restate the motion for our good colleague Representative Babauta. I move to refer S. C. R. NO. 16-55 reporting on H. B. NO. 16-85.

The motion was seconded and carried by voice vote.

Speaker Arnold Palacios: The motion carries and S. C. R. NO. 16-55 is hereby referred back to the Committee on Commerce and Tourism. I recognize the Floor Leader.

Representative Camacho: Thank you, Mr. Speaker. I move to adopt S. C. R. NO. 16-56 reporting on H. B. NO. 16-94.

The motion was seconded.

S. C. R. NO. 16-56: Reporting on **H. B. NO. 16-94**, entitled, “To repeal and reenact Chapter 8, Division 5, Title 4 of the Commonwealth Code relating to mechanics' liens, and for other purposes.” *Your Committee on Commerce and Tourism recommends that the above-mentioned bills be filed by the House.*

Speaker Arnold Palacios: Discussion on the motion.

Several members voiced “ready.”

There was no discussion the motion to adopt S. C. R. NO. 16-56 was carried by voice vote.

Speaker Arnold Palacios: S. C. R. NO. 16-56 is hereby adopted and H. B. NO. 16-94 is hereby filed by the House. We will take a short recess.

The House recessed at 2:15 p.m.

RECESS

The House reconvened at 2:15 p.m.

Speaker Arnold Palacios: We are back in session, and I recognize the Floor Leader.

(Start of recess)

Floor Leader Camacho: Mr. Speaker, I would like to move to Resolution Calendar and get one item out of the way.

Speaker Arnold Palacios: Okay, we move on to Resolution Calendar.

The House recessed at 3:07 p.m.

RECESS

The House reconvened at 3:21 p.m.

REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

None

UNFINISHED BUSINESS

None

RESOLUTION CALENDAR

Floor Leader Camacho: Mr. Speaker, I move to adopt H. R. NO. 16-66 reference to DPS and fireworks.

The motion was seconded.

H. R. NO. 16-66: A HOUSE RESOLUTION TO URGE THE DEPARTMENT OF PUBLIC SAFETY TO REMAIN VIGILANT IN THEIR EFFORTS TO ENSURE THAT THE PROVISIONS OF PUBLIC LAW 15-127 ARE BEING ENFORCED AND COMPLIED WITH.

Speaker Arnold Palacios: Representative Sablan, technical?

Representative Sablan: I do not know—maybe. This is the same issue as on the resolution yesterday. The last clause says that it is the intent of the entire Commonwealth Legislature to do this. Again, the author is not here, but is this supposed to be a joint resolution or just a single resolution?

Speaker Arnold Palacios: Just a House Resolution.

Representative Sablan: So can we change that then and make that the House of Representatives on line 18, page 1.

Speaker Arnold Palacios: Okay, clerk and legal counsel, please take note of that technical change. Are you ready for the question?

Several members voiced “ready,” and the motion to adopt H. R. NO. 16-66 was carried by voice vote.

Speaker Arnold Palacios: The motion is carried. I now recognize the Floor Leader.

Floor Leader Camacho: Mr. Speaker, I believe some members are still reading the Joint Committee Report so maybe we can move to the Bill Calendar.

Speaker Arnold Palacios: Okay, we are move on to Bill Calendar.

BILL CALENDAR

Speaker Arnold Palacios: Floor Leader, you may continue.

Floor Leader Camacho: Mr. Speaker, a motion to pass on First and Final Reading H. B. NO. 16-135 reference to autism commission.

The motion was seconded.

H. B. NO. 16-135: A BILL FOR AN ACT TO ESTABLISH A COMMONWEALTH AUTISM COMMISSION TO DEVELOP A STATE PLAN TO GUIDE SERVICES FOR INDIVIDUALS WITH AUTISM SPECTRUM DISORDERS; AND FOR OTHER PURPOSES. (SEE S. C. R. NO. 16-43)

Speaker Arnold Palacios: The motion is for passage of H. B. NO. 16-135 on First and Final Reading. Representative Sablan.

Representative Sablan: Mr. Speaker, at our last session this Bill came up for discussion and I am glad that we have the author here now so that he can explain some provisions of the Bill. I also wanted to see if there is any update from the committee about the concerns that I raised with respect to reimbursement, appointments of the membership, and --

Speaker Arnold Palacios: If I recall Representative Sablan, the Chair of the committee agreed to defer this to the next session when the author is present so that he may answer some of your questions. So, if you do not mind, please reiterate some of your concerns and questions.

Representative Sablan: Sure. The first concern is with respect to membership and that is described on page 2 of the Bill. It says that the commission shall consist of fourteen members and two of those members shall be the House Speaker and the Senate President. It was not clear to me who would be appointing the members of the rest of those entities if that would also be decided by the legislature. I think that needs to be made clear. Also with respect to page 3 on compensation, lines 20 to 22 says that cost of reimbursement for the members of the commission shall be decided among the House, the Senate and the Executive Branch.

Representative Hofschneider: Mr. Speaker, for all intents and purposes, the House of Representatives is presided by the Speaker and the Senate President for the Senate. Now, in the appointment process, it is given that each member is allotted their operations. So for the House of Representatives that are appointed and the Senate members that are appointed, respectively, by each presiding officer or the bodies if they want to participate shall be borne out of each representative, and for the Executive Branch, it is for members that are appointed from those departments. So they may in fact be authorized to submit for reimbursements. But if you want to be very specific and clear, I do not have problem with that. We can hold the Bill and come up with the appropriate language if you so desire to make it clearer and concise.

Representative Sablan: Sure, I would be happy to assist with the language to refine that. So, may I ask that we hold off on acting on this Bill to clarify those provisions? There are other entities that are named that are not part of the Executive Branch, so we really need to clarify where the reimbursement for their cost would come from too.

Representative Hofschneider: Mr. Speaker, the whole gist of this commission is really volunteerism. But there are expected expenses that may go beyond their volunteerism abilities. For instance, if they are to visit an operating center in the United States to learn the process and visit a state that has done the commission prior to adopting any sort of program, then perhaps those costs can be taken into account. So I do not have a problem with those recommendations to make it a functional commission to the extent that we do not provide undue burden on those individuals. Provided, Mr. Speaker, that Representative Sablan assists in making in a workable legislation through her recommendations. Thank you. So, I move to defer action until the next session.

Speaker Arnold Palacios: Representative Sablan, you had one week. You should have gotten your amendment to amend this Bill.

Representative Sablan: That is right, and I apologize, but I did not have a chance to see the author until now.

Speaker Arnold Palacios: You should have just amended it. Never mind the author. You should just get your amendment ready. Floor Leader.

Floor Leader Camacho: Mr. Speaker, with those comments, I withdraw my motion for passage of H. B. NO. 16-135 on First and Final Reading and leave it on the Bill Calendar.

Speaker Arnold Palacios: Representative Hocog.

Representative Hocog: Before we proceed, Mr. Speaker, I would like to ask the indulgence of the members to go back to Item 3 so that I may introduce a House Local Bill.

Speaker Arnold Palacios: If there is no objection from the members, we go back to Item 3.

INTRODUCTION OF BILLS

The Chair recognized Representative Hocog.

H. L. B. NO. 16-16-24: To appropriate \$10,000.00 from the local license fees collected for pachinko slot machines and poker machines in the First Senatorial District; and for other purposes. [*First Appearance*]

Offered by: Representative Victor B. Hocog

Speaker Arnold Palacios: We go back to Bill Calendar.

BILL CALENDAR

Speaker Arnold Palacios: Floor Leader, we have H. B. NO. 16-192 that was introduced today. Could you effectuate a motion to place it on the Bill Calendar?

Floor Leader Camacho: Mr. Speaker, I move to suspend the Rules in order to place H. B. NO. 16-192 on the Bill Calendar.

The motion was seconded and carried by voice vote.

Floor Leader Camacho moved for the placement of H. B. NO. 16-192 on the Bill Calendar, was seconded and carried by voice vote.

Speaker Arnold Palacios: H. B. NO. 16-192 is hereby placed on the Bill Calendar. I recognize the Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker, I move to pass H. B. NO. 16-39, HS1 to mechanics' liens and S. C. R. NO. 16-48.

The motion was seconded.

H. B. NO. 16-39, HS1: A BILL FOR AN ACT TO REPEAL AND REENACT CHAPTER 8, DIVISION 5, TITLE 4 OF THE COMMONWEALTH CODE RELATING TO MECHANICS' LIENS, AND FOR OTHER PURPOSES. (SEE S. C. R. NO. 16-48)

Speaker Arnold Palacios: The motion is for the passage of H. B. NO. 16-39, HS1. Discussion on the motion.

Several members voiced, "ready."

The Clerk called the roll on the motion to pass H. B. NO. 16-39, House Substitute 1 on First and Final Reading.

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

Speaker Arnold Palacios: By a vote of nineteen “yes,” H. B. NO. 16-39, HS1 hereby passes the House on First and Final Reading. Floor Leader.

Floor Leader Camacho: Mr. Speaker, I move to pass H. B. NO. 16-6 reference to parking meters and S. C. R. NO. 16-49.

The motion was seconded.

H. B. NO. 16-6: A BILL FOR AN ACT TO AUTHORIZE THE ASSESSMENT OF PARKING METER FEES, TO REQUIRE SEGREGATION OF FEES COLLECTED BY SENATORIAL DISTRICT, AND TO AUTHORIZE LOCAL APPROPRIATION OF THOSE FEES. [SEE S. C. R. NO. 16-49]

Speaker Arnold Palacios: The motion for the passage of H. B. NO. 16-6 has been made and seconded. I recognize Representative Sablan for discussion on the motion.

Representative Sablan: Thank you. This was a question that was raised in our session the other day with respect to the CPA parking meters, actually I do not think this was raised yesterday, but would this bill move control over to DPW.

Representative Yumul: No.

The Chair recognized Representative Babauta.

Representative Babauta: If I may ask the author, Mr. Speaker, to allow amendment on page 2 subsection (e) because Representative Sablan brought up for clarification purposes whether this provision would allow funds to be used for maintenance of the meters. If I may, Mr. Speaker?

Speaker Arnold Palacios: Please proceed.

Representative Babauta: On page 2, line 22 after the word “enforcement” insert “and maintenance relating to parking meter administration.” I so move.

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

Speaker Arnold Palacios: The floor amendment offered by Representative Babauta is hereby carried. Representative Sablan, recognized.

Representative Sablan: Thank you. I raised this question yesterday, as well – my concern about the language of page 2 on subsection (e) is that the fees would only be used for enforcement and maintenance with that amendment, but would that preclude us from appropriating for other purposes because it now say, “shall be used for enforcement and maintenance...”.

Speaker Arnold Palacios: Under the provision now under this bill, you are correct.

Representative Sablan: So right now the bill would not allow for any other use but for enforcement and maintenance.

Speaker Arnold Palacios: That is correct.

Representative Sablan: But why would we do that if we say in the committee report that this is intended for other purposes as well.

Speaker Arnold Palacios: Never mind what the committee report says, but what this legislation states, if it becomes law, that is what stands. The committee or somebody at a future date may decide and use this to leverage funds for other purposes relative to the meters they can do it. But there is no such thing now under the legislation. Representative Quitugua, do you want to respond to that concern?

Representative Quitugua: Thank you, Mr. Speaker. Mr. Speaker, the committee report is giving a heads up to the members that when appropriation time comes, the magic word *notwithstanding* might appear and that would trump the provision that was just read out and the usage of the funds. Thank you.

Speaker Arnold Palacios: This means be fully mindful and be on your guard. Representative Sablan, recognized.

Representative Sablan: Mr. Speaker, on line 14 of page 2, is that supposed to read, in consultation of the Secretary of Public Works, the Commissioner of Public Safety shall designate areas, may designate areas?

Speaker Arnold Palacios: Yes.

Representative Sablan: Which one—shall or may?

Speaker Arnold Palacios: Short recess.

The House recessed at 3:40 p.m.

*RECESS**The House reconvened at 3:44 p.m.*

Speaker Arnold Palacios: We are back in session. As discussed during recess, we will allow the clerk and the counsel to insert the word “shall” before designate, and that is without objection.

There was no objection raised.

Speaker Arnold Palacios: Are we ready for the question? Clerk, please call the roll.

The Clerk called the roll on the motion to pass H. B. NO. 16-6, House Draft 1 on First and Final Reading.

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

Speaker Arnold Palacios: By a vote of eighteen “yes,” H. B. NO. 16-6, HD1 hereby passes the House on First and Final Reading. I recognize the Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker. A motion to pass H. B. NO. 16-110 reference to “CNMI” Veterans Cemetery and S. C. R. NO. 16-50.

The motion was seconded.

H. B. NO. 16-110, HD1: A BILL FOR AN ACT TO OFFICIALLY ESTABLISH A “CNMI” VETERANS CEMETERY; AND FOR OTHER PURPOSES. [SEE S. C. R. NO. 16-50]

Speaker Arnold Palacios: Discussion on the motion? Ready? Clerk, please call the roll.

There was no discussion; the Clerk called the roll on the motion to pass H. B. NO. 16-110, House Draft 1 on First and Final Reading.

| | |
|---|------------------------|
| Representative Edwin P. Aldan | yes |
| Representative David M. Apatang | yes |
| Representative Oscar M. Babauta | yes |
| Representative Diego T. Benavente | yes |
| Representative Joseph N. Camacho | yes |
| Representative Francisco S. Dela Cruz | yes |
| <i>(Vice Speaker Deleon Guerrero: Mr. Speaker, if I may ask counsel – if I have a homestead in that area am I in conflict to vote. If I do not have a conflict then I support the bill and my vote is yes.)</i> | |
| Representative Joseph P. Deleon Guerrero | yes |
| Representative Victor B. Hocog | yes |
| Representative Heinz S. Hofschneider | absent (during voting) |
| Representative Raymond D. Palacios | yes |
| Representative Justo S. Quitugua | yes |
| Representative Joseph C. Reyes | absent (during voting) |
| Representative Christina M. Sablan | yes |
| Representative Edward T. Salas | yes |
| Representative Rosemond B. Santos | yes |
| Representative Ramon A. Tebuteb | yes |
| Representative Ralph DLG. Torres | yes |
| Representative Stanley T. McGinnis Torres | yes |
| Representative Ray N. Yumul | yes |
| Speaker Arnold I. Palacios | yes |

Speaker Arnold Palacios: By a vote of eighteen “yes,” H. B. NO. 16-110, HD1 hereby passes the House.

Floor Leader Camacho: Mr. Speaker, a motion to pass S. B. NO. 16-34, House Draft 1 in reference to the Election Law.

The motion was seconded.

S. B. NO. 16-34, HD1: A BILL FOR AN ACT TO AMEND 1 CMC SECTION 6103(A) OF THE ELECTION LAW; AND FOR OTHER PURPOSES. [SEE SP. CMTE. RPT. 16-1]

Speaker Arnold Palacios: The motion for the passage of S. B. NO. 16-34, HD1 has been made and seconded. Discussion on the motion.

Several members voiced “ready.”

Speaker Arnold Palacios: Clerk, please call the roll on the passage motion of S. B. NO. 16-34.

The Clerk called the roll on the motion to pass S. B. NO. 16-34, House Draft 1 on First and Final Reading.

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

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

Speaker Arnold Palacios: With eighteen members voting “yes,” S. B. NO. 16-34, House Draft 1 passes the House on First and Final Reading. I recognize Representative Apatang.

Representative Apatang: Thank you, Mr. Speaker. I would like to withdraw H. B. NO. 16-115 and H. B. NO. 16-168 from the Bill Calendar, and whoever wants to reintroduce it can reintroduce it, but I would like to ask that we act on H. B. NO. 15-58. This bill is urgent. Thank you.

Speaker Arnold Palacios: Is there any objection on the withdrawal of these two legislation?

Floor Leader Camacho: For clarification, Mr. Speaker, is that on H. B. NO. 16-115 and H. B. NO. 16-158?

Speaker Arnold Palacios: H. B. NO. 16-168.

Floor Leader Camacho: Okay.

Speaker Arnold Palacios: Is there any objection. Representative Dela Cruz, recognized.

Representative Dela Cruz: Mr. Speaker, just for clarification, can the author enlighten us as to his reasoning. We just met with the Division of Immigration personnel this morning.

Representative Apatang: Whoever wants to take it and author it can take it and author it so that you guys can act on it. Thank you.

Floor Leader Camacho: Ready, Mr. Speaker.

Representative Babauta: Mr. Speaker, I do not think that the Floor Leader purposely skips these bills. I understand he has a lineup already. I ask the author to reconsider so that we can pass these bills these afternoon.

Speaker Arnold Palacios: I think he is asking to have those legislation withdrawn for other purposes because they are not being acted on.

Representative Babauta: And I object to that because I voted to have these bills calendared.

Speaker Arnold Palacios: Short recess.

The House recessed at 3:35 p.m.

RECESS

The House reconvened at 4:01 p.m.

Speaker Arnold Palacios: We are back in session. I recognize the Floor Leader for passage of H. B. NO. 16-150.

Floor Leader Camacho: Thank you, Mr. Speaker. You beat me to it, anyway, a motion to pass H. B. NO. 16-150 reference to Mañagaha departure fee on First and Final Reading.

The motion was seconded.

H. B. NO. 16-150: A BILL FOR AN ACT TO REPEAL AND REENACT TITLE 2, DIVISION 1, CHAPTER 6, ARTICLE 2 OF THE COMMONWEALTH CODE IN REGARDS TO THE MAÑAGAHA ISLAND LANDING FEE; AND FOR OTHER PURPOSES.

Speaker Arnold Palacios: The motion has made and seconded on the passage of H. B. NO. 16-150 on First and Final Reading. I recognize Representative Sablan for discussion on the motion.

Representative Sablan: Thank you, Mr. Speaker. Under the current law, it is my understanding that the Department of Public Lands is responsible for collecting the landing fees for Mañagaha, and also that the money is presently designated for some future performing arts center, for the Department of Public Lands to assume their operations, for the museum, youth programs, Indigenous Affairs Office, Carolinian Affairs Office, and so on. I would like to hear from the author of this bill what the necessity is of changing that and if they have consulted with the agencies that will be affected by this bill if it happens.

The Chair recognized Representative Apatang.

Representative Apatang: Thank you, Mr. Speaker. You know that we have had problems with this particular issue. During the 15th Legislature there was a bill that was passed and signed into law. We cannot pay the vendors because of that particular law and because of the opinion from the Attorney General's Office. That opinion stopped everything. What we did was sat down with the Secretary of Finance and this is recommendation that was given to me – that we should change “landing” to “departure” so that it can be controlled by the Secretary of Finance instead of the Department of Public Lands. In the past, we have laws where we provided some funding for “MVA”. That is one of the purposes of this particular change. We want to give some funding for “MVA” so that they can promote the Marianas.

Speaker Arnold Palacios: Let me add to that one particular question. In the 15th Legislature, we appropriated some funds consistent with what has been called for under the existing statute and lo and behold the Department of Public Lands did not want to release those funds that we have appropriated. They came back with a legal opinion from the Attorney General's Office that says the Legislature has no business appropriating those funds. So the appropriation law that was passed was basically hostage because “DPL” will not release the funds because it is their believe and opinion that they do not have to release those funds. As Representative Apatang stated, subsequently the only way to do that was to change “landing fee” to “departure fee.” Representative Hofschneider, please provide some more clarification.

Representative Hofschneider: As you know, Mr. Speaker, I created that law. The intent was to use that money because the Constitution speaks about the preservation and future pr"OPA"tion of indigenous flora and fauna in particular that included Mañagaha as a reserved area. The contention is anything that is derived from within "DPL", the Department continues to view that we cannot divert that money outside Mañagaha. I tend to agree with that. The problem with that notion, and you are also well aware, that I will support this bill if we can add language or agree that the Committee on Natural Resources invokes or takes it as an authority of the committee to really look into the franchise that has been recently awarded to a company without being bid and it is for an unprecedented ten years. The incomes from the landing fees in the past have been very contentious about opening the books and looking at the incomes derived from landing fee to the extent that it has been commingled with other funds or income derived from activities on the island of Mañagaha. I think it is appropriate for this body to look at this issue and look at how that franchise agreement evolve into a ten-year contract or exclusive franchise without going through the bidding process, and whether the incomes have been audited over the years. As I recall, a portion of that income is being used to maintain the generator, buy toilet tissues and light bulbs, and those are permitted by "DPL" as deductibles from the landing fee. So we are talking about diverting funds. I will support this legislation because so long as we do not push the constitutionality issue, we will continue to have the rug pulled from underneath us. This issue has been lingering for more than eight years. Mr. Speaker, I challenge you, this body and the standing committee to look into it. Let us have it audited. If we are going to repeal and reenact a law so that we change the origin of the income from actually calling it a landing fee, when you land there, you pay a fee, versus departure. There is a practical problem with this legislation in that CPA owns certain portions where this vessels embarks the passengers and departs. Certain docking also under DLNR carry passengers. Then you have multiple sites in front of hotels carrying passengers to Mañagaha. So who is going to be collecting those fees. This is a very good bill if the intention is to settle this issue once and for all, but let us try and fix it and help the author so that we have a means to enforce it and be able to collect those fees. Right now, we are going to lose money because technically we have many departures coming out of uncontrolled areas. There are public places where they can in fact carry passengers without having to pay. So who is going to be manning multiple sites? The Department of Public Lands will refuse to have their employees man those areas because we have taken it away from them. So these are the practical problems that I realize but I think that in as much as I would like to see the Mañagaha Marine Sanctuary that we have created and becoming well known in the region, we need to sort of provide some funding for it to insist upon the usage to really do an expansion of the program as intended in the statute creating it. For instance, why can we not use that money to purchase a hyperbaric chamber for divers. We have a quarter of a million a year of divers and we do not have hyperbaric chamber. Four hundred thousand dollars minimum can be used to purchase that. Why can we not use some of that money so that we label some of the corals underwater for divers and even our locals can know the indigenous species of corals and fishes that are in the area? Those are my dreams for that areas and part of the dreams that I have in creating in enriching our students, our people, and our tourists. It has been years and I keep insisting on "DPL" to do something and they are hiding behind this veil of constitutional office and creature. I think it is time to put this to rest. If we really look into how that franchise has been awarded, you would be amazed. Honestly. Ten years ago when I asked the former Public Auditor, Mr. LaMotte to look into the economic potential of Mañagaha, it was \$25 million a year. What we were getting was peanuts on behalf of the public. So here we are arguing about Pew and other marine monuments, we have a jewel in front of us far better than Pew up there in the Northern Islands. It is at our doorstep. Over 25 million people have passed through the last 30 years. Let us help the author, with all due respect to the author, by languaging it so that it makes sense to have this departure now defined, but how do we manage or administer the departure in collections and enforcing the collections thereafter.

The Chair recognized the Vice Speaker.

Vice Speaker Deleon Guerrero: I share the same concern with the author. About the points of departure that representative Hofschneider mentioned not just at the American Memorial Park or the dock, you have hotels basically transporting passengers to Mañagaha. But when I reread the bill, even though the it is now changed to departure fee rather than landing fee, it does state that the fee shall be imposed on each passenger that disembarks on Mañagaha. So it will be collected at Mañagaha. So the question to the counsel is can you collect the departure fee at the landing area and call it a departure fee. That is the only way that you can ensure that it is collected and there is accountability. So can that be done? If that can be done then the bill addresses that issue.

Representative Hofschneider: Mr. Speaker, may I?

Speaker Arnold Palacios: Representative Hofschneider, recognized.

Representative Hofschneider: Technically, that can be done. The problem with that is the “DPL” is going to turn its back and say it is your money, these are my people, these are my staff, and it is unconstitutional for me to be administering a program that is outside my prescription.

Speaker Arnold Palacios: Representative Sablan, recognized.

Representative Sablan: I am going to follow up my initial request for more information to ask about the Attorney General’s opinion as the members have already mentioned. I have not seen that opinion. I would like to, but perhaps...

Representative Hofschneider: Point of information, Mr. Speaker.

Speaker Arnold Palacios: Let her finish.

Representative Sablan: ...perhaps members could explain what the basis for opinion was. Also, I do not understand why the necessity is there to change this from a landing fee to a departure, and perhaps that was part of the opinion. Can we clarify that.

Speaker Arnold Palacios: Let me have Representative Yumul respond to that.

Representative Yumul: Thank you, Mr. Speaker. For Representative Sablan’s information, in the 15th Legislature we did request the Office of the Public Auditor (““OPA””) to conduct a full audit on the account in question here. They did provide an auditing of it and they determined that they are sure the money is there. They did not provide any support one way or another as to the legality on who is rightfully in control of it, is it the law or is it the contract. But the information that I will give you is that Public Law 11-64 created the Mañagaha Landing Fee. It was subsequently amended by P.L. 15-16. From my own research based on the information from the public laws and the argument that the Marianas Public Land Corporation (“MPLC”) or Marianas Public Land Authority (““MPLA””) had at the time is that after the first Request for Proposal (““RFP””) went out and this law was in effect the department at the time decided that to save themselves from that – the renewals – these were just renewed and extended because if they were to go out and request for a new set of bidding they would become subject to this laws. It is an interesting situation. I believe they were just

trying to circumvent the law by allowing the contract to perpetuate itself to include an extension after extension because the grandfathering clause exists.

Representative Hofschneider: Point of clarification, Mr. Speaker.

Speaker Arnold Palacios: State your point.

Representative Hofschneider: Does that analysis or legal opinion factually contain that the lease has been renewed for ten years?

Representative Yumul: There is no legal analysis to that because we did not ask for that, we only asked for an accounting through ““OPA””.

Representative Hofschneider: Mr. Speaker, Representative Yumul inferred that prior to Public Law 11-64 the franchise lease was renewed...?

Representative Yumul: Extended.

Representative Hofschneider: ...and appears to be circumventing the law?

Representative Yumul: It appears.

Representative Hofschneider: Then how did we get a 10-year franchise that is in effect today?

Representative Yumul: The lease was subsequently renewed October 12, 2006, for another period. So I do agree that there are some serious issues behind why this is the way it is today. As of 2007, there is over \$900,000 in that account. I have that figure. So the legislation that is being proposed by Representative Apatang is a very interesting legislation in that we are now being more smart. Assuming that we can not find any legal standing to test whether or not the pier is controlled by CPA or some other agency, we are going to try it on the flip side by collecting a departure fee. With that respect, I am curious how this legislation will move forward because I am frustrated. I see how they are playing this and I am not too happy with their legal maneuverings. The information is you do not even have to have somewhat of a higher level of education such as an attorney to see that there is a circumvention, but again that is just my opinion. Thank you.

Representative Sablan: Representative Yumul was raising a point of information and it was in response to my question so I just wanted to clarify something.

Speaker Pro Tem Deleon Guerrero: Another point of information.

Representative Sablan: No. The attorney that you are referencing, Representative Yumul, that is the basis for why the legislature supposedly cannot appropriate this money.

Representative Yumul: No, no. “OPA” only did an audit of the accounts. Everything is in order. In fact, I will read out a point of the contract that was extended with Tasi Tours, I believe. It say, the use of the fees would be to provide free public services, protect public safety, pay for insurance and maintain the cleanliness and appearance of Mañagaha Islands, and to construct, maintain and repair public facilities, improvements, equipment and infrastructure through material consideration that will be provided by the board to their concessionaire. What brought up the big issue was that the

concessionaire started using some of these funds to purchase awnings, replace awnings that had to do with a store front and the like. This had nothing to do with maintaining those little pavilions scattered around the island. That facilitated us asking what are you then doing with the fees that you are collecting from the concessionaire, where is that money going to because now you are taking the Mañagaha Landing Fee collection and using that as part of the concessionaire normal daily expenses to include toiletries and the like. The concessionaire admitted to us that they are losing money because the tourists frequenting the island are not patronizing their operation in that small boat operators would drop off tourists and pay the fee and tourist would bring lunch bags and drinks, so that was part of argument.

Speaker Pro Tem Deleon Guerrero: Thank you, Representative Yumul for that. To further clarify, I now recognize Representative Quitugua.

Representative Quitugua: Thank you, Mr. Speaker. Mr. Speaker, it is the Attorney General's opinion that the appropriated funds could not be released by the Department of Finance. I went to Finance and the Secretary of Finance told me that there was an opinion from the Attorney General regarding the collected Mañagaha Landing Fees and that his hands were tied and he could not release the appropriated funds. The reference that Representative Yumul was talking about, under one of the laws that he mentioned, there was a clause that grandfathered the existing concession contract into the law. It was included under the law as a consideration to the concession contract that was signed. The other issue, Mr. Speaker, is that that contract is very vague. It gave the vendor a wide range of usage of the collected fees. First, they have to deduct all the maintenance fees, including the speed boat and whatever is left is deposited into the trust account. What was practiced before is that when there was an appropriation, "MPLA" will adopt a resolution authorizing the Secretary of Finance to release the appropriated funds and that is when the Secretary of Finance releases the funds. That was the practice in the past.

Representative Hofschneider: Clarification, Mr. Speaker.

Speaker Pro Tem Deleon Guerrero: Recognized.

Representative Hofschneider: To my recollection, there is only one legislative appropriation that really diverted money from the Mañagaha Landing Fees. All others are under the discretion and authority of "DPL" as to how they use the funds. The only appropriation I remembered was to give \$2 Million to the Marianas Visitors Authority ("MVA") at that was the request of then Lt. Governor Benavente. We did so. In that appropriation act.... (*End of Tape 4 side B*).... (*Start of Tape 5 side A*) ...case study, Mr. Speaker, to sue them.

Representative Quitugua: In the 15th Legislature, the Speaker requested the Chairman of Natural Resources, then Representative Manny Tenorio, under the Saipan Delegation to work with the legal counsel to bring this question to the Supreme Court so that the court will decide whether we actually have jurisdiction to appropriate the funds or not, but that was election year so it was never carried out.

Representative Yumul: Mr. Speaker, a point to what Representative Quitugua mentioned.

Speaker Arnold Palacios: See what we got ourselves into. Representative Yumul, recognized.

Representative Yumul: Thank you. Public Law 13-16 Section 3(b) actually has that agreement. It says, the agreement for special recreational concession of Mañagaha Island entered into and on August 31, 2001, by the Board of Public Lands and Tasi Tours Transportation, Inc. – by name – is grandfathered. That is why I mentioned that from that point forward after the first five years there was never an “RFP” because they gave the operator an extension instead. That is the same public law that appropriated \$2.6 million generated under P.L. 11-64, then under P.L. 14-86 we then appropriated \$1.3 and finally Saipan Local Law 15-5 appropriated \$650,000 from the landing fee for “MVA” but that money has not been transmitted to “MVA”.

Speaker Arnold Palacios: Thank you for all the clarifications. We are going to take a ten-second recess.

The House recessed at 4:11 p.m.

RECESS

The House reconvened at 4:11 p.m.

Speaker Arnold Palacios: We are back in session. Let us put finality to this legislation, we either kill it, modify it and pass it. Representative Apatang, you are responsible for this.

Representative Apatang: Thank you, Mr. Speaker. I would like to offer some amendments. On page 2, line 4, after “collected” insert “at Mañagaha Dock” and delete “pursuant to this article.” So the language now reads: “All departure fees collected at Mañagaha dock shall be deposited into this account and shall be expended in accordance with appropriations made by the Saipan and Northern Islands Legislative Delegation.”

The motion was seconded, and there being no discussion, the motion to adopt the amendment offered by Representative Apatang to H. B. NO. 16-150 was carried by voice vote.

Speaker Arnold Palacios: The motion carries. Further discussion on the bill as amended. Representative Salas, do you have a concern.

Representative Salas: Yes, Mr. Speaker. Before we end debate, I am kind of curious. The author is repealing is Section 1622 as the language in the new bill. Section 1622 has all these – Saipan Cultural Performing Arts Center, the museum, the Saipan youth programs, Indigenous Affairs Office, the Carolinian Affairs Office, and it says that the funds collected shall be expended exclusively on projects for these programs. So my question is what is going to happen to those programs.

Speaker Arnold Palacios: Well we can appropriate annually to those specific programs and others.

Representative Salas: I guess the other question I have is I guess in the past even though these were mentioned in the law, there were never given the funds.

Speaker Arnold Palacios: We did.

Representative Salas: Through the landing fees?

Representative Yumul: That is correct; these moneys are not automatically being transferred out.

Representative Salas: So basically they are not recipients of these landing fees, is that correct? It is only through appropriations.

Speaker Arnold Palacios: Representative Salas, Section 1622 basically lists the programs that could be funded under these funds, not necessarily automatic and it has to go through an appropriation process. If you are going to appropriate for a program under that funding, then you are going to have to look at those types of programs that meet those criteria and appropriate money for those. There has also been an appropriation from this funding in the past outside of that criteria by the notwithstanding clause. At one time we appropriated a substantial amount for “MVA” for promotional programs.

Representative Salas: So I guess if it does not receive funding in the past then it does not really matter. I guess we should at least try to remember those programs.

Speaker Arnold Palacios: I think we all do. Are you ready for the questions? Representative Sablan, very brief please.

Representative Sablan: Thank you. There are clearly some quite complex legal constitutional, and policy issues that are involved in this bill. Although I support – and I think it just make sense that we should have appropriating authority over these funds, I really thing that for an issue such as the administrative of fees attached to Mañagaha Island for something like this, there should be a report that acknowledges these issues and explain how they are being addressed. In lieu of that or without that, I really would not be comfortable voting on this. I realize that members say that they are ready to vote on this now, but members have also said that this would be a good test for the court and also that perhaps we should take some time to refine this bill and improve it. I would tend to agree with that sentiment. I do not think it would be wise for us to pass this bill just to test the courts. We should have at least had some documentation of our intent and of the legal and constitutional issues that we have carefully contemplated.

Speaker Arnold Palacios: I think we understand your point, and, Representative Hofschneider, you do not have to answer to that. We are going to vote.

Representative Hofschneider: Mr. Speaker, I am itching to test it in court.

Speaker Arnold Palacios: Okay, thank you. Order, please. Clerk, please call the roll.

The Clerk called the roll on the motion to pass H. B. NO. 16-150, HD1 on First and Final Reading.

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

Representative Hofschneider: Mr. Speaker, yes on the bill, but it is unfortunate that we are moving at warp speed but it would really help this bill if we do a committee report focusing on the constitutionality and the prerogative of the legislature and the power of appropriation with the limitation of the constitutional boundaries of “DPL”. This is a very good case. I am thinking of something else that I do not want to mess with right now.

Speaker Arnold Palacios: And your vote is, yes?

Representative Hofschneider: Yes.

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| Representative Heinz S. Hofschneider | yes |
| Representative Raymond D. Palacios | yes |
| Representative Justo S. Quitugua | yes |
| Representative Joseph C. Reyes | absent (during voting) |
| Representative Christina M. Sablan | no |

Representative Sablan: Mr. Speaker, there was absolutely no reason for us to rush to vote today on this bill and I do not believe we have done our jobs in justifying our positions. My vote is no.)

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| Representative Edward T. Salas | no |
| Representative Rosemond B. Santos | yes |
| Representative Ramon A. Tebuteb | yes |
| Representative Ralph DLG. Torres | yes |
| Representative Stanley T. McGinnis Torres | yes |
| Representative Ray N. Yumul | yes |
| Speaker Arnold I. Palacios | yes |

Speaker Arnold Palacios: With a vote of sixteen yes, H. B. NO. 16-150, House Draft 1 hereby passes the House on First and Final Reading. I recognize the Floor Leader for a motion on the other legislation pertaining to Mañagaha.

Floor Leader Camacho: Mr. Speaker, in case we do have a runoff election in the new future, I would like to make a motion to pass on First and Final Reading H. B. NO. 16-192 reference to Mañagaha and the sale of alcohol on Election Day.

The motion was seconded.

H. B. NO. 16-192: A BILL FOR AN ACT TO INCLUDE THE ISLAND OF MAÑAGAHA FROM THE PROHIBITION OF ALCOHOLIC BEVERAGE SALES ON ELECTION DAY; AND FOR OTHER PURPOSES.

Speaker Arnold Palacios: The motion is to pass on First and Final Reading H. B. NO. 16-192. Representative Santos, recognized.

Representative Santos: Mr. Speaker, I would like to offer an oral amendment. On page 2, line 12, after the word “to” insert “concession stands on” before “Mañagaha Island”.

The motion was seconded. There was no discussion and the motion to amend H. B. NO. 16-192 as offered by Representative Santos was carried by voice vote.

Speaker Arnold Palacios: The motion carries. Are you ready for the question on the main motion? Clerk, please call the roll.

The Clerk called the roll on the motion to pass H. B. NO. 16-192, House Draft 1 on First and Final Reading.

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| Representative Edwin P. Aldan | yes |
| Representative David M. Apatang | yes |
| Representative Oscar M. Babauta | yes |

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

Speaker Arnold Palacios: With a vote seventeen “yes,” H. B. NO. 16-192, HD1 hereby passes the House on First and Final Reading. I recognize Representative Babauta.

Representative Babauta: Mr. Speaker, for the past several months – and I hope that the members would agree with this comment that I am about to make – the oldest bill on the Bill Calendar this afternoon is H. B. NO. 16-58. And if we are not going to act today, then I would also join the author in....

Speaker Arnold Palacios: That is what we are going to act on next. Floor Leader, after that bill passes, I would like to say something about these three gentlemen.

Floor Leader Camacho: Mr. Speaker, a motion to pass on First and Final Reading H. B. NO. 16-58 reference to Higher Education Commission and the Northern Marianas College (“NMC”).

The motion was seconded.

H. B. NO. 16-58: A BILL FOR AN ACT TO ESTABLISH THE HIGHER EDUCATION COMMISSION AS THE LICENSING AUTHORITY FOR POST SECONDARY EDUCATIONAL INSTITUTIONS IN THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS; AND FOR OTHER PURPOSES.

Speaker Arnold Palacios: The motion has been made and seconded for the passage of H. B. NO. 16-58 on First and Final Reading. I recognize Representative Quitugua under discussion.

Representative Quitugua: Thank you, Mr. Speaker. I will yield to Representative Sablan for the technical amendments.

Representative Sablan: I was actually going to yield to Representative Quitugua.

Speaker Arnold Palacios: Since you are neutralizing and yielding, I will ask for the call of the roll.

Representative Sablan: Well, I wanted to ask actually for more explanation and justification for this bill and the work that went into it.

Representative Quitugua: I will yield for the technical amendments first then I will respond.

Representative Sablan: I can do it after.

Speaker Arnold Palacios: Do you have technical amendment?

Representative Sablan: Yes, but we can do this after the session. I will give it to the Clerk.

Speaker Arnold Palacios: Alright. Representative Quitugua, in the essence of time, please summarize.

Representative Quitugua: Thank you, Mr. Speaker. This legislation is an enabling legislation as a result of H. L. I. NO. 15-1 which was ratified by the people of the “CNMI” on November 3, 2007. This initiative came about as recommended by the Director of the Accrediting Commission, Dr. Beno because “NMC” has so many issues to address in reference to the accreditation. She recommended that this particular responsibility of the Board of Regents be taken out, and assign a different commission to be the licensure of any postsecondary institution that is applying to do business in the “CNMI” and also to handle all renewals of postsecondary institution licenses that were issued prior to the initiative.

Representative Sablan: My next question is about the composition of the commission. I notice that it says on page 2 of line 13 that the commission members shall serve at the pleasure of the governor, but later on line 19, it sounds like they can only be removed for cause for gross neglect, dereliction of duty, breach of fiduciary duty. I was wondering if there was any conflict on that and I was just wonder if we can just remove the “pleasure of the governor” as an amendment.

Vice Speaker Deleon Guerrero: Mr. Speaker, in my own reading it actually protects those commission members from being removed for political or unreasonable grounds in that it requires that they be removed only on those grounds of neglect, dereliction of duty and so forth. I do not know why we would want to remove that.

Representative Quitugua: That is correct, Mr. Speaker. They serve under the pleasure of the Governor. They cannot be removed by the governor for any reason other than what is specified here. This language is a very common language in acts establishing boards and commissions.

Representative Sablan: As a follow up question, I do not see any requirement for advice and consent of the Senate. Was that intentional?

Representative Quitugua: There is.

Representative Salas: So I guess the commission will hire the director, right?

Speaker Arnold Palacios: Yes.

Representative Salas: And who terminates the director?

Representative Quitugua: The commission.

Representative Salas: Okay, it is not stated here and I am asking. The other question I have is on line 7 of page 2. The members should have at least five years of related work experience, which means to say that they have probably been commissioners in the past. I am just kind of –

Speaker Arnold Palacios: They have to have some kind of experience in this type of work.

Representative Salas: That kind of work – are we limiting to the pool of people that we can find here in the “CNMI”?

Speaker Arnold Palacios: I think we have substantial amount.

Representative Salas: Okay.

Representative Sablan: But they have to be registered voters in the “CNMI”, so we are limiting ourselves to this pool.

Speaker Arnold Palacios: Recognized.

Representative Sablan: Sorry, is it easy to find with the five year of related experience.

Speaker Arnold Palacios: Yes, there are members of the community.

Representative Salas: My concern, Mr. Speaker, is that we may not have. So that is kind of a stringent requirement of related work experience in that field. So I am just concern about that.

Speaker Arnold Palacios: Ready for the question? Representative Sablan, you would make the technical corrections right? You have all have a computer, who drafted this? Did you do a spell check on this?

Representative Sablan: Are we going to consider this, because this is one of the amendments I was going to include, if this is technical, on line 13, the commission *shall* serve at the please of the governor.

Speaker Arnold Palacios: Yes, technical amendment.

Representative Sablan: Okay.

Speaker Arnold Palacios: Clerk, please call the roll on the motion to pass H. B. NO. 16-58.

The Clerk called the roll on the motion to pass H. B. NO. 16-58 on First and Final Reading.

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

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

Speaker Arnold Palacios: With a vote of eighteen “yes,” H. B. NO. 16-58 hereby passes the House on First and Final Reading. Representative Hofschneider, recognized.

Representative Hofschneider: Mr. Speaker, it is Friday after five, anyone objects to sine die now.

Floor Leader Camacho: Mr. Speaker, if the members are willing, one more bill.

Speaker Arnold Palacios: Okay. Representative Babauta, you are recognized.

Representative Babauta: H. B. NO. 16-168, Mr. Speaker.

Speaker Arnold Palacios: What is that?

Representative Babauta: Lateral transfer.

Speaker Arnold Palacios: I recognize the Floor Leader.

Floor Leader Camacho: Mr. Speaker, motion to pass on First and Final Reading H. B. NO. 16-168 in reference to lateral transfer for immigration personnel.

The motion was seconded.

H. B. NO. 16-168: A BILL FOR AN ACT TO PROVIDE FOR THE LATERAL TRANSFER OF DIVISION OF IMMIGRATION PERSONNEL TO OTHER AGENCIES OR DEPARTMENTS OF THE COMMONWEALTH GOVERNMENT; AND FOR OTHER PURPOSES.

Floor Leader Camacho: Ready to vote, Mr. Speaker.

Speaker Arnold Palacios: The motion has been seconded for the passage of H. B. NO. 16-168.

Several members voiced “ready.”

Speaker Arnold Palacios: I recognize Representative Sablan.

Representative Sablan: I realize that members are in the mood to quickly pass some bills so that we can break for the weekend and appease other members who were upset and also looking to appease obviously very anxious and concerned immigration employees, but that is no reason for us to rush on this bill. I understand that there are concerns that our local immigration folks have but there are also concerns of budgetary resources. There are concerns of other government employees that we are

trying to take into account and the quality of public services that we are providing. And I do not think it would be prudent for us to rush the passage of this bill. It really needs some careful review. There were suggestions that we heard from the management from the Division of Immigration that the legislative task force on federalization is going to take into consideration that might address the concerns of these immigration employees now without having to pass this bill now. We have at least seven months before the implementation of federalization, possibly longer. There is no reason for us to act on this today, not when we have other issues the budget not being the least of them to address. I would really ask that we hold this, hold the vote on this and recess until the next session.

Speaker Arnold Palacios: Very good points. Representative Apatang, your response.

Representative Apatang: Thank you, Mr. Speaker. We are not entertaining this because I am upset. We are entertaining this because it has been on the Bill Calendar for many, many months. You have not even read the bill. I introduced this way back, so you should have all the opportunities to read it. You know we had all these employees this afternoon. You should be concern about their livelihood. Otherwise, they would not come up here. We want these people to go home and sit back and relax and think about the future. Right now they are sitting at home worried about their families. We are not going to wait two weeks or one week before the U.S. Immigration takes over. It is too late. We want to make sure that these people are protected. Personnel will have to go to the Division of Immigration and start setting up some kind of plan to move these people. You do not do these things in two weeks. It takes time. That is why we are having problems – because we always want to do things right then – we wait until the last minute and we act. We have to give them time to plan. So that is why we are acting on this bill, it is not because I am upset or I do not feel good. I am upset because this bill has been sitting on the Calendar for the longest time, and you should be upset because those people were up here this afternoon. You should feel what they feel as a representative. Thank you.

Representative Sablan: Mr. Speaker.

Speaker Pro Tem Deleon Guerrero: I am going to give other members a chance to speak for the first time.

Representative Sablan: I did not use up all my time before I was interrupted.

Speaker Pro Tem Deleon Guerrero: And so, you will have the chance, Representative Sablan, but please allow that we give everybody a first crack at it. So I recognize Representative Hocog.

Representative Hocog: Thank you, Mr. Speaker. In the same prayer that Representative Apatang eloquently expressed, I also rise in support in and of this bill to move forward, particularly, Mr. Speaker, our immigration staff for Rota and Tinian. They are wondering what is going on . They really need to plan ahead if there is nothing that this legislature can do to accommodate the impending jobless probability with the implementation of the federalization of immigration. I believe we can cover this in an appropriation bill for now, but the bill that will address the need of these staff for this year is only good for one year. This bill will be a guideline that they can be fitted into other departments that will enhance their service in government for their retirement. Thank you.

Speaker Pro Tem Deleon Guerrero: Representative Babauta, recognized.

Representative Babauta: Mr. Speaker, not on the bill, but... (*End of Tape 5 side A*) (*Start of Tape 5 side B*) ...I was going to suspend Rule V to permanently place the Vice Speaker.

Speaker Arnold Palacios: Are you testing me? Representative Sablan, recognized.

Representative Sablan: Thank you, Mr. Speaker. My concern about rushing action on this bill is not because I do not care of these employees and not because I am not concerned about all government employees who are facing the same anxieties that our immigration employees are dealing with right now. We are not in any position to be promising things that we do not know we can promise. We do not know that we can promise jobs with the same salary levels, the same benefits in the government not when we are looking at cuts across the board that we have no choice about at this point, not when we are operating on a deficit, not when we have huge debts to the Retirement Fund. Nobody said it better actually than the gentleman from Immigration today who testified. He said, you are promising us jobs but can you even afford that, can the government afford that. So, they are cognizant.

Representative Apatang: Point of clarification.

Representative Sablan: As other government employees are cognizant of the difficulties that we are facing at this point.

Speaker Arnold Palacios: Point of clarification recognized.

Representative Apatang: Mr. Speaker, I just want to let the congresswoman know that these people are employed right now under the Division of Immigration. They are budgeted. We are not adding any additional budget from what they are receiving. So when they transfer –

Representative Sablan: And as I have pointed out –

Speaker Arnold Palacios: You are out of order. Order. Let Representative Apatang finish.

Representative Apatang: ...when they transfer they carry what they are being paid, what their salary is. There is no addition. We are just trying to find them a place where they can fit inside the government.

Representative Sablan: I understand that, but it is not true that this will not have any impact.

Speaker Arnold Palacios: Representative Sablan, can you please – before you continue, Representative Sablan, calm down. You are out of order. Take a deep breath and calm down. I will recognize you. (*Pause*) You may proceed.

Representative Sablan: Okay. I feel that this is something that should not be taken lightly. And if I get passionate, there is a reason for that. It is misleading for us to say that these are positions that are already budgeted and that this will have no impact on the government. We know we are operating on a deficit. The Joint Conference Committee Report that we just adopted today estimates a \$9 million shortfall from FY'08. So again to go back to what the Immigration employees themselves asked us: can we really afford to promise this. And we have not taken the time to really examine the merit of this bill. Now, the intent I can understand. The noble sentiment behind it, I can understand. But, practically speaking, fiscally speaking it might not be doable and we might have to

be honest with our people, more honest than we have ever been. And I think that this in the end might be misleading. I ask that we not vote on this today.

Floor Leader Camacho: Ready, Mr. Speaker.

Speaker Arnold Palacios: I recognize Representative Salas.

Representative Salas: Mr. Speaker, I would like to offer an oral amendment on the floor.

Speaker Arnold Palacios: Please proceed.

Representative Salas: On line 11 of page 1 right after “Commonwealth government” insert “in positions that they are qualified for and a vacancy exists.” I say this, Mr. Speaker, because I am concerned that by just laterally transferring them they can just go to any position that they might not qualify for.

Speaker Arnold Palacios: Do I hear a second to that amendment?

Vice Speaker Deleon Guerrero: Can you repeat that?

Representative Salas: On line 11, after “Commonwealth government” insert “in positions that they are qualified for and a vacancy exists.”

The motion was seconded.

Speaker Arnold Palacios: The motion has been seconded. Representative Sablan.

Representative Sablan: A technical amendment to that.

Speaker Arnold Palacios: Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker, I do understand what Representative Salas is trying to do but the first part where it says, notwithstanding any law or provision to the contrary, I do not know if that will jibe with each other. Obviously OPM will look at certain people and what their qualifications are and move them laterally without going through so many processes and what not. So I do not know if that would necessarily contradict what the provision is.

Speaker Arnold Palacios: I do not think it would because what we are inserting is the law itself. I understand your concern.

Representative Sablan: I guess to clarify that language: shall be provided a lateral transfer within other agencies or departments of the Commonwealth government to positions for which they are qualified for and for which a vacancy exists.

Speaker Arnold Palacios: I think that is the intent. Representative Quitugua, recognized.

Representative Quitugua: If “vacancy exists” is going to be inserted, there is not going to be a lateral transfer. That means these employees would be out of a job. I think what the legislation intends is to

take the FTEs that they have presently with the funding and place them in a department so that FTE goes with the person including the salary.

Speaker Arnold Palacios: That is correct, Representative Salas, so we may not need to add in that last part of when a vacancy exists.

Representative Salas: Okay, I will withdraw that part.

Speaker Arnold Palacios: So please restate that amendment.

Representative Salas: To insert: “to positions for which they are qualified for”.

The motion was seconded.

Speaker Pro Tem Deleon Guerrero: The amendment has been clarified. Are you ready for the question?

There was no further discussion, the motion to amend as offered by Representative Salas to H. B. NO. 16-168 was carried by voice vote.

Speaker Arnold Palacios: Ready for the question? Clerk, call the roll.

The Clerk called the roll on the motion to pass H. B. NO. 16-168, HD1 on First and Final Reading.

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

Speaker Arnold Palacios: With a vote of seventeen “yes,” H. B. NO. 16-168, House Draft 1 passed the House on First and Final Reading. There will be no more bills entertained today. We move on to Announcements.

ANNOUNCEMENT

The Chair recognized Representative Raymond Palacios.

Representative Raymond Palacios: This is just to remind the members who are involved with Team Legislature, the government softball league, who have yet to get their you know what kicked by those young ball players please take the imitative to suit up and help our team. At the same time this would really get those beer bellies up for a new and improved look. So all of those who are joining the team please show your support. Thank you.

Representative Stanley Torres: Mr. Speaker and members, in the news today on page 3, Taotao Tano asked the Office of the Attorney General (“AGO”) to investigate internship scheme. I think that we not harass the Attorney General’s Office but *urges* to go after these two frauds Korean Mafia. Either they get thrown in jail or deport them. The names are Jay Kim and the other is Simon Sim. It is making us again look bad. These people are being cheated. These two are recruiters of internship scheme for nurses. I think that they should go after these two guys. Let the nurses go free. I do not know, maybe these two guys are importing these nurses for their brothel? Are they putting up brothel here? This is a serious violation. Human smuggling – for what?

Speaker Arnold Palacios: That is a very big concern. I was hoping that perhaps your office would write a letter to the Attorney General’s Office with the blessing and the sanction of the House members.

Representative Stanley Torres: That is the House sanctioning me to go after this. (Laughter)

Speaker Arnold Palacios: Yes, on that case.

ADJOURNMENT

Speaker Arnold Palacios: Floor Leader, motion to adjourn.

Floor Leader Camacho: Mr. Speaker, before I do that. I am headed off-island for one week.

Speaker Arnold Palacios: Excuse me, let me announce that the Senate passed the budget as reported out by the Conference Committee. The budget has been passed out. Please study it over the weekend. I would like to insist that when we come back to session we are going to take up this measure. I hope that by that time you are going to be able to vote yes or no with your review. I want to thank the House Conferees for their time, all their efforts and hard work to come up with a committee report endorsed by the Senate and the conferees. Representative Hocog, recognized.

Representative Hocog: Mr. Speaker, I am a little sad today with your announcement that the Senate had passed the budget. And why is it that we cannot pass the budget today? I would like to make mention that we worked hard on this and perhaps the budget is not a perfect budget, however the budget will provide the employees stability throughout this fiscal year with all that is going on. I do not know what the setback is that the House, where the budget originated, would stall the action of passing the budget today as you have indicated that the Senate did pass it as agreed by your Conference Committee.

Speaker Arnold Palacios: Thank you for that and I believe that we acknowledge the hard work that the Conferees from the House and the Senate made, and acknowledge the Senate's action. But in talking with some of the members right after lunch, many have insisted to hold off final action until they have had time to review the budget as submitted. I think we should allow them to review it, at a minimum, and endorse it. Representative Quitugua.

Representative Quitugua: Thank you, Mr. Speaker. Our Rules that indicate that a conference committee report shall be placed or each members shall be given one calendar day to review.

Speaker Arnold Palacios: I appreciate that. With that aside, I think it is also appropriate because of some complexities that we might run into and it would give each of us to have at least have one day or over the weekend to review it, and when we do come back we will be ready to deliberate concisely and make a decision. Last comment, I recognize Representative Apatang.

Representative Apatang: Thank you, Mr. Speaker. This is not about the budget because I am going to study it this weekend. I want to wish my Floor Leader to have a safe trip to Washington, DC. Take care of my delegate and make sure you bring him back safely.

Speaker Arnold Palacios: I also have some observations that members tend to get very edgy and impatient when their legislation sit on the Bill Calendar. I do not think it is the intent of the Floor Leader or myself to let them languish on the Calendar. Certainly, I provide a lot of flexibility and lateral decisions on the Floor Leader. Please consult with him if you believe that your bill seem to languish on the Bill Calendar too long. You need to communicate with him. Some of us are young, some of you are old, and some of you are middle aged.

Representative Apatang: Mr. Speaker, I resent the word old.

Speaker Arnold Palacios: I said some are middle aged. Let us be patient with each other please. It is never the intent of the leadership nor of the officers and certainly not myself to hold legislations on the Bill Calendar.

Representative Apatang: (Inaudible – microphone off)

Speaker Arnold Palacios: Do you want to turn on your microphone? Is that an old trick?

Representative Aldan: Mr. Speaker, do we have a schedule for our next session.

Speaker Arnold Palacios: It is will be subject to the call.

Vice Speaker Deleon Guerrero: Mr. Speaker, if I may, with all due respect to anyone going off-island, I want to request that we have a session at the soonest possible time to pass the budget. We will have this weekend to go over it. It is more that what the House Rule provide for, and I think it should be and the only item that we can entertain at the next session. We need to work on that. Thank you.

Speaker Arnold Palacios: With that, Representative Hocog.

Representative Hocog: Mr. Speaker, I really hate to see the good Floor Leader leave and not to be involved in moving the passage of this budget. If there is no objection from the members, Mr.

Speaker, I will miss my flight tonight and stay back for tomorrow and we can have session and address the budget.

Speaker Arnold Palacios: He is leaving tomorrow.

Representative Hocog: What time tomorrow? The reason, Mr. Speaker, is the longer we hold this, the more it is going to affect the result of the budget.

Speaker Arnold Palacios: I understand, but I think we need to allow members to look at the outcome that has been presented to us. Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker. Before I make the motion to adjourn I would just like to answer a few things. The trip obviously to Washington, DC for Delegate-elect will be presumptuous but for the Delegate-elect to meet with certain federal officials but at the same time also as a member of the task force on federalization to take the opportunity. I have been working continuously with certain members in Washington, DC and they are actually opening a lot of doors for us, both the US House and the Senate. We are hopeful that we can nurture those relationships and bring some federal dollars to the Commonwealth. We are hopeful it will be a productive trip and to take advantage during the early stages of the elected people who are in a very welcoming mood and to open doors for us. On a side note, I do apologize to the members if I seem impatient. I do try to keep the five-minute rule because we can talk endlessly on one bill and we do not get to the other bills on the Calendar. So there is a gist when we limit you to five minutes because we are trying to get to other members. So I do apologize. I personally do not intend to skip bills, but I try as much as possible to get the less controversial ones out of the way so that we can devote our valuable and limited time to those that require a lot of hashing over and whatnot. So if your bill kind of languishes on the calendar that is not by intention.

Representative Salas: Can I ask the Floor leader if he will be able to meet with people to maybe address some of the concerns that we have, like the immigration issue.

Floor Leader Camacho: That is one of the top agenda. A lot of it is fluid obviously because of the incoming president with certain federal officials are changing positions. And I apologize, I hope you would not call a session. Obviously things are pressed but we can accommodate Representative Sablan for an entire week if she would like to read over the material, over and over. Maybe that would be more productive. Mr. Speaker, a motion to adjourn subject to your call.

The motion was seconded and carried by voice vote.

Speaker Arnold Palacios: The motion carries, the House adjourns subject to the call.

The House adjourned at 5:35 p.m. subject to the call of the Chair.

Respectfully submitted,

Linda B. Muña, Journal Clerk
House of Representatives

APPEARANCE OF LOCAL BILLS

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

SECOND APPEARANCE: NONE

THIRD APPEARANCE: NONE

H. L. B. NO. 16-23: A Local Appropriation Bill for an Act for the First Senatorial District to appropriate \$40,000.00 from the local license fees collected for pachinko slot machines and poker machines in the First Senatorial District; and for other purposes. (Rep. Victor B. Hocog)