



House Journal

SEVENTH SPECIAL SESSION, 2009

1st Day

Monday, July 13, 2009

The House of Representatives of the Sixteenth Northern Marianas Commonwealth Legislature convened in its First Day, Seventh Special Session on Monday, July 13, 2009, at 1:55 p.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

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

A moment of silence was observed.

The Clerk called the roll and fifteen members were present. Representative Stanley T. Torres came in late; Representatives Victor B. Hocog, Justo S. Quitugua, Joseph C. Reyes, Rosemond B. Santos, and Ralph DLG. Torres were absent and excused for the day's session.

Speaker Arnold Palacios: With fourteen members present, we have established a quorum. Let the record reflect that Representatives Santos, Quitugua, Reyes, Hocog and Ralph Torres are excused. They are all off-island. Representative Stanley Torres is in the building and will be joining us shortly.

ADOPTION OF JOURNALS

11th Day, Second Regular Session (10/31/08)
12th Day, Second Regular Session (11/13/08)
13th Day, Second Regular Session (11/14/08)
14th Day, Second Regular Session (11/19/08)
15th Day, Second Regular Session (12/04/08)
16th Day, Second Regular Session (12/19/08)

Floor Leader Camacho: Mr. Speaker, if there is no objection from the members, I would make a motion for adoption of all the journals at one time. I move to adopt the 11th Day, October 31, 2009, 12th Day, November 13, 2009, 13th Day, November 14, 2009, 14th Day, November 19, 2009, 15th Day, December 4, 2009, and the 16th Day, December 19, 2009, Second Regular Session Journals.

The motion was seconded.

The Chair recognized Representative Benavente.

Representative Benavente: Mr. Speaker, is Representative Torres in this morning.

Speaker Arnold Palacios: He is, and he will be joining us shortly.

Representative Benavente: Maybe we can just remind him when he comes in that we actually adopted six more journals today. As you remember, he was very concerned about the delays of the adoption of the journals.

Speaker Arnold Palacios: Okay. Are we ready for the question?

There was no further discussion, the motion to adopt the 11th Day, (10/31/08), 12th Day, (11/13/08), 13th Day, (11/14/08). 14th Day, (11/19/08), 15th Day, (12/04/08), and the 16th Day, (12/19/08) Journals for the Second Regular Session was carried by voice vote.

Speaker Arnold Palacios: The Journals are hereby adopted.

INTRODUCTION OF BILLS

H. B. NO. 16-264: A Bill for an Act to amend 3 CMC § 4972(b)(5) as established by Public Law 16-108 and amended by Public Law 16-14; and for other purposes.

Offered by: Rep. Francisco S. Dela Cruz and three others

Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 16-265: A Bill for an Act to require the to require the Secretary of Finance to report all monies received and deposited into the Special Rebate Trust Account to the legislature on a quarterly basis; and for other purposes.

Offered by: Rep. Ray N. Yumul

Referred to: Committee on Ways and Means

H. L. B. NO. 16-41: A Local Bill for an Act for the Second Senatorial District to authorize the Mayor of Tinian and Aguiguan to establish regulations in order to protect essential natural resources within the Municipality of Tinian and Aguiguan; and for other purposes. [*First Appearance*]

Offered by: Rep. Edwin P. Aldan

H. L. B. NO. 16-42: A Local Appropriation Bill for an Act for the Second Senatorial District to appropriate \$30,000.00 from the local license fees collected for pachinko slot machines and poker machines in the Second Senatorial District; and for other purposes. [*First Appearance*]

Offered by: Rep. Edwin P. Aldan

H. L. B. NO. 16-43: A Local Appropriation Bill for an Act for the Second Senatorial District to appropriate \$110,000.00 from the Developer Infrastructure Tax collected in the Second Senatorial District; and for other purposes. [*First Appearance*]

Offered by: Rep. Edwin P. Aldan

INTRODUCTION OF RESOLUTIONS

NONE

MESSAGES FROM THE GOVERNOR

GOV. COMM. 16-399: (7/8/09) Informing the House that he signed into law H. L. B. NO. 16-33 (To reappropriate \$54,000.00 from T. L. L. 15-9). [Became *Tinian Local Law 16-10*]

GOV. COMM. 16-400: (7/6/09) Certification for an annual salary in excess of \$50,000 for Mr. Michael Carney, Physician Assistant.

There was no discussion under this item of the Agenda.

SENATE COMMUNICATIONS

SEN. COMM. 16-168: (7/10/09) Informing the House that the Senate recalled its action on H. C. R. NO. 16-4, HD2 (Approving FY 2010 Revenues and Resources) and adopted the said concurrent resolution with amendments on July 9, 2009, in the form of H. C. R. NO. 16-4, HD2, SD1. [Calendared - For action on Senate amendments]

SEN. COMM. 16-169: (7/10/09) Transmitting S. L. I. NO. 16-13, entitled, “To amend Section 6 Article X of the Constitution of the Commonwealth of the Northern Mariana Islands to operate the government each year with a fiscally responsible budget or continuing resolution and without budget deficits or debt deriving from budget deficits; and for other purposes,” which was passed by the Senate on July 9, 2009. [Referred to Committee on Judiciary and Governmental Operations]

The Chair recognizes the Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker. I would like to take this opportunity and move to place H. C. R. NO. 16-4, HD2, SD1 reference SEN. COMM. 16-168 on the Resolution Calendar for further action.

The motion was seconded and carried by voice vote.

Speaker Arnold Palacios: H. C. R. NO. 16-4, HD2, SD1 is hereby placed on the Resolution Calendar for action. Any more on Senate Communications? If none, we move on to House Communications.

HOUSE COMMUNICATIONS

HSE. COMM. 16-117: (7/7/09) From Representative Reyes informing the Speaker that he will be out of the office from July 7 to July 21, 2009.

HSE. COMM. 16-118: (7/9/09) Joint letter from the Speaker, the Governor Fitial and Senate President Reyes to Congressman Kilili in support of H.R. 934.

Speaker Arnold Palacios: Any comments? There being none, we move to Agenda Item 10.

COMMUNICATIONS FROM THE JUDICIAL BRANCH

NONE

COMMUNICATIONS FROM THE NMI DELEGATE

NONE

COMMUNICATIONS FROM DEPARTMENTS & AGENCIES

DEPT./AGCY. COMM. 16-93: (7/7/09) From NMIRF Chair Juan T. Guerrero in response to Senator Frica Pangelinan's request regarding the Board's decision to enter into an agreement with a private firm.

DEPT./AGCY. COMM. 16-94: (7/7/09) From NMIRF Chair Juan T. Guerrero to the Governor and the Presiding Officers of the 16th Legislature requesting to meet to negotiate post judgment.

Speaker Arnold Palacios: I recognize Representative Yumul.

Representative Yumul: Thank you, Mr. Speaker. I have two communications before me, one dated July 10 and the other July 13. I will dispense with reading the communications and just have the members receive a copy.

Speaker Arnold Palacios: Short recess.

The House recessed at 2:04 p.m.

RECESS

The House reconvened at 2:08 p.m.

Speaker Arnold Palacios: We are back in session. We will include those communications that Representative Yumul submitted under Agenda Item 10.

DEPT./AGCY. COMM. 16-95: (7/10/09) From NMIRF Administrator Mark Aguon submitting comments on H. B. NO. 16-69, SD1.

DEPT./AGCY. COMM. 16-96: (7/13/09) From Public Auditor Mai Pai to Representative Yumul regarding his request for an audit on Housing Benefits of Excepted service employees.

Speaker Arnold Palacios: If there are no objections, since we spent a lot of time on those two critical pieces of legislation under the Bill Calendar, I would like to ask that we skip over the Reports of Standing Committees and go on to the Resolution Calendar and the Bill Calendar. Do I hear any objection?

There was no objection from the Floor, and the House moved on to Item 15, Resolution Calendar.

OTHER COMMUNICATIONS

NONE

REPORTS OF STANDING COMMITTEES

S. C. R. NO. 16-89 Reporting on S B. NO. 16-45 entitled, "To amend 4 CMC § 5941 (a) to abolish the security deposit requirement for long term business certificate applicants; and for other purposes." *Your Committee on Commerce and Tourism recommends passage of S. B. NO. 16-45 in the form of House Substitute 1.*

S. C. R. NO. 16-91: Reporting on H. B. NO. 16-167, HD2, entitled, “To amend 1 CMC § 8222 regarding housing for key government officials; and for other purposes.” *Your Committee on Judiciary and Governmental Operations recommends passage of the bill in the form of H. B. NO. 16-167, HD3.*

S. C. R. NO. 16-92: Reporting on H. B. NO. 16-178, entitled, “To repeal and replace Title 6, Division 5, Chapters 1 and 2 and create a comprehensive juvenile justice system that will protect the community, hold the juvenile accountable for his or her actions, and assist the juvenile in developing skills to become a contributing member of a diverse community; to establish a system for the appointment and regulation of guardians ad litem to support juveniles and the community at large; and for other purposes.” *Your Committee on Judiciary and Governmental Operations recommends passage of the bill in the form of H. B. NO. 16-178, HD1.*

S. C. R. NO. 16-94: Reporting on H. B. NO. 16-210, entitled, “To restructure the Qualifying Certificate Program by repealing and re-enacting the Investment Incentive Act; and for other purposes. *Your Committee on Commerce and Tourism recommends passage of the bill in the form of H. B. NO. 16-210, HD1.*

S. C. R. NO. 16-95: Reporting on Judicial Branch Communication 16-16, “Proposed addition to the Commonwealth Rules of Civil Procedure – Dormant Docket for Mortgage Foreclosure Proceedings”. *Your Committee on Judiciary and Governmental Operations recommends the House concurs to the proposed addition to the Commonwealth Rules of Civil Procedure.*

S. C. R. NO. 16-96: Reporting on H. B. No. 16-18, entitled, “To amend Article XI, Section 5(g) of the NMI Constitution to authorize the Department of Public Lands to reserve twenty percent of its operational expense to pay and satisfy land compensation claims; and for other purposes. *Your Committee on Natural Resources recommends passage of the bill in the form of H. B. No. 16-18, HD1.*

S. C. R. NO. 16-97: Reporting on H. B. NO. 16-222, entitled, “To repeal Public Law 15-42 in its entirety; and for other purposes.” *Your Committee on Judiciary and Governmental Operations recommends passage of H. B. NO. 16-222.*

S. C. R. NO. 16-98: Reporting on S. B. NO. 16-47, entitled, “To establish an aquaculture park on the island Tinian; and for other purposes.” *Your Committee on Natural Resources recommends that the House file S. B. NO. 16-47.*

The House did not act on any of the Standing Committees’ Reports.

REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

NONE

UNFINISHED BUSINESS

NONE

RESOLUTION CALENDAR

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

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

H. C. R. NO. 16-4, HD2, SD1: A House Concurrent Resolution To approve revenues and resources of the Commonwealth of the Northern Mariana Islands, as identified pursuant to Article III, Section 9(a) of the Constitution, as amended, and 1 CMC, Division 7, for Fiscal Year 2010, beginning October 1, 2009, and ending on September 30, 2010.

Speaker Arnold Palacios: Representative Stanley Torres, recognized.

Representative Stanley Torres: Mr. Speaker, I have a House Joint Resolution being finalized and may be coming in a few minutes. May I ask that I be allowed to go back for introduction.

Speaker Arnold Palacios: We will allow you that privilege when you receive the resolution. Floor Leader, recognized.

Floor Leader Camacho: Thank you, Mr. Speaker. I move to adopt **H. C. R. NO. 16-4, HD2, SD1** in reference to the FY 2010 Revenues and Resources.

The motion was seconded.

H. C. R. No. 16-4, HD2, SD1: A HOUSE CONCURRENT RESOLUTION TO APPROVE REVENUES AND RESOURCES OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS, AS IDENTIFIED PURSUANT TO ARTICLE III, SECTION 9(A) OF THE CONSTITUTION, AS AMENDED, AND 1 CMC, DIVISION 7, FOR FISCAL YEAR 2010, BEGINNING OCTOBER 1, 2009, AND ENDING ON SEPTEMBER 30, 2010.

Speaker Arnold Palacios: The motion for the adoption of H. C. R. NO. 16-4, HD2, SD1 has been seconded. Discussion on the motion. I recognize Representative Sablan.

Representative Sablan: Thank you, Mr. Speaker and members. I just wanted to register my deep disappointment with the Senate's action to delete the amendment that we inserted during our House session to set aside \$1.6 Million for the Retirement Fund which is already required by law and was further required by court order. I think that the Senate's action and our subsequent acceptance of the amendment really would signal bad faith on the part of the Legislature to the retirees who I understand were encouraged by our action in the House just last week to show that we do take this order seriously and that we do take the larger crisis of the Retirement Fund just as seriously. If we cannot at this stage of the game say that, we are willing to commit \$1.6 Million for 2010 out of our budget for the Retirement Fund then that perhaps might not vote well for the budget process. Thank you.

Speaker Arnold Palacios: Representative Benevente.

Representative Benavente: I disagree, because I think the Senate is following the process. The process here is that when an administration projects revenue, it has to include all of those revenues. The concerns raised by Representative Sablan should be and I hope will be entertained in the budget process as called for under the Planning and Budgeting Act. So as we discussed on this same proposal prior to it going to the Senate, I think it is something that we should not have made in the first place and it should be entertained in the budget process – in the review and action on the budget. Thank you.

Speaker Arnold Palacios: Representative Yumul.

Representative Yumul: Thank you, Mr. Speaker. While I share some of the sentiments from those that have spoken, we still have other opportunities to address the concerns on the Retirement Fund in the budget legislation itself. Although it would not, as Representative Sablan mentioned, show good faith, I do not believe that we have brought this issue to a close, it is still very much alive. The Committee on Ways and Means will sit down and vigorously go through the resources of this

government and attempt to pass a legislation that will meet the needs of not just government operations, but that of the concerns about the Retirement Fund.

Speaker Arnold Palacios: Can you then assure Representative Sablan that the committee would at least put that provision in the budget when it is put on the floor.

Representative Yumul: Mr. Speaker, it would be brought up and debated.

Speaker Arnold Palacios: Thank you. I now recognize Representative Hofschneider.

Representative Hofschneider: This is just a concern, Mr. Speaker and members. While I agree that the most appropriate vehicle for the concern of the Retirement Fund is really on the detailed budget, the enactment of a budget law, the constitution also implies an effective mandate on a concurrent resolution assuming, Mr. Speaker and members, that we pass a budget and take into concern the issue of the Retirement Fund as earlier pointed out. It is a commitment on the existing law for many years too. It is in fact now a court order or judgment. Assuming that we pass those and we take those into consideration, then I think we have done what is required. But, assuming that this is an election year and we only have roughly sixty to seventy-five days left before the beginning of the new fiscal year and assuming that we work hand-in-hand again with the Senate, what if it stalls for something more other than the issue of the Retirement Fund. Having it in the concurrent resolution puts a constitutional message to the Administration that the new level of resources for Fiscal Year 2010 is inclusive of the Retirement Fund concern. Taking it out would give a latitude that is absent of an implied insistence from the constitution and the legislative body. That is my concern. I think that it did not take anything away from the concurrent resolution while it adds a public statement and public policy that in the coming days or months that the House and the Senate enacting a budget for the new fiscal year will take into consideration the concern of the retirement system. That is the most meritorious argument that one can argue in keeping the language. However, this is a bicameral legislature and always the rule of a bicameral system is to compromise, and if the Senate did not concur with the language to put it in, then they must have, on record, committed themselves to inserting it or taking it up in the legislative bill that will be forthcoming in the legislative process. Having said that, I would say that I would not support a budget if it does not include the segregation of those funds specifically for the Retirement Fund as stipulated in the existing Commonwealth law and seeding to the court decision. Thank you.

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

Representative Sablan: Thank you, Mr. Speaker. For the last time, I just wanted to note perhaps to state in the obvious that the \$1.6 Million that we would have set aside for the Retirement Fund is only a fraction of the total judgment that was issued by the court of \$231 Million which is itself only a fraction of the total unfunded liability for the Fund. We have 3,000 retirees and their dependents that are presently collecting pensions and another 3,000 active employees in the DB Plan (“Defined Benefit Plan”) who are facing the prospect of losing their retirement if we cannot at this stage say, that we are willing to give \$1.6 Million -- at least that -- commit to that for FY 2010. I think our actions today would be extremely discouraging and lacking any clear understanding at this point, of why the Senate insisted on removing this provision. I find it very difficult to endorse this resolution as it stands. Thank you.

Speaker Arnold Palacios: I recognize Representative Salas.

Representative Salas: Thank you, Mr. Speaker. Mr. Speaker, I just want to find out from the Chairman of the Committee on Ways and Means his dealings with the Senate and also with the Administration if the total identified budgetary resources for Fiscal Year 2010 is still pegged at \$162,820,000 or have they adjusted any figures. I believe the last report we received was for the first five months. I am trying to figure out if we are on line in meeting the budgetary resources for FY 2009. So if there is any update, if you will.

Speaker Arnold Palacios: Representative Yumul, recognized.

Representative Yumul: Thank you, Mr. Speaker. As of today, the Secretary of Finance has not notified my office of any change. But as a consolation, if you will, to the members, I did send another letter to the Secretary asking once again if there are any anticipated changes to the budget resources. I hope to receive a response shortly. But, as a constitutional note, Article III, Section 9 does state, if a balanced budget is not approved before the first day of the fiscal year appropriations for government operations and obligations shall be that at the level for the previous fiscal year. As we know, P.L. 16-32 is at \$148 Million. If we do not have a budget, which the Governor is proposing for \$150 Million for operations, it will remain at \$148 Million.

Speaker Arnold Palacios: Thank you. I am also in support of actually setting aside the \$1.6 Million. It is in the statute, there is actually no reason not to do that. We do that on other obligations. Having said that and in a compromise, we can take that out of the concurrent resolution. But, I am also in a position that we have to put that in the budget that we turn back to the statute and I hope that our budget process reflects that commitment. We have been suspending this earmark for years and I think it is time to return it. In fact, we have legislation on the Bill Calendar to reiterate that decision. That being said, are we ready for the question?

There was no further discussion and at the request of some members, the Chair called on the Clerk to call the roll on the motion to accept the Senate amendments and adopt H. C. R. NO. 16-4, HD2, SD1, which resulted as follows:

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

Speaker Arnold Palacios: With a vote of eleven “yes”, H. C. R. NO. 16-4, as amended by the House and the Senate is hereby adopted. Floor Leader, recognized.

Floor Leader Camacho: Thank you, Mr. Speaker. I believe we are moving on to the Bill Calendar.

Speaker Arnold Palacios: Yes. Short recess.

The House recessed at 2:24 p.m.

RECESS

The House reconvened at 2:25 p.m.

Speaker Arnold Palacios: We are back in session. We move on to the Bill Calendar.

BILL CALENDAR

- H. B. NO. 16-201: To establish a government service severance package for employees funded by the General Fund with at least eighteen years of government service; and for other purposes.
- H. L. I. NO. 16-8: To amend Article XII of the Constitution of the Northern Mariana Islands by adding a new Section 7 to allow each senatorial district to amend or repeal the restrictions on alienation of land with respect to its senatorial district [See S. C. R. NO. 16-60, Subst. I]
- S. L. I. NO. 16-10, HS1: To amend Article X of the Constitution of the Commonwealth of the Northern Mariana Islands by amending Section 7 to require the reduction of government employment and to add a new section 10 to authority the Commonwealth to issue pension obligation bonds; and for other purposes. [See S. C. R. No. 16-69]
- H. B. NO. 16-132, HD1: To authorize the Marianas Visitors Authority to regulate tour operators and tour guides by amending 4 CMC § 2103; and for other purposes. [See S. C. R. NO. 16-79]
- H. B. NO. 16-146, HS1: To establish a Village and Agricultural Homesteading Program in the Northern Islands; and for other purposes. [See S. C. R. NO. 16-82]
- H. B. NO. 16-15: To amend Title 1 CMC § 8365 to establish that the Northern Marianas Retirement Fund receive its tax revenue from the hotel occupancy tax and alcoholic container tax directly into a special fund within the Department of Finance. [See S. C. R. NO. 16-83]
- H. B. NO. 16-225: To amend 4 CMC § 1503(a)(5) to reduce the license fee for pachinko slot machines; and for other purposes. [See S. C. R. NO. 16-84]
- H. B. NO. 16-235: To amend 2 CMC § 7113(e)(3) regarding the erection of temporary structures used for public events; and for other purposes.
- H. B. NO. 16-68, SD1: To repeal and reenact 1 CMC § 8364, as amended by Public Law 15-70, Section 4(j), to allow annuitants to enroll in the Commonwealth government health care program, and to amend 1 CMC § 8392; and for other purposes. [See SEN. COMM. 16-165]
- H. B. NO. 16-220, HS1, SD1, HD3, SD3: To amend the Northern Mariana Islands Election Law to provide for runoff election procedures and to allow for the counting of absentee ballots on election day; and for other purposes. [See SEN. COMM. 16-166]

Speaker Arnold Palacios: Floor Leader, recognized.

Floor Leader Camacho: Thank you, Mr. Speaker. I direct the members to **S. L. I. NO. 16-10, HS1**. I move to pass S. L. I. NO. 16-10, House Substitute 1 reference to reduction of government employees, and pension obligation bonds.

The motion was seconded.

S. L. I. No. 16-10, HS1: A SENATE LEGISLATIVE TO AMEND ARTICLE X OF THE CONSTITUTION OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS BY AMENDING SECTION 7 TO

REQUIRE THE REDUCTION OF GOVERNMENT EMPLOYMENT AND TO ADD A NEW SECTION 10 TO AUTHORITY THE COMMONWEALTH TO ISSUE PENSION OBLIGATION BONDS; AND FOR OTHER PURPOSES. [See S. C. R. No. 16-69]

Speaker Arnold Palacios: The motion is for the passage of S. L. I. NO. 16-10, HS1 on First and Final Reading. Short recess.

The House recessed at 2:25 p.m.

RECESS

The House reconvened at 2:32 p.m.

Speaker Arnold Palacios: We went on recess under discussion of S. L. I. NO. 16-10, HS1. Any discussion. We are discussing the substitute version. If you recall the session, initially our legal counsel said we could not do that, but subsequently he withdrew that legal opinion after conferring with the other legal counsels. Representative Babauta.

Representative Babauta: Just a simple comment, Mr. Speaker, relevant to the initiative. I would like to remind the Chair of the Committee on Ways and Means to be cognizant of the fact that this issue needs financial support in order for CEC (Commonwealth Elections Commission) to achieve its responsibilities provide by law. So, please do not forget funding the Commonwealth Elections Commission properly so that the agency could properly address this through public education. Thank you, Mr. Speaker.

Speaker Arnold Palacios: Thank you, I recognize the Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker. In regards to S. L. I. NO. 16-10, House Substitute 1, I still hold the position, Mr. Speaker, that it is bringing up two different separate issues. And though the counsels said that it allows for amendments within one article, the spirit of that part, the spirit of that constitutional requirement is that the people are not asked two different questions in the same proposal. Here, you have one that is asking to borrow money and the other is asking to reduce government employees. It may touch on some part because obviously reduction of government employees may reduce the amount you have to borrow. But at the same time, somebody can walk into the voting booth and say I have no problem with borrowing the money, but I have a problem with reduction of government employees, and vice versa. But the question that is going to be asked of them is, are you going to vote, yes or no. It is not choose part A or choose part B. The constitution was drafted with a requirement that you shall not add two amendments in the same article. The spirit of that provision is not to confuse the voters. Mind you, Judge Govendo recently ruled unconstitutional Public Law 15-15. If somebody wanted to make an issue and bring a taxpayer lawsuit in regards to one or both of the provision(s), this would be an easy way for them to be a lawsuit. That is all, Mr. Speaker.

Speaker Arnold Palacios: Any other comment. The motion is for passage of S. L. I. NO. 16-10, HS1.

Representative Sablan: But that is the amended initiative.

Speaker Arnold Palacios: Let us take a short recess.

The House recessed at 2:36 p.m.

RECESS

The House reconvened at 2:37 p.m.

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

Representative Sablan: So if I understand this correctly, we are not changing anything with the House substitute version that was recommended by the Committee. Okay. I understand. We have previously discussed the initiative quite a number of times in session and my concerns remain the same. One, the lack of public hearing on a significant undertaking as this. Two, the lack of a real cost benefit analysis. The committee report indicate that the benefits to the Retirement Fund includes not having to fend off legislation that will only continue to burden the Fund. But, I do not see how that is an adequate justification for asking taxpayers to authorize public debt that could exceed \$500 Million. Third, I wanted to note the risk involved in issuing public bonds especially at this time. I would like to draw the members' attention to Public Law 15-70 just passed in the last legislature where the members noted and I would like to quote here – that the adversity created by a nearly five hundred million dollar unfunded liability precludes the Commonwealth from entering the bond market at other than an exorbitant rate of interest. So, there is the interest rate that we are likely to worry about given this liability, and second if investment returns did not exceed the amount that is borrowed, this pension obligation bond will cost taxpayers more if we consider it as a simpler alternative raising taxes and reducing the size of government in a rational and sensible manner. If we are willing to prepare for and anticipate the consequences of higher taxes and the reduced size of government by entertaining this initiative, why go the additional and costlier step of entertaining more public debt. Why not go back to the drawing board and consider raising taxes, but even before that reducing the size of government. I do not see how this initiative could really be the solution to the retirement fund problem. What we are talking about is burdening my generation and my children's generation with debts that do not have to cost as much as they likely will if we move forward with this initiative today.

Speaker Arnold Palacios: Thank you. I now recognize Representative Hofschneider.

Representative Hofschneider: While I share the basic precept of burdening the current generation and future generations, perhaps our kids' generation, while I agree and I have often said this is a remedy not *the* remedy – big difference. (Emphasis added). It is not a single bullet, silver bullet approach. Economic and sensible minds dictate in this respect. Even at the hype of the financial environment, 1992 for instance when you have a government that is learning to behave appropriately and you have an obligation, and you have a government that is trying its best to put together its own affairs, being responsible, in other words, and still have deficit, that goes towards a demerit in the bond market when you pass the threshold of having more debt than your asset value, your borrowing capacity in other words. The CNMI is facing half a billion dollars of unfunded liability which can be dealt with separately, and you have a growing deficit, real deficit. The concern is obviously both, but more looked at in terms of the lending institutions looking at the Commonwealth is how have you managed to keep deficit in the midst state of affairs, your economy, do you have an economic plan. In the absence of the garment industry, what substitute do you have. How is the tourism market; how do you plan to improve the entire economic situation. In this case, when the Commonwealth has more demerits, there is often the opportunity to buy insurance to augment if you have below Triple

B- rating. Moody's, Standard & Poor's do those ratings. If we have junk bond status, you improve it by first dealing with your internal deficits and expenditures, then you augment it with insurance. That will cost money. The Commonwealth Government had done that in the past and we have gotten over that. We have paid for such a bond during the Teno (Governor Pedro P. Tenorio) Administration and it went well. What we are facing is a situation that has never been faced before and that is – do you allow the current state of affairs of the Northern Mariana Islands Retirement Fund to go belly up without a massive transfusion. What the borrowing will do is shore it up so that the investment environment, the rate of return, is meeting its current obligations or beyond meeting the annual pension obligation of all retirees. The difference is this is *a plan*, not *the plan*. Mr. Speaker and members, there is no assurance even if the people affirm it in this upcoming November election to allow this government to borrow for operations for the first time in its history, that is an historical step and we will wait until November. On the other hand, it does not mean that it is a sure shot that the next administration will take the natural step of borrowing two hundred million dollars to shore up the Retirement Fund. But, if we are not ready, this is our job – the legislative branch, the administration and the Retirement Fund – to articulate both sides of the argument of why we have to borrow, if we have to borrow; and, what are the consequences of borrowing two hundred million dollars. Because by God, 30 years to pay off 200 million dollars at the current rate of borrowing, we are looking at almost doubling the 200 million dollars to pay it off in thirty years. So, we will be forking out close to 400 million dollars by the time we pay it off in 30 years. That is a huge undertaking. The question earlier was, let us abandon this, raise a lot of taxes. Well, in economic terms as hard as it is being geographically located and the situations that arise in doing business, quote – in the Commonwealth – unquote, it is hard enough. It is hard enough. Raising taxes, either income taxes, business gross receipts tax or other specific tax, would put us out of contention in our competing areas, particularly Guam, Hawaii and our regional destinations. We will find ourselves the most ridiculously overpriced destination market. So, these are the consequences we need to debate with the public, articulate to the public. Nonetheless, in closing, Mr. Speaker, in analogy it is as if you have a cancer patient, there is only one chemotherapy available, and it has never been tested in the Northern Marianas. It is liable to kill good healthy cells and cancer cells at the same time - that is chemotherapy. The outcome is we wait whether we want to chance it and save ourselves. Because, yes, 200 million is a big undertaking. Maybe it is not the solution for the Retirement Fund, but it is a plan. If there are other plans out there like raising taxes, let us take the initial step. Start talking about a legislation proposing that. If we do not go with the bond this is what we are potentially to face – raising taxes or selling off assets. So, Mr. Speaker, in as much as I introduced the initiative, this is a plan, not the plan to save the Retirement Fund. Thank you.

Speaker Arnold Palacios: Representative Benavente, recognized.

Representative Benavente: Thank you, Mr. Speaker. I want to begin my statement by saying that I do not disagree with Representative Sablan, but, once again, I believe it is the process that we are talking about. We have a situation in which we do not have to continue to repeat. It is clear that the retirees are threatened by status of the Retirement Fund threatened. We have people who are relying on this pension for their livelihood and their families' livelihood. And because of the situation that we are all aware of, we need to come up with some solutions. I agree that there is this other idea of raising taxes. I would agree that the government is bloated at this time, Mr. Speaker, but I would say to you that while we may be able to reduce the size of government and still provide essential public service in our community, there has to be a point when it needs to meet up because a growing community requires a growing amount of services. The Department of Public Health would need more doctors. The Department of Public Safety would need more police officers as our community grows. So, we cannot just say, well, just reduce the size of government and we will end up paying

for the Retirement Fund's unfunded liability. This is the way, this is what government does – it provided public services, and in order to provide those public services, you need funds. Again, we are talking about a process. Each one of us is being asked what is the option, what is our plan to save not just the Retirement Fund, but also those funds that are desperately needed by our retirees that are, again, relying on their pensions for their livelihood and their families' livelihoods. I think the question of what we do should be entertained when we, the government, decides in the future that we want to borrow this money as allowed by the constitution, or should we look at other options. What we are doing with the proposal is to amend the CNMI Constitution so that we have that option in the future if we choose to do so. Again, one of my objections in the last discussion of this proposal was this idea of a three percent reduction of employees and bringing it down to a sixty percent out of the total budget. I am not sure that there is a democratic system of government in which has that kind of ratio, Mr. Speaker, and we have looked at other entities in our region. I think some other entities are worse than ours. I am willing to vote in favor of this proposed initiative only because I am too concerned about the welfare of the pension and the retirees that rely on these funds. Thank you.

The Chair recognized the Vice Speaker.

Vice Speaker Deleon Guerrero: Thank you, Mr. Speaker. Mr. Speaker, initially I had concerns similar to the Floor Leader's concerns about separating the two issues here. You and I have talked and decided it was complimentary for the two proposals to go hand in hand, so I am not going to talk about that. I do want to share my feelings similar to Representative Benavente that this issue is so critical that three legislative initiatives have been introduced to address this problem, one from the Senate and two from the House. We are just now entertaining these initiatives, and time is of the essence. I do not agree with Representative Sablan's statements that we should hold back because we could raise taxes and reduce the size of government. One of the intentions of this initiative is to reduce the size of government. As you and Representative Benavente had stated, all this does is allow for the possibility of floating a bond to pay this off. I think that we should not close the door on this opportunity because there are other alternatives that members are thinking of doing. It is the same reason that Representative Sablan and I continue to argue is every time a measure comes up, she says why do we not look at something else. Representative Sablan has every right to introduce a bill to increase taxes at any point in her time. She can do that. But, why close the door on this option because you would like to propose another option. By all means, do it, and you can. But, why vote against this option. It does not mean that we will, we may choose not to. We may choose to go the tax route, we may choose to reduce rebates and pay for it through that route. But all this does is allow for the possibility of this option. I think all of us here know how critical our retirement pension is. Everyday, we continue to lose. I agree – I think this is the one thing that we do agree on, Representative Sablan and that is there is no one solution for this. It may require attacking this issue from different angles. Let us look at the different angles. This is just one of them, so let us not close the door through this potential route. That is all I ask, thank you.

Speaker Arnold Palacios: Let us take a two-minute recess.

The House recessed at 3:55 p.m.

RECESS

The House reconvened at 3:03 p.m.

Speaker Arnold Palacios: We are back in session and we left off discussing S. L. I. NO. 16-10, HS1. Any further discussion. Representative Sablan, recognized.

Representative Sablan: Thank you, Mr. Speaker. I first want to just point out that I think one of the members earlier indicated that there might be a cap on the amount that can be borrowed under this initiative and the initiative as it is now does not have any such cap at two hundred million dollars. Is somebody planning to make an amendment? Well, while members are thinking that over, I want to continue with my comments on this initiative which have been described as a plan not the plan. I wanted to submit to the members to consider that it is an idea, that it is not a plan. There is at this point no cost benefit analysis, no basis that has been indicated in the committee report anyway as to justify the 60/40 ratio, or any study that has been done apparently to explain how the reduction in government personnel to 60/40 would free up sufficient revenue to pay our debts which would be incurred if a bond is authorized. Finally, no real detail plan yet as to how exactly this would be paid. There was also some discussion about demerits in the bond market. And just to list a few of the demerits that we have against us to date without having passed this initiative yet, we are presently on shaky ground with our CPA Airport and Seaport Bonds. We are presently not paying contributions to the Retirement Fund, even now, even at the eleven percent. We have two stipulated orders with CUC that will undoubtedly cost this government. We have the government's failure to remit to the Fund out of earmarks that were established by law which continues to this day in our action just this afternoon to accept a Senate amendment that would not even commit \$1.6 Million to the Retirement Fund for Fiscal Year 2010. We have a bill on the Bill Calendar that proposes to expand double-dipping privileges even now. And our solution is to ask the public to authorize more debt. I do not see the logic in that. And, having not had a public hearing on this initiative, I am not sure how the public will see the logic in this. Finally, in response to the Vice Speaker's comments about introducing more legislation. Who is to say that more legislation, or more debt for that matter is really a solution to this problem. I think it was earlier said during the recess that we should pay what we owe now, start with that. That would be one kind of a solution which we have yet to see. Second, I notice in today's communications from the Retirement Fund they are asking the members of the legislature to assign negotiators to meet with the Retirement Fund and work out a payment plan and at least start with a \$321 Million judgment that has just been issued by the court. Let us start with that. They have ideas. We could sell off assets. We could, eventually, somewhere down the road introduce legislation to raise taxes, but this right now my fear with this initiative is that passing it would simply give this government which has no credibility license to continue hiring and overspending and misspending. I ask the members to seriously reconsider your vote in support of this initiative. I think that this really needs more thought. It needs at the minimum a public hearing, and it needs at the minimum a true cost benefit analysis. Thank you.

Speaker Arnold Palacios: For the last time, I recognize Representative Hofschneider. Floor Leader, you had your hand up before him.

Floor Leader Camacho: Being a true gentleman, Mr. Speaker, I yield.

Speaker Arnold Palacios: Thank you. You may proceed, Representative Hofschneider.

Representative Hofschneider: Tactfully. Mr. Speaker, I do not disagree with all those rebuttals. I do not disagree, one iota, but let us not lose sight of the constitution's mandate about legislative initiatives. The final say so is not on us. The final say so is on the people. The vehicle to get it out to them is on a legislative form or on a popular initiative. Those are the two vehicles. The question and the debate I said earlier every one of us has that responsibility whether you are for it or against it –

exhaustively articulate to the public. Educate them about the good side and the bad side of this imitative. But it is a plan. And the eleventh hour which we are historically known for, if we do not get the affirmative or get this out to the people so that they have that time to digest and ask questions, maybe this is what is required for people to wake up and take action, take the issue into their own hands. Maybe this is the vehicle, this is the initiative that is awaiting public awareness and responsibility. How did we get into this mess and what is being done. The point, Mr. Speaker, is to get it out to the people and let us individually and collectively do our part whether we agree or disagree with borrowing and encumbering, mandating or burdening current generations and maybe our kids, because inaction is an action in itself, and that is far more dangerous than taking an initial step maybe not favorably to stay afloat, maybe not a good idea after all. But, we should talk to the people and the initiative. Is the vehicle for the people? The Commonwealth Elections Commission is charged also with public education and information. So let us get it to public medium, public digestion and let us put in what is required of us. We can debate here another year, and we can conduct public hearings, but the general public who do not come to public hearings must be reached. And that is the whole point, Mr. Speaker, and members. We will end up respecting one another. Selling assets is another plan, but I have not seen a bill before me. We are giving away ridiculously low rentals, selling asset to pay for a mess, to pay for our obligations. To shore up and save the retirement system is another plan, but I just happen to introduce this plan. And whether you call it a plan or not, the real planning comes after the people speak, yea or nay. And the new administration coming in must roll up its sleeves and put together a sellable plan. Yes, a new plan, a new administration. That is a must. Thank you.

Speaker Arnold Palacios: Thank you. Floor Leader, you will be the last to speak on the issue.

Floor Leader Camacho: Thank you, Mr. Speaker. I have no problems making hard decisions, along with the members, Mr. Speaker, if I truly believe that this bill in its present form solve the problems at the Retirement Fund. The problem with this particular pension obligation bond, Mr. Speaker, is – the best example is what I shared with the Chairman of Ways and Means Committee, Representative Yumul – if you have car payments and you are behind on your car payments and you are delinquent with those car payments and go back and borrow a second loan to just to catch up with your car payments, you think you solved the problems because you are all caught up. The problem is that now you have two loans that you have to pay for. If you could not meet the first payment, you just borrowed and now, you have two loans that you have to find ways to pay for them. That is the problem that we have here. We are digging ourselves into a deeper hole. With that, I yield to the members for the vote.

Speaker Arnold Palacios: Thank you. Let me just say that initiative itself, as Representative Benavente has stated is just to amend the constitution to authorize borrowing or a bond for operations costs. That is what it is. It does not trigger, it is not self-executed, and it has to come back if it is ratified by the people. So with that...Representative Hofschneider.

Representative Hofschneider: I would like to make an amendment.

Speaker Arnold Palacios: Okay, please proceed.

Representative Hofschneider: On page 4, I want to raise the attention of the Body to page 4 starting with line 6 on the pension obligation bond, following “not to exceed” insert “two hundred million dollars” and I allow the counsel to word the appropriate sentence thereafter.

Speaker Arnold Palacios: Would you like to take a short recess so we can have that language? Short recess.

The House recessed at 3:13 p.m.

RECESS

The House reconvened at 3:21 p.m.

Speaker Arnold Palacios: We are back in session. When we went on recess, Representative Hofschneider raised a point. Recognized.

Representative Hofschneider: Mr. Speaker, I have an oral floor amendment. On page 4 beginning line 9, after the word “not to exceed”, insert “two hundred million dollars for the repayment of outstanding government obligations to the retirement system” and strikeout “it actuarially determined unfunded accrued liability.”

Representative Hofschneider’s amendment reads:

Section 10: Pension Obligation Bonds. Following the affirmative vote of two-thirds of the members in each house of the legislature, the Commonwealth may issue pension obligation bonds in a cumulative amount (excluding refunding bonds) not to exceed ~~its actuarially determined unfunded accrued liability~~ two hundred million dollars for the repayment of outstanding government obligations to the retirement system. The net proceeds of each such bond issuance shall be deposited and invested along with other monies in the defined benefit plan trust fund administered by the Northern Mariana Islands Retirement Fund. The bonds issued under this section shall comply with Section 3 of this Article and shall be exempt from Section 4 of this Article.”

Speaker Arnold Palacios: Is there a second to that motion.

Representative Benavente: Second.

Speaker Arnold Palacios: The motion has been seconded. Discussion on the motion to amend.

There was no discussion, and the motion to amend S. L. I. NO. 16-10, HS1 as offered by Representative Hofschneider was carried by voice vote.

Speaker Arnold Palacios: The motion is carried. Ready for the question. Clerk, please call the roll.

The Clerk called the roll on the motion to pass S. L. I. NO. 16-10, HS1, HD1 on First and Final Reading, with the following result:

Representative Edwin P. Aldan	yes
Representative David M. Apatang	yes
Representative Oscar M. Babauta	yes
Representative Diego T. Benavente	yes
Representative Joseph N. Camacho	no
Representative Francisco S. Dela Cruz	yes
Representative Joseph P. Deleon Guerrero	yes
Representative Victor B. Hocog	absent (excused)
Representative Heinz S. Hofschneider	yes
Representative Raymond D. Palacios	yes

(Representative Raymond Palacios: Mr. Speaker, so what this initiative calls for is that we are just asking the people if we can amend the constitution to allow the government to borrow money, right. I also believe that the sooner we pass this, the more time for the Commonwealth Elections Commission Board to educate the public in terms of public hearing that Representative Sablan is referring to; therefore, my vote is yes.”

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

Speaker Arnold Palacios: By a vote of 12 yes, S. L. I. NO. 16-10, HS1, HD1 hereby passes the House.

Representative Stanley Torres: Mr. Speaker, may I?

Speaker Arnold Palacios: Representative Stanley Torres, recognized.

Representative Stanley Torres: May I request that we go back to Introduction of Resolutions on the Agenda.

Speaker Arnold Palacios: There being no objection from the Floor, we go back to Item 4.

INTRODUCTION OF RESOLUTIONS

Speaker Arnold Palacios: Proceed, please.

Representative Stanley Torres: Mr. Speaker, thank you. I am introducing H. J. R. NO. 16-28. First of all I would like the members to take note that H. R. NO. 16-94 has been changed to H. J. R. NO. 16-28.

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

Offered by: Rep. Stanley T. Torres

Representative Stanley Torres: Further, Mr. Speaker, I would like this resolution be introduced by the Committee of the Whole and if a member does not wish, I would ask the Clerk to strikeout his or her name. I would like that this House Joint Resolution be calendared for adoption in today’s session.

Representative Babauta: Point of clarification, Mr. Speaker.

Speaker Arnold Palacios: State your point.

Representative Babauta: Did he say a House Joint Resolution?

Representative Stanley Torres: Mr. Speaker, may I?

Speaker Arnold Palacios: Yes.

Representative Stanley Torres: Obviously, my colleague was not listening to what I just stated, it is changed to H. J. R. NO. 16-28 instead of H. R. NO. 16-94. That has been corrected with the Clerk.

Speaker Arnold Palacios: Okay, so clarified.

Representative Babauta: I will take that from my assistant minority leader.

Speaker Arnold Palacios: So the resolution that Representative Stanley Torres has just introduced is H. J. R. NO. 16-28.

Representative Benavente: Privilege.

Speaker Arnold Palacios: State your privilege.

Representative Benavente: Mr. Speaker, I did hear that Representative Stanley Torres had asked that this joint resolution be introduced by the Committee of the Whole. I object to that, Mr. Speaker. I hope that that is not how it will be introduced.

Speaker Arnold Palacios: That is your prerogative and this should not be introduced by the Committee of the Whole because I know that there are other members of the House that are not necessarily in full agreement with the contents of the resolution.

Representative Stanley Torres: And I respect that.

Representative Benavente: Thank you, Mr. Speaker.

Speaker Arnold Palacios: Thank you.

Representative Benavente: Another privilege, Mr. Speaker.

Speaker Arnold Palacios: Yes.

Representative Benavente: I also heard that Representative Torres asked that this be calendared for today's session. I would like to object to that as well, and ask that this be referred to the committee. Something as sensitive as this issue, especially as it affects the environment, we need to discuss this with the professionals at the proper government agencies before acting on what I would consider a major policy concern.

Representative Stanley Torres: Mr. Speaker, I believe that my motion was seconded by my colleague from the other corridor.

Speaker Arnold Palacios: You requested that this be put on the Resolution Calendar and Representative Benavente is inserting his thought and objecting to that. I will give time to rule on that. Let us take a brief recess.

The House recessed at 3:28 p.m.

RECESS

The House reconvened at 3:30 p.m.

Speaker Arnold Palacios: We are back in session. If there is no objection, I am going to place this on the Resolution Calendar but we may not take it up. Therefore, H. J. R. NO. 16-28 is placed on the Resolution Calendar. Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker. So that the record is clear, we are going down to Bill Calendar.

Speaker Arnold Palacios: Correct.

BILL CALENDAR

Floor Leader Camacho: Mr. Speaker, I move to pass H. B. NO. 16-220, HS1, SD1, HD3, SD3 in reference to runoff election proceedings.

The motion was seconded.

H. B. NO. 16-220, HS1, SD1, HD3, SD3: A BILL FOR AN ACT TO AMEND THE NORTHERN MARIANA ISLANDS ELECTION LAW TO PROVIDE FOR RUNOFF ELECTION PROCEDURES AND TO ALLOW FOR THE COUNTING OF ABSENTEE BALLOTS ON ELECTION DAY; AND FOR OTHER PURPOSES. [See SEN. COMM. 16-166]

Speaker Arnold Palacios: The motion is to pass H. B. NO. 16-220 as amended by the House and the Senate in several versions. Discussion. Ready? Clerk, call the roll.

The Clerk called the roll on the motion to pass H. B. NO. 16-220, HS1, SD1, HD3, SD3 on Final Reading thereby accepting the Senate amendments, with the following result:

Representative Edwin P. Aldan	absent (during voting)
Representative David M. Apatang	yes
Representative Oscar M. Babauta	yes
Representative Diego T. Benavente	yes
Representative Joseph N. Camacho	yes
Representative Francisco S. Dela Cruz	yes
Representative Joseph P. Deleon Guerrero	yes
Representative Victor B. Hocog	absent (excused)
Representative Heinz S. Hofschneider	yes
Representative Raymond D. Palacios	yes
Representative Justo S. Quitugua	absent (excused)
Representative Joseph C. Reyes	absent (excused)
Representative Christina M. Sablan	yes
Representative Edward T. Salas	yes
Representative Rosemond B. Santos	absent (excused)

Representative Ramon A. Tebuteb	yes
Representative Ralph DLG. Torres	absent (excused)
Representative Stanley T. McGinnis Torres	yes

Speaker Arnold Palacios: Where is Representative Yumul?

Representative Stanley Torres: Mr. Speaker, could you instruct the Sergeant-at-Arms to bring these people in and take their seats.

Speaker Arnold Palacios: Short recess.

The House recessed at 3:34 p.m.

RECESS

The House reconvened at 3:34 p.m.

Speaker Arnold Palacios: Clerk, please continue with the vote. Where is Representative Yumul, Sergeant-at-Arms? Representative Aldan asked to be excused and he has left the building. Clerk, never mind the vote for Representative Yumul, continue.

Representative Ray N. Yumul	absent (during voting)
Speaker Arnold I. Palacios	yes

Speaker Arnold Palacios: With 13 members voting yes, H. B. NO. 16-220, HS1, SD1, HD3, SD3 hereby passes the House.

ANNOUNCEMENT

NONE

MISCELLANEOUS BUSINESS

Speaker Arnold Palacios: Representative Apatang.

Representative Apatang: Mr. Speaker, I just want to inform you and the Chairman of Ways and Means that effective today I am resigning from that Committee. Thank you.

Speaker Arnold Palacios: Okay, I will inform the Chairman, but Representative Benavente.

Representative Benavente: Mr. Speaker, under Miscellaneous Business, I realize it was just during our last session that we acted on the Senate legislative initiative that proposed to align the elections. We rejected that proposal, Mr. Speaker, and I wish to and I will probably be bringing this matter up as a reminder to each member every time I have the opportunity only because I do not believe that we should be taxing our people with the unnecessary costs of having an election every year by not acting on an initiative that would resolve that matter. Some of the members insisted that we pass the initiative that I have that proposes to reduce rather than increase the terms of members. We may act on that, send it to the Senate, and try again, but I feel that we are doing a disservice to our community by not resolving that issue as it really is not just a waste of public funds but also a waste of people's time to have elections every year. Thank you.

Speaker Arnold Palacios: We will consider that and see if the Senate is amenable to taking up your initiative at their level. Representative Sablan, Representative Torres wants to discuss H. J. R. NO. 16-28.

Representative Sablan: (inaudible – microphone off)

Speaker Arnold Palacios: I want to debate on that. Can the Vice Speaker come up? We are going to debate on the joint Resolution.

Representative Sablan: I just wanted to ask a question following up on Representative Benavente's point because I would agree that it is a waste ...

Speaker Arnold Palacios: Recognized.

Representative Sablan: Thank you. I would agree with Representative Benavente that it would be a waste of taxpayer funds and time to have an election every year. I wanted to ask if it would be appropriate to consider a conference committee with the Senate and see if we can work out the differences and come up with something that would help us prevent the year after year elections.

Speaker Arnold Palacios: We would probably do that. Would you like to go back to the Resolution Calendar, Representative Torres? Is there any objection?

Representative Babauta: Objection, Mr. Speaker.

Speaker Arnold Palacios: Short recess.

The House recessed at 3:40 p.m.

RECESS

The House reconvened at 3:41 p.m.

Speaker Arnold Palacios: We are in session and we are back to Resolution calendar.

RESOLUTION CALENDAR

Speaker Arnold Palacios: We are back to Resolution Calendar. I now recognize Representative Torres.

Representative Stanley Torres: Mr. Speaker, I do not think we can vote on it because there are only nine members of the House present in the Chamber.

Speaker Arnold Palacios: You do not want to discuss it now.

Representative Stanley Torres: Later on.

Speaker Arnold Palacios: We might want to discuss it initially and hold off on any action. Certainly, I – let me share my thoughts, Representative Torres. I agree with you that there needs to be a reassessment. There is no question that the U.S. Fish & Wildlife owes the Commonwealth a population assessment of the repopulation of these endangered species. Having said that, to be quite frank with you, I do not think our US Congressional Delegate will be able to swing even if he wants to de-list this, because there is a process in the Endangered Species Act. It cannot be through the act of Congress itself. It has to go through a whole different process. What we can do is request the U.S.

Fish and Wildlife Service do a complete reassessment and resurvey of the bird population through our Fish and Wildlife Division here under the Department of Lands and Natural Resources. That is perhaps where we need to go with this joint resolution. I am afraid that if we just send this resolution to Congressman Kilili, he is just going to say, well, there is really nothing I can do and the process will stop there. I know that the initial assessment was done by a scientist, an ornithologist in the 1970's, I believe, by an individual by the name of John Embering. That was the initial survey that was the basis for the listing. These folks are supposed to do a five-year and ten-year resurveys and reassessments with our local agencies. Whether or not that has been done, we need to find out. We need to bring in our own Fish and Wildlife Division to give us an assessment so that we can really know. I understand your concern. I hear that concern. It seems to be the most prevalent endangered species that is at the forefront of every project that is proposed in Saipan at least. But I think I echo some of the members' concern that perhaps we should go the route of calling in our Division of Fish and Wildlife and even petitioning the US Fish and Wildlife Service to do a reassessment. But, if you do not want to discuss that today, we can go to the next session. Representative Benavente, Recognized.

Representative Benavente: I guess since the motion has not been made, are you authorizing a little discussion on this issue, because then I would be out of order.

Speaker Arnold Palacios: Well, initially Representative Torres wanted to discuss it, but since a lot of members have left, he decided to wait for further discussion at the next session. Am I correct on that, Representative Torres?

Representative Stanley Torres: Well, Mr. Speaker, the earlier we adopt this resolution, the earlier it gets to CNMI Delegate. If I understand, we are not asking Congressman Sablan to introduce this in the US Congress, but maybe through his intercession to the US Fish and Wildlife Service would push these people because I sense that they do not give a d--- about Saipan reed warbler, let the reed warbler explode. The people are suffering. What does the US know what contribution that the reed warbler is giving us. It is strangling our livelihood and they are so abundant. And if anybody says that it is not abundant, just come with me from five o'clock in the morning and I will give you a ride around the island -- I know the timing -- and just to stop at the roadside and listen to these golden birds.

Speaker Arnold Palacios: Okay, I am going to send a letter to Dr. Dela Cruz and Mr. Igisomar of Fish and Wildlife to look at this resolution and initially begin a dialogue with possibly with the Committee on Natural Resources to take this resolution where it needs to go. How is that? Representative Sablan.

Representative Sablan: Thank you, Mr. Speaker. I would agree that that seems to be a fair and reasonable solution at this point since this is actually the second resolution that has been introduced in the House dealing with the reed warbler. It seems that an update from the Fish and Wildlife Division in terms of where we are in the population assessment that should be conducted on a regular basis anyway would be timely. And perhaps after getting a response from the Division of Fish and Wildlife and some recommendations from the committee we would know better how to dispose of this. Thank you.

Representative Stanley Torres: Just a short request – Representative Sablan, would you be able to obtain a copy of the report. If you recall, you mentioned that there is a report. Can you get a copy for us without any charges? Let me give you a hint that you might not be able to get it for us. I went

down there and asked to see a brochure about the reed warbler and to hear the reed warbler (whistling). I was told that it is a federal violation to even listen to the warblers singing. My God, how do I know that I am chopping the trees that are warblers' habitat if I do not know their singing. Then later on, I overheard how they go around and call these birds. They are going out with their megaphone.

Vice Speaker Deleon Guerrero: Mr. Speaker, we are going back and forth. Mr. Speaker, may I say something.

Speaker Arnold Palacios: Yes.

Vice Speaker Deleon Guerrero: Mr. Speaker, I totally agree, I have no objection to Representative Torres' intent. The only thing that is missing here is the understanding of the process. You have just enlightened us on this process, and I would agree totally. So let us move on and hold of any action, Representative Sablan will give him a copy of the report, we will ask the Division of Fish and Wildlife to come in and we will get the reassessment, then we can figure out what we can from there.

Speaker Arnold Palacios: Okay. Thank you very much. But, our colleagues has his own set of tapes, he has shared it with us. Are we ready to adjourn?

ADJOURNMENT

Speaker Arnold Palacios: Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker. I move to adjourn subject to your call.

The motion was seconded and carried by voice vote.

The House adjourned at 3:50 p.m., subject to the call of the Chair.

Respectfully submitted,

Evelyn C. Fleming
House Clerk

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:

H. L. B. NO. 16-38: To amend 10 CMC § 3821; and for other purposes. (Rep. David M. Apatang +2)

H. L. B. NO. 16-39: To suspend the implementation of the Saipan Zoning Law of 2008; and for other purposes. (Rep. Stanley T. Torres)

H. L. B. NO. 16-40: To amend 10 CMC § 3922 regarding the appointment of members to the SHEFA Board; and for other purposes. (Rep. Francisco S. Dela Cruz)