



HOUSE OF REPRESENTATIVES

SEVENTEENTH NORTHERN MARIANAS COMMONWEALTH
LEGISLATURE

SPECIAL SESSION 2010

LEGISLATIVE JOURNAL

First Day

Thursday, July 22, 2010

The House of Representatives of the Seventeenth Northern Marianas Commonwealth Legislature convened its First Day, Sixth Special Session on Thursday, July 22, 2010, 10:03 a.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Froilan C. Tenorio, Speaker of the House, presided.

A moment of silence was observed.

ROLL CALL

Speaker Froilan C. Tenorio: Clerk, roll call.

The Clerk called the roll. Nineteen members were present; Representative Eliceo D. Cabrera was absent and excused.

Speaker Froilan C. Tenorio: We have a quorum. Under Public Comments, does anyone in the audience wishes to say anything this morning, if none we move on to *item 3*, Adoption of Journals.

The Clerk announces that there were none.

Speaker Froilan C. Tenorio: Introduction of Bills, Mr. Floor Leader, recognized.

Floor Leader Camacho: Thank you, Mr. Speaker. Before we move on to the introduction of bills and resolutions I would like to move that we amend the day's agenda to include all bills and resolutions that do not appear on the day's agenda and with that I so move and ask for a roll call.

The motion was seconded.

Speaker Froilan C. Tenorio: Discussion.

Several members voiced "ready".

Speaker Froilan C. Tenorio: Clerk, call the roll.

The Clerk called the Roll on the motion to amend the day's agenda to include all bills and resolutions with the following results:

Representative Ramon S. Basa	yes
Representative Diego T. Benavente	yes
Representative Eliceo D. Cabrera	absent (excused)
Representative George N. Camacho	yes
Representative Trenton B. Conner	yes
Representative Francisco S. Dela Cruz	absent (during voting)
Representative Joseph P. Deleon Guerrero	yes
Representative Fredrick P. Deleon Guerrero	yes
Representative Rafael S. Demapan	yes
Representative Sylvestre Ilo Iguel	yes
Representative Felicidad Taman Ogumoro	yes
Representative Joseph M. Palacios	yes
Representative Raymond D. Palacios	yes
Representative Antonio P. Sablan	yes
Representative Teresita A. Santos	yes
Representative Ramon A. Tebuteb	yes
Speaker Froilan C. Tenorio	yes
Representative Stanley McGinnis Torres	yes
Representative Edmund Joseph S. Villagomez	yes
Representative Ray N. Yumul	yes

Speaker Froilan C. Tenorio: The motion is approved to amend the day's agenda.

Mr. Diego Benavente: Privilege, Mr. Speaker.

Speaker Froilan C. Tenorio: Mr. Benavente.

Mr. Diego Benavente: I must apologize for the interrupting our session, but it was my oversight – I wanted to ask that Mr. Cabrera who is off-island to be excused from today's session – unless you have already granted the excused absent, Mr. Speaker. If not, then without objection I would like to ask that the record reflects that Mr. Cabrera is excused from today's session. Thank you.

There were no objections on the Floor.

Speaker Froilan C. Tenorio: Okay. We move on to *item 4(A)* House Bills. On H. B. 17-90, Mr. McGinnis-Torres.

Mr. McGinnis-Torres: Thank you, Mr. Speaker. H. B. 17-90, A Bill for an Act to amend the Weapons Control Act to conform to the Second Amendment of the U. S. Constitution as made applicable to the Commonwealth by the Covenant Section 501. Introduced by myself, and five others. Thank you.

HOUSE BILL 17-90

A BILL FOR AN ACT TO AMEND THE WEAPONS CONTROL ACT TO CONFORM TO THE SECOND AMENDMENT OF THE U.S. CONSTITUTION AS MADE APPLICABLE TO THE COMMONWEALTH BY THE COVENANT SECTION 501.

By REPRESENTATIVE STANLEY T. MCGINNIS-TORRES of Saipan, Precinct III (*for himself, and Representatives.....*)

Referred to the Committee on Judiciary and Governmental Operations

Speaker Froilan C. Tenorio: H. B. 17-91, Mr. Benavente.

Mr. Diego Benavente: Thank you, Mr. Speaker. H. B. 17-91, A Bill for an Act to amend the Planning and Budgeting Act (1 CMC § 7101, *et seq.*) to provide for certain essential government services to remain in operation in the absence of a fiscal year budget act; and for other purposes. Mr. Speaker I would like to ask at this time since this has been an oversight on my part and I guess all of the members of the Legislature and because it was a requirement in the recent Constitutional amendment that requires a budget act, that the Legislature further defines the essential public services. So this bill is really necessary to be implemented before the next fiscal year of October 1st. So I ask the support of the Committee that will be assigned to expedite this legislation and I again I believe that it is a necessary legislation. Also, Mr. Speaker, with the actions taken earlier and if I am in order I would like to also introduced a prefiled H. B. 17-94, A Bill for an Act to prohibit any person from possessing, selling, offering for sale, trading, and distributing shark fins in the CNMI. Thank you.

HOUSE BILL 17-91

A BILL FOR AN ACT TO AMEND THE PLANNING AND BUDGETING ACT (1 CMC § 7101, *ET SEQ.*) TO PROVIDE FOR CERTAIN ESSENTIAL GOVERNMENT SERVICES TO REMAIN IN OPERATION IN THE ABSENCE OF A FISCAL YEAR BUDGET ACT; AND FOR OTHER PURPOSES.

BY REPRESENTATIVE DIEGO T. BENAVENTE of Saipan, Precinct I (*for himself*)

Referred to the Committee on Ways and Means

HOUSE BILL 17-94

A BILL FOR AN ACT TO PROHIBIT ANY PERSON FROM POSSESSING, SELLING, OFFERING FOR SALE, TRADING, AND DISTRIBUTING SHARK FINS IN THE CNMI.

BY REPRESENTATIVE DIEGO T. BENAVENTE of Saipan, Precinct I (*for himself*)

Referred to the Committee on Natural Resources

Speaker Froilan C. Tenorio: Thank you, Mr. Benavente. Let me go back to H.B. 17-90, that bill is referred to the Committee on Judiciary and Governmental Operations. H.B. 17-91, is referred to the Committee on Ways and Means. H.B. 17-94, is referred to the Committee on Natural Resources. Ms. Santos, recognized.

Mr. Francisco Dela Cruz: Privilege, Mr. Speaker.

Speaker Froilan C. Tenorio: Mr. Dela Cruz?

Mr. Francisco Dela Cruz: Just to inform that I am present for the session. Thank you.

Speaker Froilan C. Tenorio: Clerk, please make a note of that. H.B. 17-92, Ms. Teresita Santos, recognized.

Ms. Teresita Santos: So noted, Mr. Speaker. Mr. Speaker, I reserve from its introduction today until the next session. I would rather not introduce it today until the next session.

Speaker Froilan C. Tenorio: Why is that?

Ms. Teresita Santos: Well, because it requires more research on the bill. Thank you, Mr. Speaker.

There were no objections on the Floor.

Speaker Froilan C. Tenorio: H.B. 17-93, Mr. McGinnis-Torres, recognized.

Mr. Stanley McGinnis-Torres: Thank you, Mr. Speaker. H.B. 17-93, A Bill for an Act to amend 3 CMC § 1316 to provide for improved financial oversight of the Northern Marianas College which will maintain fiscal stability for students' well-being and accreditation reasons; to emphasize the constitutionally mandated use of the Attorney General's office; and for other purposes. Reasons for introducing this bill Mr. Speaker, is for the College to stop spending tax payers money to hire private attorneys when there are available attorneys at the Attorney General's office at their disposal since the Attorney General is the attorney for the entire Commonwealth and even to include the College. Thank you.

HOUSE BILL 17-93

A BILL FOR AN ACT TO AMEND 3 CMC § 1316 TO PROVIDE FOR IMPROVED FINANCIAL OVERSIGHT OF THE NORTHERN MARIANAS COLLEGE WHICH WILL MAINTAIN FISCAL STABILITY FOR STUDENTS' WELL-BEING AND ACCREDITATION REASONS; TO EMPHASIZE THE CONSTITUTIONALLY MANDATED USE OF THE ATTORNEY GENERAL'S OFFICE; AND FOR OTHER PURPOSES.

By REPRESENTATIVE STANLEY T. MCGINNIS-TORRES of Saipan, Precinct III (*for himself*)

Referred to the Committee on Education

Speaker Froilan C. Tenorio: Thank you, and H.B. 17-93 is referred to the Committee on Education. On *item 4(B)* House Local Bills. H.L.B. 17-26, Mr. McGinnis-Torres.

Mr. McGinnis-Torres: Thank you, Mr. Speaker. H.L.B. 17-26, To amend the Saipan Zoning Law 2008, 10 CMC § 3511; and for other purposes. I have included in this legislation sixteen of

the Saipan Zoning map so that would be considered as an attachment on the local bill. Thank you. H.L.B. 17-26 is introduced by myself and several others.

Speaker Froilan C. Tenorio: Thank you. *Item 4(C)* House Legislative Initiatives.

The Clerk announced that there were none.

INTRODUCTION OF RESOLUTIONS

Speaker Froilan C. Tenorio: *Item 5(A)* House Resolutions. H.Res. 17-16, To amend the Official Rules of Procedure of the House of the Seventeenth Northern Marianas Commonwealth Legislature. This is primarily changing from seventy-two hour (72) notice to twenty-four hours (24) only.

House Resolutions:

HOUSE RESOLUTION 17-16

A HOUSE RESOLUTION TO AMEND THE OFFICIAL RULES OF PROCEDURE OF THE HOUSE OF THE SEVENTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE.

BY REPRESENTATIVE FROILAN C. TENORIO of Saipan, Precinct 1 (*for himself*)

Speaker Froilan C. Tenorio: H.Res. 17-17, Mr. McGinnis-Torres, recognized.

Mr. Stanley McGinnis-Torres: Thank you, Mr. Speaker. H.Res. 17-17, to request the Secretary of the U.S. Department of Education and the Executive Director of the Western Association of Schools and Colleges (WASC) to officially intervene in the damaging “Show Cause Sanction” action against the Northern Marianas College (NMC) created by the President of Accrediting Commission for Community and Junior Colleges (ACCJC) or the Legislature shall seek legal remedy to support the CNMI’s lone public college. Mr. Speaker, and members, this resolution was initiated it to be harassment and intimidation by WASC President, Barbara Beno and to support my resolution there are attachments of print-outs from different colleges and individuals who are also raising concerns of the operation of the WASC that is headed by Barbara Beno. And I ask for your support to adopt this resolution so that we send this resolution to the U.S. Department of Education, the Executive Director of the Western Association of Schools and Colleges for their attention to Dr. Beno and the two Commission members who made the damaging report of June 30. Thank you.

HOUSE RESOLUTION 17-17

HOUSE RESOLUTION TO REQUEST THE SECRETARY OF THE U.S. DEPARTMENT OF EDUCATION AND THE EXECUTIVE DIRECTOR OF THE WESTERN ASSOCIATION OF SCHOOLS AND COLLEGES (WASC) TO OFFICIALLY INTERVENE IN THE DAMAGING “SHOW CAUSE SANCTION” ACTION AGAINST THE NORTHERN MARIANAS COLLEGE (NMC) CREATED BY THE PRESIDENT OF

ACCREDITING COMMISSION FOR COMMUNITY AND JUNIOR COLLEGES (ACCJC) OR THE LEGISLATURE SHALL SEEK LEGAL REMEDY TO SUPPORT THE CNMI'S LONE PUBLIC COLLEGE.

BY REPRESENTATIVE STANLEY T. MCGINNIS-TORRES of Saipan, Precinct III (*for himself*)

House Joint Resolutions:

Speaker Froilan C. Tenorio: Thank you, Mr. McGinnis-Torres. *Item 5(B) House Joint Resolutions. H.J.R. 17-5, Vice Speaker?*

Vice Speaker Ogomoro: Thank you, Mr. Speaker. H.J.R. 17-5, to authorize the Commonwealth of the Northern Mariana Islands, through its Governor, to submit to the U. S. Department of Housing and Urban Development, the Action Plan for the Community Development Block Grant Application No. B-10-ST69-0001; the HOME Investment Partnership Grant Application No. M-10-ST69-0203; and, the Emergency Shelter Grant Application No. S-10-DC69-0001; to receive the funds requested therein, and to assume all responsibilities that may be imposed by the U. S. Department of Housing and Urban Community Development Block Grant, HOME Investment Partnership Program, and the Emergency Shelter Grant Programs. Introduced by myself and I would like to ask others if any would like to co-sponsor the resolution that they are welcome to do so. Also Mr. Speaker, I would like that we entertain this H.J.R. today.

House Joint Resolution 17-17

A House Joint Resolution to request the Secretary of the U.S. Department of Education and the Executive Director of the Western Association of Schools and Colleges (WASC) to officially intervene in the damaging "Show Cause Sanction" action against the Northern Marianas College (NMC) created by the President of Accrediting Commission for Community and Junior Colleges (ACCJC) or the Legislature shall seek legal remedy to support the CNMI's lone public college.

Introduced by Representative Stanley T. MCGINNIS-TORRES of Saipan, Precinct III (*for himself*)

Speaker Froilan C. Tenorio: Thank you. Mr. Floor Leader?

Floor Leader Camacho: Mr. Speaker, in order for the House to act on the resolutions today, you can place it automatically on the Resolution Calendar for action.

Speaker Froilan C. Tenorio: Okay, so I am placing the resolution on the Resolution Calendar today for discussion.

The motion was seconded.

House Commemorative Resolutions:

Speaker Froilan C. Tenorio: On *Item 5(C) House Commemorative Resolutions*, H.Comm.Res. 17-5, Ms. Teresita Santos, recognized.

Ms. Teresita Santos: Thank you, Mr. Speaker. I would like to introduce H.Comm.Res. 17-5, Conveying sincere condolences and sympathy to the bereaved family of the late Corporal Dave Michael Maliksi Santos of the United States Marine Corps on the occasion of his untimely passing and paying tribute to his fond memory. Thank you, Mr. Speaker.

HOUSE COMMEMORATIVE RESOLUTION 17-5

A HOUSE COMMEMORATIVE RESOLUTION CONVEYING SINCERE CONDOLENCES AND SYMPATHY TO THE BEREAVED FAMILY OF THE LATE CORPORAL DAVE MICHAEL MALIKSI SANTOS OF THE UNITED STATES MARINE CORPS ON THE OCCASION OF HIS UNTIMELY PASSING AND PAYING TRIBUTE TO HIS FOND MEMORY.

Introduced by REPRESENTATIVE TERESITA A. SANTOS of Rota, Precinct 7 (*for herself*)

Speaker Froilan C. Tenorio: Mr. McGinnis-Torres?

Mr. Stanley McGinnis-Torres: Mr. Speaker, if the author of H.Comm.Res. 17-5, Ms. Santos' consent could that be introduced as the committee of the whole.

There were no objections on the Floor.

Mr. Stanley McGinnis-Torres: Thank you.

House Concurrent Resolutions:

Speaker Froilan C. Tenorio: *Item 5 (D) House Concurrent Resolutions?*

The Clerk announced there were none.

MESSAGES FROM THE GOVERNOR

Speaker Froilan C. Tenorio: Messages from the Governor?

The Clerk announced that there were twenty-four (24) messages from the Governor; (Gov. Comm. 17-137 to Gov. Comm. 17-160).

GOV. COMM. 17-137 (6/28/10) Certification for an annual salary in excess of \$50,000 for Dr. Russell H. Lorfing, Assistant AG.

GOV. COMM. 17-138: (6/28/10) Certification for an annual salary in excess of \$50,000 for Mr. James W. Taylor, Assistant AG.

GOV. COMM. 17-139: (6/28/10) Certification for an annual salary in excess of \$50,000 for Mr. James T. Mitchell, Assistant AG.

GOV. COMM. 17-140: (6/29/10) Certification for an annual salary in excess of \$50,000 for Dr. Vincent Stravino, Physician.

GOV. COMM. 17-141: (6/29/10) Informing the House that he signed into law H. B. 17-78, HD1, SS1 (To amend § 3 of PL 16-7 (MPLT Interest Income)). Became **Public Law 17-7**.

GOV. COMM. 17-142: (6/29/10) Certification for vacant positions: (1) Respiratory Therapist, (1) Medical Referral Assistant, and (1) Associate Director of Nursing at the Department of Public Health.

GOV. COMM. 17-143: (6/29/10) Certification for salary in excess of \$50,000 for Dr. Jennifer Albers-Linden, M.D. and Dr. Jeanolivia D. Grant, M.D.

GOV. COMM. 17-144: (7/7/10) Informing the House that he approved in part, and disapproved in part H. B. 17-88, SD1 (To amend Public Law 16-21 Section 2(c) and for other purposes. (Appropriation for Micro Games, Obyan Power Distr. Project, and 2010 Liberation Day Activities)). Became **Public Law 17-9**.

GOV. COMM. 17-145: (7/7/10) Informing the House that he approved signed into law H. L. B. 17-22, D1 (To re-appropriate \$40,000.00 from Saipan Local Law 15-16, Section 2(f); and for other purposes. (Micro Games, Obyan Power Distr. Project, and Precinct 1 Neighborhood Watch Program)). Became *Saipan Local Law 17-4*.

GOV. COMM. 17-146: (6/28/10) Certification for vacant position: (1) Clerk II at the Department of Public Lands.

GOV. COMM. 17-147: (7/2/10) Certification for vacant positions: (1) Chief Prosecutor and (3) Assistant Attorney General.

GOV. COMM. 17-148: (7/2/10) Certification for salary in excess of \$50,000 for Dr. Trenton James Scheibe, Physician.

GOV. COMM. 17-149: (7/2/10) Certification for vacant position: (1) Physician (Family Medicine/Emergency Room).

GOV. COMM. 17-150: (7/2/10) Certifications for vacant positions: (9) Corrections Officer I, (10) Corrections Officer II, (4) Corrections Officer III, (1) Corrections Lieutenant, (1) Administrative Officer II, (1) General Maintenance, (1) Electronics Technician II, and (1) Computer Systems Administrator at the Department of Corrections.

GOV. COMM. 17-151: (7/6/10) Informing the House that he signed into law H. B. 17-62, SD1, (To reprogram one million dollars under Section 2(b) of Public Law 13-56 for the renovation and rehabilitation of abandoned municipal buildings). Became **Public Law 17-8**.

GOV. COMM. 17-152 (7/9/10) Certifications for vacant positions: (2) Juvenile Corrections Worker I, and (1) Bus Driver at the Department of Community and Cultural Affairs.

GOV. COMM. 17-153 (7/9/10) Certifications for vacant positions: (2) Managaha Ranger I at the Department of Public Lands.

GOV. COMM. 17-154 (7/9/10) Certification of salary in excess of \$50,000 for Dr. Brittany Nicole Johnston, Physician (Pediatrician).

GOV. COMM. 17-155: (7/9/10) Certification for vacant position: (1) Physician (Pediatrician) at the Department of Public Health.

GOV. COMM. 17-156: (7/9/10) Certification for vacant position: (1) Nurse Midwife at the Department of Public Health.

GOV. COMM. 17-157: (7/9/10) Certification for vacant position: (1) Licensed Practical Nurse at the Department of Public Health.

GOV. COMM. 17-158: (7/9/10) Certification for vacant position: (1) Manager, Physical Therapy at the Department of Public Health.

GOV. COMM. 17-159: (7/9/10) Certification of salary in excess of \$50,000 for Mr. Michael L. Ernest, Chief Prosecutor, Office of the Attorney General.

GOV. COMM. 17-160: (7/6/10) Declaration of a State of Emergency due to imminent threat of the disruption of critical medical services on the islands of Tinian and Rota.

Speaker Froilan C. Tenorio: Are there any member who would like to comment under any of these messages? Mr. Ramon Tebuteb?

Mr. Ramon Tebuteb: Thank you, Mr. Speaker. I would like to make comment on Gov. Comm. 17-144 and Gov. Comm. 17-145. I would commend the Administration or the Governor foreseeing the needs to approve these two bills. One, for the Obyan power distribution project; the 2010 Liberation Day Activities; and most certainly the for Micro Games. Also for the approval of the H.L.B. 17-22, D1. I would like to comment further on Gov. Comm. 17-141, informing the House that he has signed into law, H.B. 17-78, that is with regards to the Marianas Public Lands Trust (MPLT) interest. I would like to note to the Committee on Ways and Means and members of this Body to ask the now Public Law intent of how the MPLT and the Administration will book this MPLT interest that most of the members that have supported the intent of the bill called it other than a loan - I was of the different opinion. But I would like to ask the members if they could provide some insight on the details of how MPLT and the Administration would book this as well as maybe connect this particular issue when the reprogramming authority that this Body submitted to the Administration – that is the reprogramming of not to exceed one million dollars (\$1,000,000.00). The other comment that I would like to take is on Gov. Comm. 17-150, this is a certification...

GOV. COMM. 17-144: (7/7/10) Informing the House that he approved in part, and disapproved in part H. B. 17-88, SD1 (To amend Public Law 16-21 Section 2(c) and for other purposes. (Appropriation for Micro Games, Obyan Power Distr. Project, and 2010 Liberation Day Activities). Became **Public Law 17-9**.

GOV. COMM. 17-145: (7/7/10) Informing the House that he approved signed into law H. L. B. 17-22, D1 (To re-appropriate \$40,000.00 from Saipan Local Law 15-16, Section 2(f); and for other purposes. (Micro Games, Obyan Power Distr. Project, and Precinct 1 Neighborhood Watch Program). Became *Saipan Local Law 17-4*.

GOV. COMM. 17-141: (6/29/10) Informing the House that he signed into law H. B. 17-78, HD1, SS1 (To amend § 3 of PL 16-7 (MPLT Interest Income)). Became **Public Law 17-7**.

Speaker Froilan C. Tenorio: One moment, Mr. Tebuteb, can you elaborate a little more on this statute – what is happening to the MPLT interest?

Mr. Ramon Tebuteb: The Legislature passed and thus it became law, H.B. 17-78, as indicated in Gov. Comm. 17-141. I believe that this was the time when there were some urgency in trying to effect the needs for the Commonwealth Utilities Corporation (CUC) and also the pay-less pay day. At that time there was a looming pay-less pay-day.

Speaker Froilan C. Tenorio: Thank you.

Mr. Ramon Tebuteb: I am just asking the Ways and Means Committee to – because part of that reprogramming authority was that it will provide the Legislature what course or what activities has taken place on that particular issue with the reprogramming authority – that was supposed to report back to the Legislature on what is going. Gov. Comm. 17-150, is certification of vacant positions. I take note that – and again this is also to the Ways and Means Committee, and members of this Body, to continue to be adamant in I guess affecting the intent of this certification of vacant position. I certainly can understand the certification for salary in excess of the stipulated law that allows that on the Doctors and the essential services – that is a need that I think most of us would understand. I am referring your attention particularly to Gov. Comm. 17-150, on certification of vacant position on Correction Officers – I can certainly understand that but when you look at the language that consistently provided by the Administration and let me refer you again to Gov. Comm. 17-150, of the language of pursuant to 1 CMC 7204 (d) and 1 CMC § 8135 and it further reads down the line but my take is on the last sentence after the comma the Department of Corrections that these are vacant positions and must be filled during the period of our present continuing resolution. We all know that there was a submission by the Administration on I believe within the range of a reduction of budget of ten percent (10%) but at the same time the Administration is telling us that because there is under the continuing resolution it allows him to do this – he is certifying these vacant positions and I am not contesting for the other certification under critical needs but I am only raising fact for the members to consider when you have a submission of a reduction of budget at (10%) but you also

continue to use that language that provides for a vacant position during the continuing resolution to be cautious. What I am saying is that the Administration is doing its part I am asking that we do ours. Thank you.

GOV. COMM. 17-150: (7/2/10) Certifications for vacant positions: (9) Corrections Officer I, (10) Corrections Officer II, (4) Corrections Officer III, (1) Corrections Lieutenant, (1) Administrative Officer II, (1) General Maintenance, (1) Electronics Technician II, and (1) Computer Systems Administrator at the Department of Corrections.

Speaker Froilan C. Tenorio: Thank you. Mr. Diego Benavente, recognized.

Mr. Diego Benavente: Thank you, Mr. Speaker. I just like to ask if you have begun to sign off on filling of vacancies as required by a recent statute I believe it might be Public Law 17-6 – that requires the Presiding Officers to sign off on any filling of vacant positions because I continue to see certifications but if I am not mistaken that legislation that we had passed and signed into law which granted the Governor the reprogramming authority also has a provision in there that requires the signature and the authorization of the Presiding Officers. So have we started to sign off on those?

Speaker Froilan C. Tenorio: May I ask the Vice Speaker if she has signed any of those?

Vice Speaker Ogunoro: Not to my knowledge, Mr. Speaker.

Mr. Diego Benavente: Then I would like to ask Mr. Speaker that our Legal Counsel look into the statutory requirement and see if we are complying with this recent law. Because without considering the certification for Physicians and Correction Officers which we all know are necessary we continue to see Clerk II, Mañagaha Ranger, Bus Driver, I hope that in your review pursuant to the statutory requirement of signing the authorization for filling these vacancies that you look into these positions that are being certified to be filled. Without objection, Mr. Speaker, I ask that the Legal Counsel look into whether the laws are being followed with regarding the requirement of the Presiding Officers signatures before any of these positions are filled.

Speaker Froilan C. Tenorio: Thank you. I would like the Legal Counsels to look into this matter. Mr. Raymond Palacios, recognized.

Mr. Raymond Palacios: Mr. Speaker, can the Legal Counsel also clarify whether his signatures are only needed for non-essential positions because if I recall it is only needed for non-essential positions – just to clarify. Thank you.

LC.J. Cool: For clarification the determination as to whether the position is essential is up to – that is the reason for the joint signatures and approval by the Speaker of the House and the President of the Senate. So all of them would need to be reviewed for that purpose and it would most likely be appropriate to have the Executive Branch Agencies appear before a Committee or a hearing to present their testimony and evidence if these positions are in fact necessary and need to be filled.

Speaker Froilan C. Tenorio: Mr. Benavente.

Mr. Diego Benavente: I understand that – that would be the correct process. This is something that we had done in the past and I know that the Presiding Officers both the Speaker and the President has been able to make the necessary authorization through their signatures, but I would agree that if the Speaker needs to further review the re-filling of those positions then I certainly would agree that the Committee review would be necessary but I think that we can easily upon the justification of the Governor submitting to the Legislature’s Presiding Officers sign-off or not sign-off on these positions and my point and my concern is that again we see a list of fillings of vacant position which in my understanding requires the authorization of signatures of the Presiding Officers. Thank you.

Speaker Froilan C. Tenorio: Thank you. Are there any more comments, if none we move down to *Item 7 Senate Communications*.

SENATE COMMUNICATIONS

Speaker Froilan C. Tenorio: Clerk.

The Clerk announced that there were two Senate Communications 17-61 and 17-62.

SEN. COMM. 17-61: (6/30/10) Returning H. C. R. 17-2, HD1 (FY 2011 Revenues and Resources), which was adopted by the Senate without amendments on June 29, 2010. [For info]

SEN. COMM. 17-62: (6/30/10) Returning H. B. 17-88 (Amending PL 16-21 §2(C) and Re-appropriating \$75,000 for various programs and activities. (re Appropriation for Micro Games, Obyan Power Distr. Project, and 2010 Liberation Day Activities)) which was passed by the Senate without amendments on June 29, 2010. [For info – Became P.L. 17-7]

There were no discussions made under this Item of the Agenda.

Speaker Froilan C. Tenorio: Are there any comments?

Several members voiced “ready”.

HOUSE COMMUNICATIONS

Speaker Froilan C. Tenorio: House Communications?

The Clerk announced that there were several Hse. Comm. as follows:

HSE. COMM. 17-35: (6/25/10) From Acting Speaker Ogumoro to MPLT Chair Phillip Mendiola Long relative to H. B. 17-78, HD1, SD2 (MPLT Interest Income).

HSE. COMM. 17-36: (7/1/10) From the Acting Speaker to Chairpersons of House Standing Committees on the referrals of legislations.

HSE. COMM. 17-37: (7/7/10) Off-island notice from Representative Camacho from July 8–20, 2010 and asked to be excused from any meetings and sessions during his absence.

Speaker Froilan C. Tenorio: Are there any comments?

Several members voiced “ready”.

COMMUNICATIONS FROM THE JUDICIAL BRANCH

Speaker Froilan C. Tenorio: Communications from the Judicial Branch?

The Clerk announced there is one.

JUD. BR. COMM. 17-11: (7/1/10) From Chief Justice Miguel Demapan providing a copy of the Proposed NMI Rules of Administrative Appeals. [Submitted 7/6/10; Deadline 9/5/10]

Speaker Froilan C. Tenorio: Are there any comments?

Several members voiced “ready”.

COMMUNICATIONS FROM DEPARTMENTS & AGENCIES

Speaker Froilan C. Tenorio: Communications from Departments and Agencies?

The announced there is one communication.

DEPT./AGCY. COMM. 17-15: (6/30/10) From the Public Auditor providing report on the CNMI Agencies’ Implementation of Audit Recommendations as of December 31, 2009.

Speaker Froilan C. Tenorio: Are there any comments?

Several members voiced “ready”.

MISCELLANEOUS COMMUNICATIONS

Speaker Froilan C. Tenorio: Miscellaneous Communications?

The Clerk announced there are none.

Speaker Froilan C. Tenorio: Mr. Yumul?

Mr. Ray Yumul: Thank you, Mr. Speaker. On June 7th, the House Sergeant-At-Arms, Mr. Pedro Towai who is with the Legislative Bureau (LB) received an award and a invitation to the National Conference of State Legislature (NCSL) this coming July 26 basically receiving the National Medal of Civic Honor. A courtesy copy was provided to the Office of the Speaker and copy had made its way to my office – I would like to know if there is any intent of your office allowing Mr. Towai to travel to receive this medal. There are not too many people in the United States and to include the CNMI and Guam that have received this honor because it is a very small group of people. One, you must be a current member or employee of the Legislature and a member of either the National Guard or the Army Reserve Unit and be called up to active duty to either Iraq or Afghanistan. So the filter is very clear – in the Commonwealth there are only two people that have been awarded this kind and we probably will not see this type of an award for many years to come. So I would like to ask if there is any action on this since you were given a courtesy copy. Also I would like to have this document submit it in today's agenda as a communication.

Mr. Diego Benavente voiced "no objection".

Speaker Froilan C. Tenorio: Thank you, I will look into it, Mr. Yumul. Mr. McGinnis-Torres, recognized.

Mr. Stanley McGinnis-Torres: If there is no objection from the members can we go back to *Item 9, Communications from the Judicial Branch*.

There were no objections on the Floor the House went back to *Item 9, Communications from the Judicial Branch*.

COMMUNICATIONS FROM THE JUDICIAL BRANCH

Speaker Froilan C. Tenorio: Mr. McGinnis-Torres.

Mr. Stanley McGinnis-Torres: I think the House and the Senate would be mum on this Communication but I would like the House to go on record that we endorse and send a message of my endorsement by the House to the Judiciary Branch endorsing this proposal for the record and archive.

Speaker Froilan C. Tenorio: Thank you. Mr. Yumul.

Representative Yumul: Thank you. Normally in matters concerning a list of any Judicial Branch Rules a copy is provided to the respective Chairs of the Judiciary Governmental and Operations (JGO) Committee from the House and that of the Senate. And in this case this proposed Rule

will be effective sixty (60) days unless disapproved by a majority of either House. So at this point I think it is imperative that the Committee of JGO be given this Communication to review and make comments if any or can maybe pass it, take no action, or provide some feedback. It is on page one (1) the last paragraph that clearly states what this Body needs to do or not do. Thank you.

Speaker Froilan C. Tenorio: Well we up until September 5 to act on this proposed Rules. Mr. Demapan, do you have any comments?

Mr. Ralph Demapan: Thank you, Mr. Speaker. The Committee on JGO will be meeting sometime next week and the Committee will be looking into this.

Speaker Froilan C. Tenorio: Mr. McGinnis-Torres, is that satisfactory to you?

Mr. Stanley McGinnis-Torres: I am not debating on this I am just pointing out my concern that if – let it go or wait until the eleventh hour I am not sure what – can we ask the Legal Counsel if this proposed Rules of Procedure would create any - because of my understanding that this proposed Rules is very simple and that would give the Judicial Branch room to simplify it more to our people here in the Commonwealth – even an individual person can maybe understand if they simplify the Rules of Procedures. Thank you.

Speaker Froilan C. Tenorio: Do any of the members like to comment, although the Chairman, Mr. McGinnis-Torres, has already said that his Committee would look into it. Can we wait for the Committee to act, Mr. McGinnis-Torres?

Mr. Stanley McGinnis-Torres: Mr. Speaker, I am not claiming this issue as the Public Utilities Transportation and Communication (PUTC) I think the JGO is the proper Committee to act and the majority of the House decides. I am just pointing out my observation. Thank you.

Speaker Froilan C. Tenorio: Okay, but in the meantime would the Legal Counsels care to comment at this time?

LC J. Cool: We would review the proposed Rules with the Committee and provide the Committee with our advice and knowledge of the procedures so that they could make a more informed decision. At this time I have not reviewed the proposed Rules in detail.

Speaker Froilan C. Tenorio: Mr. Dela Cruz.

Mr. Francisco Dela Cruz: Thank you, Mr. Speaker. If I am not out of order and while the Committee on JGO begins to deliberate on that issue I ask the Committee most especially the Chairman to see what we can do about House Legislative Initiative 17-2 that I have introduced back in February 2. There has been no action from the Committee and if the Committee deems that – that particular initiative is not important then I ask that – that initiative be recalled from the Committee. This is really taking too long, Mr. Speaker and members, I ask for the indulgence

and to get your Committee to work on legislations that are referred to their Committee. Thank you, Mr. Speaker.

Speaker Froilan C. Tenorio: Thank you, Mr. Dela Cruz. Mr. Dela Cruz, could you elaborate a little bit about that initiative?

Mr. Francisco Dela Cruz: That initiative is the elected attorney general that I had introduced back in February 2nd. I had brought this issue a few months back, but to this date there has been no action from this particular Committee. Thank you, Mr. Speaker.

Speaker Froilan C. Tenorio: Mr. Chairman Demapan, please.

Mr. Ralph Demapan: Thank you, Mr. Speaker and Mr. Dela Cruz. Again, let me remind each member that whenever you write something I also wrote to each of you that in order for Committee on JGO to expedite the review of such bills I would appreciate it if you can write me something – give me a story of your intent, although, it is written in the bill but so that we can expedite the process of passage of that bill or legislative initiative. To this date I have not receive any from each of the members – so I do not know what else to say, Mr. Speaker. Let us work together and let us put our heads together and help me expedite the passage of such bill. Thank you.

Speaker Froilan C. Tenorio: Mr. Dela Cruz.

Mr. Francisco Dela Cruz: Let me remind the Chairman of this Committee (JGO) that when a legislation is introduced the legislation has the findings and purposes that should explain what the legislation is all about and you want us to explain it further? What is it that the Committee does not understand and maybe call the Representatives to come in and explain, but we have no time to write a summary of every legislation and I challenge the Chairman here whether he has received a report from every legislation that is moved to his Committee? Let us stop the nonsense and do your job.

Speaker Froilan C. Tenorio: Mr. Demapan.

Mr. Ralph Demapan: Thank you again, Mr. Speaker. Again, let me try to summarize this – I am not just concerned of the intent and the purpose of such bill. We also have to look at the cost analysis of such bill. We cannot continue to pass bills – unfunded bills we have to understand that we have to stop this passing of such bills and not putting in cost analysis of such matter or bill for that matter. Again, I ask for your help, I am new in this if you want your bill to be passed expeditiously write me something so that I can be more informed as to the real intent of such bills. Thank you, Mr. Speaker.

Mr. Diego Benavente: Point of information, Mr. Speaker.

Speaker Froilan C. Tenorio: Mr. Benavente.

Mr. Diego Benavente: With all due respect to the Chairman there is no requirement for what he is asking for and there is a process. There always has been a process for deliberation on the legislation introduced. And the questions that he has raised which are very valid questions should be raised to the appropriate agencies. When we introduced legislations some of those legislations that would require Committee deliberation would be referred to the Committees. The Committees then would write to the affected Agencies and raise those questions if necessary – what is if the if there is any cost analysis. Then if that still does not satisfy the members of the Committee then you have a public hearing. My point is that there is a process that has to start that should of started when the legislative initiative was referred to. Again, with all due respect I do not think that the Chair or the Committee should be requiring for the purpose of taking action whether it is to expedite or the regular process that you would require an explanation or report on the legislation. It has been already been introduced there is a process that should have been followed and I ask that the Chair and I completely understand his comments that he is new and that my only suggestion here is only that there are staff that can assist with the current process of moving a legislation or initiative or any other action assigned to the Committee. Thank you.

Speaker Froilan C. Tenorio: Mr. Dela Cruz.

Mr. Francisco Dela Cruz: For the last time, Mr. Speaker. I just want to point out that this particular legislation – the elected attorney general dates back to even the Thirteenth Legislature. It is the Committee's job to look back all the Standing Committee Reports are there if you are not too aware of what the legislation is all about, it is all there for reference. Thank you, Mr. Speaker.

Speaker Froilan C. Tenorio: Mr. Basa.

Mr. Ramon Basa: Thank you, Mr. Speaker. Mr. Dela Cruz, you had mentioned that the bill had been deliberated since the Thirteenth Legislature, but I wonder why they did not act on it if that bill is so important.

Speaker Froilan C. Tenorio: Mr. Dela Cruz.

Mr. Francisco Dela Cruz: Mr. Speaker, that is irrelevant at this point to ask. At a time now that the Office of the Public Auditor (OPA) is submitting their reports to try and collect funds and our own Attorney General is not pursuing – you are asking me now why this should be approved – think about it.

Mr. Ramon Basa: Yes, Mr. Dela Cruz, I am asking that question.

Mr. Francisco Dela Cruz: Well, maybe if the report had come out put on the Floor and deliberated on maybe it would be helpful for everyone to find out the merits of this certain legislation.

Speaker Froilan C. Tenorio: Okay, let me suggest something Mr. Dela Cruz. I have several initiatives that I would like us to act on and I am thinking of requesting a special election next

year. The deadline is very close – I do not think that even if we act today on any of these initiative we would not be able to meet the deadline for this year's election. So if you do not mind please let us work on doing something for next year.

Mr. Francisco Dela Cruz: Mr. Speaker, I have no problems. I am not asking for this initiative to come out in the next election. I am asking for actions from the JGO Committee to start looking into this. As I had mentioned it before February 2nd, this initiative was introduced and up to this time no action has been taken. That is all, Mr. Speaker.

Speaker Froilan C. Tenorio: Okay. Thank you very much. Mr. Chairman, please do something. We will go down to *Item 12*, Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

Speaker Froilan C. Tenorio: Mr. Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker. As you can see we have four Standing Committee Reports appearing on our Agenda. The first is S. C. R. 17-19, reporting on S. B. 17-13, from your Committee on Natural Resources (NR) and I move for its adoption.

S. C. R. 17-19: Reporting on S. B. 17-13, entitled, "To domesticate or allow the raising of Sambar Deer in captivity; and for other purposes." *Your Committee on Natural Resources recommends passage of the bill with amendments, in the form of S. B. 17-13, HD1.*

The motion was seconded.

Speaker Froilan C. Tenorio: Discussion. Mr. Benavente?

Mr. Diego Benavente: Thank you, Mr. Speaker, I just confirmed with the Clerk and in fact I did sign the Committee Report. My copy shows the report without my signature and I am not sure if everybody's copy is the same, but for the members information I am in support of the legislation and in fact I signed the Committee Report.

Speaker Froilan C. Tenorio: So noted.

Mr. Diego Benavente: Thank you.

Speaker Froilan C. Tenorio: Are there any more discussion?

Several members voiced "ready" and being no further discussion the motion to adopt S. C. R. 17-19 it has been carried by voice vote.

Speaker Froilan C. Tenorio: Mr. Floor Leader.

Floor Leader Camacho: The next report is S. C. R. 17-24, reporting on S. B. 17-23, SD1, from your on Public Utilities, Transportation and Communications (PUTC) recommending the filing of such bill and I move for its adoption.

S. C. R. 17-24: Reporting on S. B. 17-23, SD1, entitled, “To amend subsection (c) of Section 8143 of Title 4 of the Commonwealth Code.” (re CUC Residential Disconnection) *Your Committee on Public Utilities, Transportation, and Communications recommends that that House File S. B. 17-23, SD1.*

The motion was seconded

Speaker Froilan C. Tenorio: Discussion.

Several members voiced “ready” and being no discussion on the motion to adopt S. C. R. 17-24 it has been carried by voice vote.

Speaker Froilan C. Tenorio: Mr. McGinnis-Torres.

Mr. Stanley McGinnis-Torres: The main findings of that Standing Committee Report to file that and I apologize for our colleague in the Senate for the disappointment. The reason for the filing of that bill is that the Commonwealth Utilities Corporation (CUC) has already begun installing pre-paid meters and another decision that impacted this Committee Report is that if that seven (7) days additional of extension for the payment of their power bills would impact it of like One Million Two Hundred Thousand dollars (\$1.2 Million) every billing cycle a short-fall.

0:56:58.5

Speaker Froilan C. Tenorio: Mr. Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker. The next Committee Report is S. C. R. 17-25, reporting on H. B. 17-48 from your Committee on Commerce and Tourism recommending the passage of the bill, and I move for its adoption.

S. C. R. 17-25: Reporting on H. B. 17-48, entitled, “To amend 4 CMC § 5611(d) to establish a revolving fund to pay for the National Association of Insurance Commissioners annual membership dues; and for purposes.” *Your Committee on Commerce and Tourism recommends that the House pass H. B. 17-48.*

The motion was seconded.

Speaker Froilan C. Tenorio: Discussion.

Several members voiced “ready” and being no discussion on the motion for adoption S. C. R. 17-25 was carried by voice vote.

Speaker Froilan C. Tenorio: Mr. Benavente.

Mr. Diego Benavente: Mr. Speaker, as you were asking if there were any comments, you were not looking at the members, and I saw Mr. Tebuteb had his hand up and I am just curious as to what he wanted to offer and I am just curious as to what he wanted to offer as a response. I know that it is moot, because we have acted on it but I yield to Mr. Tebuteb.

Speaker Froilan C. Tenorio: We would like to hear from Mr. Tebuteb, anyway.

Mr. Ramon Tebuteb: Absolutely, Mr. Speaker, I am going to comment that this is a very good legislation and that because of the Committee Report this is very good Committee Report and in particular on section (e) on the cost benefit and we have heard recent conversation between members on cost benefit and this is exactly some of the good things that cost benefits through your Committee can do. I am also referring to the same cost benefit analysis on the Committee on Natural Resources. Thank you.

Speaker Froilan C. Tenorio: Mr. McGinnis-Torres.

Mr. Stanley McGinnis-Torres: Yes, I support this bill but I would like to hear my concern – not to the point of disappointment but if I am not mistaken in February I wrote a letter to the Insurance Commissioner about the issue of the retirees who have gone, you know left us from earth and I know that they are still not getting their death benefits. Up until now, I have not heard from the Insurance Commissioner and they are responsible for initiating and investigating insurance company that is doing business in the Commonwealth to see why are they not acting on it and not releasing the benefits.

Speaker Froilan C. Tenorio: Mr. McGinnis-Torres, can you reserve your comments on this until we get to the Bill Calendar.

Mr. Stanley McGinnis-Torres: Thank you, Mr. Speaker, as long as you record it for the Journal, I yield.

Speaker Froilan C. Tenorio: Mr. Yumul.

Mr. Ray Yumul: Thank you, Mr. Speaker. I would like to also state for the record that I do not have any issues with H. B. 17-48, as long as we make an amendment when we get to the Bill Calendar because the intent of this bill which should have been reflected in the Committee Report and I understand that it has already been adopted but I would like to add into that is the fees that are being collected for this program is currently being utilize under our current continuing budget.

Speaker Froilan C. Tenorio: Yes, but can you make amendments to the bill when we discuss the bill itself or are you requesting an amendment to the committee report?

Mr. Ray Yumul: Well, at this point, I agree with my colleague over here, his statements. We have already adopted the report so the report is already is pretty much said, so I will preserve the rest of my comments for the Bill Calendar.

Speaker Froilan C. Tenorio: Thank you, Mr. Yumul. Mr. Floor Leader?

Floor Leader Camacho: Thank you, Mr. Speaker. The last of the committee reports for today, is **S. C. R. 17-26**, reporting on H. B. 17-59, from your Committee on Education, recommending its passage and with that I move for its adoption.

The motion was seconded.

S. C. R. 17-26: Reporting on H. B. 17-59, entitled, “To amend 3 CMC Title 3, Division 1, Chapter 3, § 1312, The Postsecondary Education Act of 1984.” *Your Committee on Education recommends that the House pass H. B. 17-59.*

Speaker Froilan C. Tenorio: Discussion.

Several members voiced “ready”.

Speaker Froilan C. Tenorio: Mr. Raymond Palacios, recognized.

Mr. Raymond Palacios: As the Chairman, I just hope that our actions does not constitute or fall in WASC category as being interring or infringement on our part. That is all, Mr. Speaker.

Speaker Froilan C. Tenorio: Thank you.

There being no further discussion, motion to adopt **S. C. R. 17-25** was carried by voice vote.

Speaker Froilan C. Tenorio: Mr. Floor Leader, recognized.

Floor Leader Camacho: Thank you, Mr. Speaker, as you can see on Item 13, we do have a Conference Committee Report, however, I understand that the Committee wants further amendments to such bill and with that I would like to suspend discussion on the matter and have the Committee continue on their work.

The motion was seconded.

Speaker Froilan C. Tenorio: Recess, please for a few minutes.

The House recessed at 11:05 a.m.
RECESS
The House reconvened at 11:06 a.m.

REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

Speaker Froilan C. Tenorio: We are back in session. Mr. Floor Leader, recognized.

Floor Leader Camacho: Thank you, Mr. Speaker. I would like to move to recommit H. B. 17-45 to the Conference Committee as already established.

The motion was seconded.

Speaker Froilan C. Tenorio: Discussion, on the motion.

Several members voiced “Ready”.

Speaker Froilan C. Tenorio: Wait a minute, why are we doing that?

Floor Leader Camacho: The Conference Committee would like to make further amendments to the austerity bill – incorporate mostly part of the amendments from the Administration.

Speaker Froilan C. Tenorio: Request from the Administration?

Floor Leader Camacho: Correct.

Speaker Froilan C. Tenorio: They are not satisfied with the final?

Floor Leader Camacho: I believe they want to include further people to be include in the austerity.

Speaker Froilan C. Tenorio: Are there anymore discussion? Mr. Yumul, recognized.

Mr. Ray Yumul: Thank you. Since H. B. 17-45 is being recommitted to the conference committee, I would like to ask the members of the conference committee to take into consideration concerns regarding employees of the Government that make under Thirteen Thousand Dollars per annum (\$13,000.00) because this would turn into a precarious situation that they would be pretty much considered probably by the Retirement Fund as part-time employees for purposes of benefits. That needs to be scrutinized. In the past, austerity measures had provisions that would raise, although, austerity is being implemented but the purposes of Retirement that they are still classed minus full-time employees. Another concern is with certain attorneys within the Division of the Attorney General’s Office. Some attorneys do have to continue to represent the Commonwealth in cases before the Federal Court and if the Court is being heard on a Friday that is an austerity that we might have a situation where we will not have any representation another issue to consider. Lastly, also with our own Judicial branch, if they are just given the flexibility to work with their budget they would be able to do so and manage the resources if we force the Judicial to close on a Friday, we would have a problem on arraignments since arraignments of a person it usually has to occur within Forty-eight hours (48 Hours) of arrest, otherwise they would have to be released. Thank you.

Speaker Froilan C. Tenorio: Mr. Yumul, as you know we are acting on this bill because it went to the Conference Committee, meaning that, the bill went through this House twice. You did not express your...

Mr. Ray Yumul: Oh, no, this is for the conferees, that is why I would like to ask the conferees. The Conference Committee is comprised of members from the House and the Senate. And if already been selected by then Acting Speaker Ogumoro, which is not an issue for myself, I would just like to ask that these issues be looked at and I think the conferees have a good working relationship with the Senate they just need to go back and obviously make those concerns and changes to their amendment.

Speaker Froilan C. Tenorio: But my question is that you did not make these suggestions when the bill went through the House twice. You are suggesting amendments to the bill, right?

Mr. Ray Yumul: Well, no, the history of this bill, H. B. 17-45, is that the Congressman had one version that was voted for, and was sent to the Senate. The Senate changed the bill in its entirety – the Chairman had mentioned that he was obviously not pleased about the amendments and would rather file the bill, but we instead – this was during your absence – we instead decided to keep the bill within the Committee and then at a later time the Acting Speaker had decided to ask the members to reject the Senate amendments in its entirety and go into conference. That is why now we technically have a clean slate with H. B. 17-45. I do understand that Representative McGinnis-Torres had introduced the bill but we are entertaining the Chairman's legislation. So now that this bill is going to go back to the conference committee it is to their disposition as to how they want to make further changes and get the bill the way they feel is necessary.

Speaker Froilan C. Tenorio: Okay, thank you, Mr. Yumul. Mr. Joseph Palacios, recognized.

Mr. Joseph Palacios: Thank you, Mr. Speaker. Yesterday, I had the opportunity to meet with one member of the business sector. And their recommendation was and I want to share with all the members today, for example shutting down every other Friday, which is a non-payday for the CNMI Government, but the it is the Private side it is payday for them. Most people during their paydays, have the opportunity to go out and pay for renewal of their vehicle registrations, filing of whatever documents at the Court House, paying Revenue and Taxation for whatever that they owe to the Government. People that are seeking permits that are required to get some kind of permits be it the Department of Public Lands (DPL), Historic Preservation Office (HPO), or Division of Environmental Quality (DEQ) and shutting down all these agencies – perhaps I would also like to recommend since it is being recommitted to the conference committee that if it is still going to go with the Seventy-two hours (72 Hours) I would like to make a recommendation and it is up to the committee to accept, but perhaps say, Monday through Thursday Eight-thirty to Four-Thirty (8:30 am to 4:30 pm) which is seven hours (7 Hours) and then on Friday, that is when they actually work the eight hours (8 Hours) and we still do not have to shut-down any Government agencies on any week and it would still be seventy-two hours (72 Hours). The reason being again, it is a bad business for the CNMI Government shutting down every other Friday because as I had mentioned some of these agencies are actually revenue

generated when it comes to people that are working in the private sector. I just want to share the information coming from a member of the private business out there. Thank you, Mr. Speaker.

Speaker Froilan C. Tenorio: Thank you, Mr. Joseph Palacios. Are there any more comments?

Several members voiced “ready”.

Speaker Froilan C. Tenorio: Mr. Yumul?

Mr. Ray Yumul: One more quick comment on the austerity Friday. The Ports, the Airport, Seaports, to operate on Fridays so another consideration is to include Customs, and Quarantine Officers to be allowed to still function on those days because we still have commerce activities at the Airport and at the Seaport. Thank you.

Speaker Froilan C. Tenorio: The motion by Mr. Floor Leader is to recommit back to the Conference Committee.

Several members voiced “ready”, and being no further discussion the motion was carried by voice vote.

RESOLUTION CALENDAR

Speaker Froilan C. Tenorio: Mr. Floor Leader, recognized.

Floor Leader Camacho: Thank you, Mr. Speaker, before we proceed with the Resolution Calendar I would like to make a motion to place H. Res. 17-13 on the Resolution Calendar for today’s action. The resolution calls for a Task Force to support the Public Law.

The motion was seconded and being no discussions the motion was carried by voice vote.

Speaker Froilan C. Tenorio: Mr. Floor Leader, recognized.

Floor Leader Camacho: Thank you, Mr. Speaker, and with that I would like to move for the adoption of **H. Res. 17-13**.

The motion was seconded.

H. Res. 17-13

A House Resolution to establish an Environmental Assessment Task Force to be headed by the Department of Public Lands and comprised of representatives from the Division of Environmental Quality, Department of Public Health, and the Tanapag Action Group for the purpose of initiating and conducting environmental assessments on possible contamination within the CNMI.

Speaker Froilan C. Tenorio: Discussion on the motion.

Several members voiced “ready”, and being no discussion the motion was carried by voice vote.

Speaker Froilan C. Tenorio: Mr. Floor Leader, recognized.

Floor Leader Camacho: Mr. Speaker, I think we have members from the Northern Marianas Housing Corporation (NMHC) and would like to further elaborate on H. J. R. 17-5 and if there are no objections on the Floor, I would like that the House dissolve into committee of the whole so that we can receive comments.

There were no objections on the Floor.

Speaker Froilan C. Tenorio: So ordered.

The House dissolved into the Committee of the Whole at 11:18 a.m.

COMMITTEE OF THE WHOLE

The House reconvened at in plenary session at 11:26 a.m.

Speaker Froilan C. Tenorio: We are back to our Special Session. Mr. Floor Leader, recognized.

Floor Leader Camacho: Mr. Speaker, with the comments from the Housing Corporation and from our members, I move for the adoption of **H. J. R. 17-5**.

The motion was seconded.

H. J. R. 17-5

A House Joint Resolution to authorize the Commonwealth of the Northern Mariana Islands, through its Governor, to submit to the U. S. Department of Housing and Urban Development, the Action Plan for the Community Development Block Grant Application No. B-10-ST69-0001; the HOME Investment Partnership Grant Application No. M-10-ST69-0203; and, the Emergency Shelter Grant Application No. S-10-DC69-0001; to receive the funds requested therein, and to assume all responsibilities that may be imposed by the U. S. Department of Housing and Urban Community Development Block Grant, HOME Investment Partnership Program, and the Emergency Shelter Grant Programs.

Speaker Froilan C. Tenorio: Discussion on the motion.

Several members voiced “ready” and being no discussion the motion was carried by voice vote.

Speaker Froilan C. Tenorio: Mr. Floor Leader?

Floor Leader Camacho: Mr. Speaker, could you have the Clerk reflect that the resolution is sponsored by the committee of the whole.

Speaker Froilan C. Tenorio: So noted. Mr. Floor Leader?

Floor Leader Camacho: Mr. Speaker, before we move onto the Bill Calendar, if some members would like to break for lunch and come back at two o'clock this afternoon?

Speaker Froilan C. Tenorio: Madam Vice Speaker, recognized.

Vice Speaker Ogunoro: Since we have several bills on the Bill Calendar, I would like to ask that we continue with deliberations maybe up until twelve o'clock?

There were no objections on the Floor.

Speaker Froilan C. Tenorio: Mr. Floor Leader?

Floor Leader Camacho: Short recess, Mr. Speaker, for clarification on the Open Government Act (OGA) requirements.

Speaker Froilan C. Tenorio: Mr. McGinnis-Torres?

Mr. Stanley McGinnis-Torres: Mr. Speaker, I would like H. Res. 17-17 to be adopted today. Is there anything that we can amend so that this resolution can be calendared for action today? This resolution is an urgent one and intended to be sent to the US Department of Education to look into Dr. Beno and her accreditors report that...

Mr. Benavente: Point of information, Mr. Speaker.

Speaker Froilan C. Tenorio: Mr. Benavente, recognized.

Mr. Benavente: Earlier I insisted that the Legal Counsel look into the compliance of the administration of following the statute regarding authorization of Presiding Officers of the certain provision of employment. In this case we have asked this question many times, the bill or the resolution needs to appear on the Calendar for at least one day and that this is a law and it is not a House Rule that we can amend. So I think as much as we like to adopt the resolution we cannot do it without amending the statute. So we cannot do that today.

Speaker Froilan C. Tenorio: Any of the Legal Counsel would like to comment?

LC John F. Cool: The statements are correct and with the open meeting act the item must appear in the notice in order for us to take action on it today. So the public notice does not include and so it has been added to the agenda it will be in the next public notice and we can take action on it then.

Speaker Froilan C. Tenorio: Mr. McGinnis-Torres, do you care to respond to that?

Mr. Stanley McGinnis-Torres: I guess I am the only one against nineteen members so I would have to surrender.

Speaker Froilan C. Tenorio: Mr. Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker. Moving along with the agenda to the Bill Calendar and before we start with our actions I would like to make a motion to place on the Bill Calendar H. B. 17-77. This bill is to amend 1 CMC § 8363 “*Retirement Funds Contribution to Life Insurances* and I so move.

Mr. Joseph Palacios: Privilege, Mr. Speaker.

Speaker Froilan C. Tenorio: Mr. Joseph Palacios, recognized.

Mr. Joseph Palacios: I believe the author of that bill is Representative Cabrera, and if I am not mistaken he decided to withdraw and he was to seek for a public hearing on that bill as I remembered. Because there was testimonies made when members of the Retirement Fund were here.

Speaker Froilan C. Tenorio: Mr. Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker. I believe there are some small concerns regarding the bill and we do have representatives from the Retirement Fund here and if there are no objections from the members I would like move that the House dissolves into committee of the whole to receive comments from the Retirement Fund regarding H. B. 17-77.

There were no objections on the Floor.

Speaker Froilan C. Tenorio: Mr. Raymond Palacios.

Mr. Raymond Palacios: Before we proceed, why in the first place the bill is not on the agenda and how do they know that we are going to be discussing this. Now, we have to go back to our office and recall that particular bill. Why was it not included in the agenda in the first place?

Speaker Froilan C. Tenorio: Recess.

The House recessed at 11:34 a.m.

RECESS

The House reconvened at 11:46 a.m.

Speaker Froilan C. Tenorio: We are back in session. Mr. Floor Leader.

Floor Leader Camacho: In order to receive comments from the members of the Retirement Fund I would like to move that we dissolve into the committee of the whole.

The motion was seconded and being no discussions the motion was carried by voice vote.

The House dissolved into the Committee of the Whole at 11:47 a.m.

COMMITTEE OF THE WHOLE

The House reconvened at in plenary session at 12:51 p.m.

Speaker Froilan C. Tenorio: Mr. Floor Leader?

Floor Leader Camacho: I move for the passage of H. B. 17-69 on First and Final Reading.

The motion was seconded.

H. B. No. 17-69

A BILL FOR AN ACT TO AMEND 8 CMC SECTION 1331(G) AND TO REPEAL AND RE-ENACT 8 CMC SECTION 1332 PERTAINING TO DIVORCE OR DISSOLUTION OF MARRIAGES; AND FOR OTHER PURPOSES.

Speaker Froilan C. Tenorio: I would like to refer my question to the Legal Counsel. On page 3, Lines 7 and 8, I have some problems with that sentence there, which reads:

(1) For purposes of this Section, a person shall be deemed a resident if one (1) of the parties...

Should that be a person shall be deemed a resident if *that* person has been assigned?

LC Joseph Taijeron: Yes, Mr. Speaker, that would make it – it would mean the same thing but your version would be clearer. Basically when the author's language is sufficient I do not change it even if it could be clearer. It is up for debate if you want to move to amend it then I guess we suspend the Rule to put the floor amendment in writing and do so. But I would agree that your wording is clearer.

Speaker Froilan C. Tenorio: So you are saying that we can go ahead without amending it and we would not have any problem with the court or the lawyers later on?

LC Joseph Taijeron: That is definitely not what I am saying. Because I definitely would foresee any lawyer making any argument that would be paid by a client to do so as long as it is in good faith, but the language I believe is sufficient to get the job down. I think it would be wise if the author is not objecting to just make it even clearer though. That is not a bad idea to do that.

Speaker Froilan C. Tenorio: Okay, as well as Line 11, right? It is similar?

LC Joseph Taijeron: Yes, I agree.

Mr. Raymond Palacios: Mr. Speaker, can you repeat your amendment?

Speaker Froilan C. Tenorio: On page 3, Line 8, it should read:

“For the purpose of this Section, a person shall be deemed a resident if *that person* ~~one~~
(1) ~~of the parties~~....

And the same thing on Line 11 of the same page. Now can somebody explain to me what is the meaning of the Item (2) beginning on page 3, Line 18. I am sorry but I just cannot understand this. I am confused to be honest with you. Legal Counsel?

LC Joseph Taijeron: Essentially, Mr. Speaker, the husband’s home and the wife’s home need not be the same. It basically says that the husband’s house is not necessarily the wife’s house – it is not to be illegally presumed. The language is neither the domicile nor residence of the husband shall be deemed to be the domiciled of the residence of the wife – is that the language your referring to?

Speaker Froilan C. Tenorio: Yes, but why should that matter when we just finished saying that for the purposes of this Section only one person has to be a resident of the CNMI. What does it matter whether the other one is not? Mr. Joseph Palacios, recognized.

Mr. Joseph Palacios: With the interpretation, Mr. Speaker, looking at that for example I am in the Military and I was from the Mainland United States, and I was stationed in Saipan so if I am here for more than ninety (90) days I can file for a divorce while my wife is in California – that is my interpretation with this if I am correct, Mr. Legal Counsel?

Speaker Froilan C. Tenorio: Did we not take care of that with the provisions above that?

LC Joseph Taijeron: If you look at the totality Mr. Speaker, we are talking about service of process. A husband cannot just serve his divorce papers on his own house and say my wife is served when she is living someplace else.

Speaker Froilan C. Tenorio: But are we not saying that only one party has to be a resident here so it does not matter whether the wife or the spouse is in Siberia. Does it?

LC Joseph Taijeron: The issue basically in that particular portion of this bill is that you cannot just divorce your wife by mailing the papers to your own address if you are the husband. You have to mail it to her address. The law just cannot presume that she lives with you and then when you send it to her at your own address that you are being served. If you need to give her notice you cannot just mail it to your address. Unless she is staying at your address, but it is no presumption that she is staying at your address that is all that language objects to.

Speaker Froilan C. Tenorio: What if the wife is asking for a divorce? Is it the same thing?

LC Joseph Taijeron: Yes.

Speaker Froilan C. Tenorio: In here it says domicile residence of the wife – why not just say “spouse”.

LC Joseph Taijeron: That would be a very good correction too.

Speaker Froilan C. Tenorio: You know I support this bill but can we recommit it to the Committee for further action. Mr. Conner, recognized.

Mr. Trenton Conner: Thank you, Mr. Speaker. I also have a question regarding for States that allow gay marriages, how do we define between husband and wife? And they are in the Military and one wants to serve the other – I means how? I am just wondering if this bill is clarifying that matter also in case one is in the Military that wants to file for divorce here and the other one is in the States.

Speaker Froilan C. Tenorio: But they do not allow gay marriages in the Military.

Mr. Trenton Conner: But secretatively, I am just asking. Thank you.

Speaker Froilan C. Tenorio: One more question. I was hoping that we would generate revenues by adopting this right? But is not that ninety (90) days is too long for somebody to be a resident? Mr. Benavente, recognized.

Mr. Diego Benavente: First question to the Legal Counsel, when we refer to conflict of interest for the purposes of discussing legislations, does it always mean monetary benefits?

LC Joseph Taijeron: Normally no, but when you stand to make a financial benefit and that is clear when for example someone stands to get hurt at your employment or...

Mr. Benavente: So there is a possible if any and I bring this up only as a point of information to all of us that if undergoing something like this and you are voting on changing where it might benefit you there might be a possible conflict of interest – that is where I am getting at here.

LC Joseph Taijeron: Rule 11, Section 7, of the House Rules, reads:

Mr. Benavente: As you do that and this is fairly for purposes of information, I have been married for over Thirty-one (31) years I am not concerned about that for myself as a remainder to everybody else if there is any conflict of interest, please be advised.

LC Joseph Taijeron: Rule 11, Section 7, of the House Rules reads: *Conflict of Interest, Pursuant to Article II, Section 15, of the Commonwealth Constitution, and to the applicable provisions of*

Public Law 8-11, no member shall vote or participate in debate upon any matter in which he has a financial or personal interest, or upon any matter which will affect his right to a seat in the House or in which his individual conduct is involved. Disclosure shall be made, in writing, to the Speaker, prior to discussion on the floor. Failure to disclose conflict of interest may result in sanctions.

Mr. Benavente: In this case there is a possibility of a personal interest.

LC Joseph Taijeron: I would think so if you are trying to make someone eligible to be divorce or trying to make someone eligible such as your spouse or you yourself then I would suggest that you disclose that in writing to the Speaker. Everyone knows their circumstances.

Mr. Benavente: Thank you.

LC Joseph Taijeron: You are welcome.

Speaker Froilan C. Tenorio: Mr. Frederick Deleon Guerrero.

Mr. Frederick Deleon Guerrero: But would it not also affect anybody that is married? Because you do not know whether you are going to get divorced.

LC Joseph Taijeron: I do not think it precludes anyone know more on legislation regarding voting knowing that you are going to vote. It is you know when you see it. Just because you may get divorced just because you are married now that fact alone does not conflict you guys.

Speaker Froilan C. Tenorio: Mr. Raymond Palacios, recognized.

Mr. Raymond Palacios: Legal Counsel, correct me if I am wrong with regards to the present language which reads, *“The purposes of this section the person shall be deemed a resident if one of the parties has been assigned...”* The way I interpret that language is if the husband is assigned here that makes the wife automatically qualified under this section – that is what the language is stating right?

LC Joseph Taijeron: No, it does not. It makes the person who is assigned the Military person.

Mr. Raymond Palacios: Yes, I know that, but the language states that *a person shall be deemed a resident if one of the parties has been assigned* – it does not mean which party. If the wife is stationed here that automatically makes the husband – if eligible – according to that language.

LC Joseph Taijeron: If the Speaker’s language proposed then that clears it up.

Mr. Raymond Palacios: Yes, but right now it says that even if the husband is stationed here the wife is also a resident according to the interpretation of that language right there.

LC Joseph Taijeron: I honestly understand your point. The preceding paragraph is talking about one person and how that one person is a resident. So if you look at the entirety the whole context is clearer, but just looking at that portion I admit it could be clearer.

Mr. Raymond Palacios: Okay.

Speaker Froilan C. Tenorio: So what is the verdict, shall we send it back to the Committee? Mr. Floor Leader, recognized?

Floor Leader Camacho: I move to suspend pertinent Rules that require floor amendments to be written.

The motion was seconded and being on discussions the motion was carried by voice vote.

Speaker Froilan C. Tenorio: Mr. Floor Leader, recognized.

Floor Leader Camacho: I would like to offer a floor amendment on H. B. 17-69 as follows:

Page 3, Line 8 to 11 which would now read:

(1) For purposes of this Section, a person shall be deemed a resident if that person ~~one (1) of the parties~~ has been assigned with the U.S. Military to a unit in the CNMI or a ship home-ported in the CNMI for at least ninety (90) days immediately preceding the filing of a complaint for divorce or dissolution of marriage or if that person ~~one (1) of the parties~~ is physically present in the Commonwealth for at least ninety (90) days immediately preceding the filing of a complaint for divorce or dissolution of marriage. Physical presence by one of the parties in the CNMI for a period of ninety (90) days prior to filing of the action for divorce or dissolution of marriage shall give rise to a conclusive presumption of compliance with this Section.

The motion was seconded.

Speaker Froilan C. Tenorio: Discussion on the motion? Mr. Trenton Conner?

Mr. Trenton Conner: Thank you, Mr. Speaker, going back to my previous comment. I am just wondering if the author would like to incorporate also that gay marriages are not to be accepted into this bill.

Speaker Froilan C. Tenorio: Mr. Conner, this is on the amendment, are you saying that you want to amend the amendment?

Mr. Trenton Conner: I want to amend the bill to...

Speaker Froilan C. Tenorio: Can we finish first with this amendment?

Mr. Trenton Conner: Okay.

Speaker Froilan C. Tenorio: Mr. Yumul, recognized.

Mr. Ray Yumul: Who is offering the amendment?

Speaker Froilan C. Tenorio: It is the Floor Leader.

Mr. Diego Benavente: Point of clarification, Mr. Speaker.

Speaker Froilan C. Tenorio: Please, proceed, Mr. Benavente.

Mr. Diego Benavente: There was a proposal that was suggested and announced by the Legal Counsel, the Floor Leader went ahead and offered the motion saying so moved on the proposed language of the Legal Counsel and I seconded that motion. So as clarified is currently offered by the Floor Leader.

There being no further discussions the floor amendment offered by the Floor Leader it was carried by voice vote.

Speaker Froilan C. Tenorio: Mr. Trenton Conner, recognized.

Mr. Trenton Conner: Thank you, Mr. Speaker, as what was recommended earlier I will withdraw my proposed motion.

Speaker Froilan C. Tenorio: Mr. Tebuteb, recognized.

Mr. Ramon Tebuteb: Thank you, Mr. Speaker. I know that the Rules has been suspended for the requirement of written floor amendments, but for consistency can we have the Clerk read the amendment?

Speaker Froilan C. Tenorio: Clerk, please.

The Clerk read the following amendment:

Page 3, Line 8 to 11 which would now read:

- (1) For purposes of this Section, a person shall be deemed a resident if that person ~~one (1) of the parties~~ has been assigned with the U.S. Military to a unit in the CNMI or a ship home-ported in the CNMI for at least ninety (90) days immediately preceding the filing of a complaint for divorce or dissolution of marriage or if that person ~~one (1) of the parties~~ is physically present in the Commonwealth for at least ninety (90) days immediately preceding the filing of a complaint for divorce or dissolution of marriage. Physical presence by one of the parties in the CNMI for a period of ninety (90) days prior to filing of the action

for divorce or dissolution of marriage shall give rise to a conclusive presumption of compliance with this Section.

Speaker Froilan C. Tenorio: Mr. Tebuteb?

Mr. Ramon Tebuteb: That is fairly, so that we are consistent with the Rules of what we just did.

Speaker Froilan C. Tenorio: Okay, thank you. Mr. Conner, do you have another amendment?

Mr. Trenton Conner: No, other amendments, I withdrew my earlier request.

Speaker Froilan C. Tenorio: So now we are voting on H. B. 17-69, HD1, Clerk, roll call.

The Clerk called the roll on the motion to pass H. B. No. 17-69, HD1 on First and Final Reading:

Representative Ramon S. Basa	yes
Representative Diego T. Benavente	yes
Representative Eliceo D. Cabrera	absent (excused)
Representative George N. Camacho	yes
Representative Trenton B. Conner	yes
Representative Francisco S. Dela Cruz	yes
Representative Joseph P. Deleon Guerrero	yes
Representative Fredrick P. Deleon Guerrero	yes
Representative Rafael S. Demapan	yes
Representative Sylvestre Ilo Iguel	yes
Representative Felicidad Taman Ogumoro	yes
Representative Joseph M. Palacios	yes
Representative Raymond D. Palacios	yes
Representative Antonio P. Sablan	yes
Representative Teresita A. Santos	yes
Representative Ramon A. Tebuteb	yes
Speaker Froilan C. Tenorio	yes
Representative Stanley McGinnis Torres	yes
Representative Edmund Joseph S. Villagomez	yes
Representative Ray N. Yumul	yes

Speaker Froilan C. Tenorio: H. B. 17-69, HD1, has been approved. Mr. Floor Leader?

Floor Leader Camacho: Thank you, Mr. Speaker, the next item on the Bill Calendar is H. B. 17-53, To reprogram \$818,965.83 from appropriations under section 5(c)(3) of Public Law 11-119 for the construction of the Kagman Wastewater Treatment Plant, collection and transmission system; and for other purposes. And I move for its passage on First and Final Reading.

The motion was seconded.

H. B. No. 17-53

A BILL FOR AN ACT TO REPROGRAM \$818,965.83 FROM APPROPRIATIONS UNDER SECTION 5(C)(3) OF PUBLIC LAW 11-119 FOR THE CONSTRUCTION OF

THE KAGMAN WASTEWATER TREATMENT PLANT, COLLECTION AND TRANSMISSION SYSTEM; AND FOR OTHER PURPOSES.

Speaker Froilan C. Tenorio: Discussion on the motion.

Several members voiced “Ready”.

Speaker Froilan C. Tenorio: Clerk, roll call.

The Clerk called the roll on the motion to pass H. B. No. 17-53 on First and Final Reading:

Representative Ramon S. Basa	yes
Representative Diego T. Benavente	yes
Representative Eliceo D. Cabrera	absent (excused)
Representative George N. Camacho	yes
Representative Trenton B. Conner	yes
Representative Francisco S. Dela Cruz	yes
Representative Joseph P. Deleon Guerrero	yes
Representative Fredrick P. Deleon Guerrero	yes
Representative Rafael S. Demapan	yes
Representative Sylvestre Ilo Iguel	yes
Representative Felicidad Taman Ogumoro	yes
Representative Joseph M. Palacios	yes
Representative Raymond D. Palacios	yes
Representative Antonio P. Sablan	yes
Representative Teresita A. Santos	yes
Representative Ramon A. Tebuteb	yes
Speaker Froilan C. Tenorio	yes
Representative Stanley McGinnis Torres	yes
Representative Edmund Joseph S. Villagomez	yes
Representative Ray N. Yumul	yes

Speaker Froilan C. Tenorio: Therefore, H. B. 17-53 is approved. Mr. Floor Leader?

Floor Leader Camacho: Thank you, Mr. Speaker, appearing next is H. L. I 17-1, however, I believe the Committee on Ways and Means is still looking into this matter and H. B. 17-35, the Committee also wants further researched done with this. So with we move to H. B. 17-32, HD1, regarding Northern Marianas College-Cooperative Research Extension and Education Service (NMC-CREES) and their water rates I move for its passage on First and Final Reading.

The motion was seconded.

H. B. No. 17-32, HD1

A BILL FOR AN ACT TO AMEND 4 CMC § 8182 TO AVAIL NMC CREES OF THE SPECIAL WATER RATES ESTABLISHED FOR FARMERS AND RANCHERS; AND FOR OTHER PURPOSES.

Speaker Froilan C. Tenorio: Discussion on the motion? Mr. Dela Cruz?

Mr. Francisco Dela Cruz: I am just curious to find out whether public comments have been taken in whether this was referred to the Committee?

Speaker Froilan C. Tenorio: Ms. Santos, recognized.

Ms. Teresita Santos: Thank you, Mr. Speaker. H. B. 17-35, HD1, has been deliberated by the Committee and it has been unanimously been supported by all the members of the Natural Resources Committee. And yes, the Committee received public comments which were also all in favor of the passage of the bill. Thank you, Mr. Speaker.

Speaker Froilan C. Tenorio: Mr. Dela Cruz?

Mr. Francisco Dela Cruz: And was one of those comments coming from the Commonwealth Utilities Corporation (CUC), Madam Chair?

Speaker Froilan C. Tenorio: Ms. Santos.

Ms. Teresita Santos: There were no comments received by CUC.

Speaker Froilan C. Tenorio: Mr. Dela Cruz.

Mr. Francisco Dela Cruz: And so basically we are trying to force CUC to give special water rates to this project.

Ms. Teresita Santos: That is correct, Mr. Speaker. I believe that this privilege was also provided for to all our local farmers through a certain public law. Thank you, Mr. Speaker.

Speaker Froilan C. Tenorio: So we are saying that the general public is going to subsidize the College on water.

Ms. Teresita Santos: Well, Mr. Speaker, weighing the advantages and the disadvantages of the passage of this bill it appears that the disadvantages has been outweighed by the advantages that the Commonwealth would be receiving as a result of this bill. Thank you, Mr. Speaker.

Speaker Froilan C. Tenorio: Mr. Dela Cruz, recognized.

Mr. Francisco Dela Cruz: One last thing, Madam Chair, can you point out that public law that gave these special rates to farmers?

Ms. Teresita Santos: Mr. Speaker, in response to that I would like to refer that to Representative Tebuteb. Thank you.

Speaker Froilan C. Tenorio: Mr. Tebuteb, recognized.

Mr. Ramon Tebuteb: Well, it is already stipulated, but the referred public law that I believe Representative Dela Cruz is trying to get is on the change from authorized to now it is mandated for the farmers as well – this new request on the mandating. Just so you know the CUC at one of the agricultural summit when this was presented along with the issues with the farmers. CUC raised a concern on this particular issue and if you refer to the Committee Report it does address that – there would be a loss but the gain from that loss is more according to the report it outweighs such loss.

Speaker Froilan C. Tenorio: Point of information, Mr. Tebuteb, I assume that we are getting federal grants where the College is going to use the water and we cannot use the federal money to pay for the regular rates of water?

Mr. Ramon Tebuteb: The simple answer to your questions is, no.

Speaker Froilan C. Tenorio: Are there anymore? Mr. Dela Cruz, please continue.

Mr. Francisco Dela Cruz: I will yield, to Representative Sablan.

Mr. Antonio Sablan: Thank you, colleague Dela Cruz. The only issue I want to raise along the line of Representative Dela Cruz's concern is that, we are applying or extending the benefit out to everybody that I guess calls themselves farmers or whatever, my concern is that most of the farming operation in the area where I am from down south are operated by foreign nationals who either steal water, sale produce without sales receipts I think we should look more closely at extending such benefits and ensure that it gets to the people that we want it to benefit. I do not mind being it extended to local farmers but the majority of the farming operation where I live at are all operated by foreign operations that are consistently stealing water and I know their methods of marketing are I am sure are headache to Tax and Revenue. I just wanted to throw out caution and try to look at what we do a little bit more closely. Thank you, Mr. Speaker.

Speaker Froilan C. Tenorio: Ms. Santos, recognized.

Ms. Teresita Santos: This is to respond to the question raised by Representative Dela Cruz with respect to which public law. It could be found on Public Law 13-40, which establishes a special rate for farmers and ranchers as an incentive to encourage continued farming of produce and the raising of livestock in the Commonwealth. Thank you, Mr. Speaker.

Speaker Froilan C. Tenorio: Mr. Dela Cruz, recognized.

Mr. Francisco Dela Cruz: Based on Representative Santos' opinion, that is Public Law 13-40, Public Law 13-40 merely authorizes CUC to give special rates to farmers, but CUC is saying, thank you for the authorization we are not giving special rates. I would like to point that out because...

Speaker Froilan C. Tenorio: The farmers are not getting special rates now?

Mr. Francisco Dela Cruz: Mr. Speaker, like I said, Public Law 13-40, merely authorizes, but they are not getting special rates.

Speaker Froilan C. Tenorio: Okay.

Mr. Francisco Dela Cruz: If someone can correct me on that, I would be most appreciative. But at a time when our people has just had their water rates increased, electricity rates, and now we are going to try and mandate CUC and then who is going to pay for these special rates – it is you and me again. I do not know, Mr. Speaker, if somebody wants to refer this to the Committee refer it, but there are some answers that need to be made and approving this legislation at this point in time is something that I think we should be very concerned about. Thank you, Mr. Speaker.

Speaker Froilan C. Tenorio: Point of information, Mr. Tebuteb, was this legislation requested by the agency? I am sorry, Mr. Joseph Deleon Guerrero?

Mr. Joseph Deleon Guerrero: Let me answer that, I say yes. I think this was back in the Thirteenth Legislature, I may have been a cosponsor of this legislation as well. And this is in response to farmers and ranchers, Mr. Speaker. There are several reasons why we adopted this piece of legislation. One was that farmers and ranchers were having a hard time – let me back-track. First, there were discrepancies because you had some farmers that were located at the Kagman Agricultural district were getting free water. Basically, they were getting water that was pumped up and then given to them and they were paying nothing for that water. Other farmers who were planting outside of Kagman have to pay regular CUC water rates. And so they came to this body and had asked if they could be given the same kind of consideration, at least not free, but better water rates. Also, it was to help keep the cost of agricultural products down here so that it could better compete with products coming in from other places being imported to the CNMI. So those were the context and reasons why we had passed this bill. Now, whether if CUC were authorized and ever implemented it I am not sure, but that was the consideration back then. Now, if this program NMC-CREES, which is, Chairwoman, my understanding is that NMC-CREES actually have their own plots or they are assisting farmers and ranchers who have plots and that is what these rates would be applied to? Which one would it be?

Speaker Froilan C. Tenorio: Representative Santos, recognized.

Ms. Teresita Santos: I will refer that to Representative Tebuteb.

Speaker Froilan C. Tenorio: Mr. Tebuteb?

Mr. Ramon Tebuteb: I do not really want to go into, but it is both. NMC-CREES also have their farm plots and also have the extensions of this programs that avail to other fairly developing programs such as in its schools.

Speaker Froilan C. Tenorio: Madam Vice Speaker, recognized.

Vice Speaker Ogunoro: Perhaps, maybe give some information on what are the rates now that are established for our farmers and ranchers? Did the Committee get that information? Because I guess that this piece of is asking that those rates be extended applied over to our NMC-CREES participants. So the discussion here is to approve or disapprove the application of those same rates to our NMC-CREES program. Right now, Mr. Speaker, I do share the concerns echoed by Representative Dela Cruz in light of our economy, but at this time if we are to promote our programs and I think it is one of the programs that are growing and we want to help that program to continue to flourish we need to help it. And if that request that they have submitted needs to be acted on and approved I would like to ask the consideration of our membership to please approve the measure before us. If it becomes a problem and there is a problem that surfaces because of our approving this measure let us look at it and let us re-access it later on. But at this time I do know that NMC-CREES needs help and for the programs at the College to be successful let us pass the measure and I would like to ask of all the members approval.

Several members voiced “Ready”.

Speaker Froilan C. Tenorio: Just a moment, I still have some concerns about this myself. Mr. Basa?

Mr. Ramon Basa: Thank you, Mr. Speaker, out of curiosity, has the Committee accessed how many plots and the farmers and ranchers are involved here and what is the daily consumption of water for all these farm plots?

Speaker Froilan C. Tenorio: Mr. Tebuteb?

Mr. Ramon Tebuteb: That is a very good question. At the on-set of trying to have CUC or as Representative Dela Cruz hits it on the nail it only authorizes them. This bill mandates them and so on that note when CUC was asked to authorized to do the rates for what is considered – you know you have flat-rates and those who are metered and then taking into account the farmers and ranchers. To date there is really no clear answer to that question. Although, it was raised during two agricultural summit on all those concerns and let me just say that Representative Dela Cruz is right on the money and now it is a choice it is a policy for you to decide whether you are going to support this or not and I will respect that.

Speaker Froilan C. Tenorio: Let me bring up some questions. Do we issue licenses to commercial farmers and commercial ranchers? Are there really such animal out there? Who issues license for to a commercial farmer and to a commercial rancher? How do we know we know that a person is qualified as a commercial rancher? Mr. Joseph Deleon Guerrero?

Mr. Joseph Deleon Guerrero: I am not a hundred percent sure but I think what the language says is that they have a business license. You apply for a business license you get a tax identification number.

Speaker Froilan C. Tenorio: As a commercial farmer?

Mr. Joseph Deleon Guerrero: Correct. Or a rancher.

Speaker Froilan C. Tenorio: For further clarification, Mr. Benavente?

Mr. Diego Benavente: In order to sell your produce which makes you a commercial fisherman you have to have a business license. Now, there is in our tax law an exemption for a fisherman and farmers in a maximum amount of sales before they actually pay tax. So as a fisherman I used to have a business license and as a farmer if you are going to sell commercially you have to have a business license, but that we are exempted as fisherman from paying taxes on a certain minimum gross income. So your question is are we issuing licenses, yes, each one of those farmers who actually go to the store to sell must have a business license.

Speaker Froilan C. Tenorio: Okay, so they are getting a special tax breaks already and now on top of that you want to charge them less for water.

Mr. Diego Benavente: And if I may, the more that we assist our local farmers which really contributes to this community the better we all are. Thank you.

Speaker Froilan C. Tenorio: Mr. Raymond Palacios.

Mr. Raymond Palacios: Mr. Speaker, one thing that we must be mindful that this is a program that does studies of plants and animals that will really assist us and in fact the gain will outweigh the expenses that we are going to be acting on now. Also, on top of that our students will be learning things from them as well. And if you are a farmer and doing a side-farming you can always avail to their services by asking to provide information that would assist you more in terms of your plants and how to raise live stocks. Thank you.

Speaker Froilan C. Tenorio: So Mr. Dela Cruz was saying that CUC was authorized but we do not know whether they are charging. What if they are charging Fifteen cents (\$.15) per thousand gallons? Now with this one they have to pay Twenty-five cents (\$.25), is that right? Vice Speaker?

Vice Speaker Ogumoro: That is correct, Mr. Speaker.

Speaker Froilan C. Tenorio: Mr. Dela Cruz, do you have any idea whether CUC is charging special rates to farmers and ranchers?

Mr. Francisco Dela Cruz: I believe I asked the question earlier, Mr. Speaker, if somebody can correct me if I am wrong. If farmers are being assessed these special rates at this time, I am not a hundred percent sure of the answer. I guess the bottom-line right now is NMC-CREES and the local farmers are to be given these special rates. This body basically mandates CUC now, it does not authorize CUC – it is mandating CUC to do it. And as I stated earlier each one of us have seen – I am all for assisting NMC-CREES and our local farmers, but I believe there are other avenues to do it. There are a lot of financial assistance out there for local farmers and institution such as, NMC-CREES. But we chose to look at CUC and mandate CUC so that CUC can come

back and say, okay, this is what you want we are going to raise up the rates now to the resident customers. We are all going to pay for this it does not matter how it is going to turn out whether we pass it or not – if it does pass we are going to pay for it. I know that for a fact. I am asking to maybe look at the other options – the financial assistance from the federal government to farmers and our NMC-CREES let us look at all those and figure out a way to creatively give them the water that they need. And maybe at this point in time not at the expense of the people again. We just had a rate increase the first of June. And it is almost like we are asking CUC we want another rate increase because we cannot have enough of it – that is what we are saying. Thank you, Mr. Speaker.

Speaker Froilan C. Tenorio: Thank you, Mr. Dela Cruz. Mr. Tebuteb?

Mr. Ramon Tebuteb: Thank you, Mr. Speaker. Representative Dela Cruz is absolutely correct, but you always have to put on note the water increase that CUC as mentioned by Representative Dela Cruz with regards to the recent increase of the water rates. And on that note and in line with the concerns also raised by Representative Sablan with regards to the illegal farmers. This will also fix that, if you look at page 3, Line 2, why we want that. Public Law 13-40, close to a decade already and we are talking about the same thing. So if we continue to only authorize CUC to please do this and we do not do this mandate that is a policy call. Thank you.

Speaker Froilan C. Tenorio: Representative Santos?

Ms. Teresita Santos: Mr. Speaker, I move to end debate.

Speaker Froilan C. Tenorio: Okay, Clerk, call the roll.

The Clerk called the roll on the motion to pass H. B. No. 17-32, HD1 on First and Final Reading:

Representative Ramon S. Basa	abstain
Representative Diego T. Benavente	yes
Representative Eliceo D. Cabrera	absent (excused)
Representative George N. Camacho	yes
Representative Trenton B. Conner	yes
Representative Francisco S. Dela Cruz	no
Representative Joseph P. Deleon Guerrero	yes
Representative Fredrick P. Deleon Guerrero	yes
Representative Rafael S. Demapan	yes
Representative Sylvestre Ilo Iguel	yes
Representative Felicidad Taman Ogumoro	yes
Representative Joseph M. Palacios	yes
Representative Raymond D. Palacios	yes
Representative Antonio P. Sablan	yes
Representative Teresita A. Santos	yes
Representative Ramon A. Tebuteb	yes
Speaker Froilan C. Tenorio	no
Representative Stanley McGinnis Torres	abstain
Representative Edmund Joseph S. Villagomez	yes
Representative Ray N. Yumul	yes

Speaker Froilan C. Tenorio: Therefore, H. B. 17-32, HD1, is approved. Mr. Floor Leader, recognized.

Floor Leader Camacho: Thank you, Mr. Speaker, next item on the Bill Calendar is S. B. 17-22, designating public land on the Senatorial District of Tinian for homestead purposes and I move for its passage on First and Final Reading.

The motion was seconded.

S. B. No. 17-22

A BILL FOR AN ACT DESIGNATE PUBLIC LAND ON THE ISLAND OF TINIAN AND FOR OTHER PURPOSES.

Speaker Froilan C. Tenorio: Discussion on the motion?

Several members voiced “ready”.

Speaker Froilan C. Tenorio: Point of information, I guess this is standard practice for the Legislature to be designating public land for homesteading purposes. Is it not the function of the Department of Public Lands (DPL)? Representative Santos?

Ms. Teresita Santos: Mr. Speaker, not with respect to designation.

Speaker Froilan C. Tenorio: Mr. Benavente, recognized.

Mr. Diego Benavente: Under point of information, Tinian as we had discussed this with the Committee maybe I should let Representative Conner speak, but let me just try to respond to your question and concerns. It could be considered at a special case we must understand that two-third (2/3) of the island (Tinian) has been taken for military purposes and the people of Tinian has lost control also – there is only one-third (1/3) of land. Given the influx recently of proposed developments on that last one-third (1/3) of the island the people of Tinian and the leadership in this case Senator Hofschneider has suggested or was offered to reserve some of those lands and not give it all up for commercial purposes for the benefit of the people and the residents of Tinian and reserve them for future homestead. I think it is justifiable and I think as we have discussed this with the Committee this is something that we should consider and support for the benefit and the people of Tinian in this case. Thank you.

Speaker Froilan C. Tenorio: Representative Santos, recognized.

Ms. Teresita Santos: For the benefit information. At present, DPL Tinian has over six hundred (600) pending village homestead applications and six hundred pending agricultural homestead applications. So the only way in ensuring that these applicants avail of a village homestead or agricultural homestead lots is to designate for a portion of available public lands there is in the

Second Senatorial District and it is for this reason that the Committee has highly recommended for the passage of this particular bill. Thank you, Mr. Speaker.

Speaker Froilan C. Tenorio: Point of information, are we still giving out agricultural homesteads? Representative Santos, recognized?

Ms. Teresita Santos: For Rota and Tinian, yes, Mr. Speaker.

Speaker Froilan C. Tenorio: Why is that?

Ms. Teresita Santos: Because we still have available public lands.

Speaker Froilan C. Tenorio: And we do not have any available public lands on Saipan, anymore?

Ms. Teresita Santos: I am afraid we are running out or in fact we just do not have anymore. In the Northern Islands, there are still available for village homestead also.

Speaker Froilan C. Tenorio: Clerk, roll call.

The Clerk called the roll on the motion to pass S. B. No. 17-22 on First and Final Reading:

Representative Ramon S. Basa	yes
Representative Diego T. Benavente	yes
Representative Eliceo D. Cabrera	absent (excused)
Representative George N. Camacho	yes
Representative Trenton B. Conner	yes
Representative Francisco S. Dela Cruz	yes
Representative Joseph P. Deleon Guerrero	yes
Representative Fredrick P. Deleon Guerrero	yes
Representative Rafael S. Demapan	yes
Representative Sylvestre Ilo Iguel	yes
Representative Felicidad Taman Ogumoro	yes
Representative Joseph M. Palacios	yes
Representative Raymond D. Palacios	yes
Representative Antonio P. Sablan	yes
Representative Teresita A. Santos	yes
Representative Ramon A. Tebuteb	yes
Speaker Froilan C. Tenorio	no
Representative Stanley McGinnis Torres	yes
Representative Edmund Joseph S. Villagomez	absent (during voting)
Representative Ray N. Yumul	yes

Speaker Froilan C. Tenorio: S. B. 17-22, is hereby approved. Mr. Floor Leader, recognized.

Floor Leader Camacho: Thank you, Mr. Speaker.

Mr. Joseph Deleon Guerrero: Privilege, Mr. Speaker.

Speaker Froilan C. Tenorio: Mr. Joseph Deleon Guerrero?

Mr. Joseph Deleon Guerrero: Thank you, Mr. Speaker. When the Floor Leader was going over the items on the Bill Calendar the next item was supposed be the H. L. I 17-1, the pension obligation bond, but I believe he had mentioned that the Chairman on Ways and Means still had some issues or concerns about it and I perhaps want to ask the Chairman to elaborate if any because there is a time-sensitive issue on this bill.

Speaker Froilan C. Tenorio: Mr. Basa?

Mr. Ramon Basa: Thank you, Mr. Speaker. Yes, the initiative is on the Calendar and I hoping that on today's session we can address it, however, we had to wait for the Administration and the Retirement Fund to incorporate their concerns into the bill. We had just got the respond back two days ago and the House Legislative Assistant has been working tirelessly to put the report together. We are working on a substitute bill but we did not have enough time to get everybody to sign. I know that time is of the essence and I am really anxious to get this out for this upcoming election, but we need more time. If we are planning on holding a session next week rest assure that we will tackle this and hopefully take action. Thank you.

Speaker Froilan C. Tenorio: Actually I would like to say something about this initiative. Mr. Joseph Deleon Guerrero I introduced a casino bill. I just realized that the copy that I have does not have the complete language, but I would like for us to earmark the Five percent (5%) gross receipt tax to be generated by the casino industry and earmark that money completely to the Retirement Fund until the unfunded liability is fully paid. This is of the reasons why I am pushing for a casino because I do not want the general public to be paying the expenses required by to keep the government workers get their pension and that is why I want the casino to do that. So I wish that – this is your initiative, Mr. Joseph Deleon Guerrero?

Mr. Joseph Deleon Guerrero: Yes, Mr. Speaker.

Speaker Froilan C. Tenorio: I wish that you would wait until we see what happens to the casino bill and if it does not go through then I still would not support the bill but I still would like to wait until we find out the fate of the casino bill in the Senate. Mr. Joseph Deleon Guerrero, recognized.

Mr. Joseph Deleon Guerrero: Thank you. This is to respond to both, the first, I am happy that you plan to earmark portion of the revenues to the Retirement Fund...

Speaker Froilan C. Tenorio: Actually, all of it.

Mr. Joseph Deleon Guerrero: Great, even better. I do not think that it will be hurting each other to have this initiative passed or the casino bill, but I think this initiative authorizes our government to be able to have that option it does not guarantee that this government will issue a pension obligation bond, but it gives that alternative. So really if the people vote and approve it

then we have that option. We may never issue if there is a better alternative, but all ask is that we be given the opportunity to have this alternative. And like I had mentioned to the Chairman I was just reminded by the Retirement Fund to get it on this year's ballot I thought the deadline was over, but apparently August 6 is the deadline so there is still a chance to get it through the Senate and to have this pass into law before then. It is not my bill, Mr. Speaker, this is coming from the Retirement Fund as one of the solutions to help the Retirement Fund stay afloat. Let me clear that again, it is not mine. I am just very concerned, however about the time sensitivity here. As far as the concerns from the Administration and the concerns from the Retirement Fund they did submit a letter months ago, I have seen the copy. And really we can wait for the Committee to adopt the Committee Report but the two changes they wanted to this initiative, one was just to update the findings, that is the first part. And the second, is to add a short language to allow it to get into this year's ballot. That is all it is. And for the sake of timeliness I have the recommendations from the Retirement Fund and I can easily knead it out it is only about seven words and do an oral floor amendment and it will be consistent with both the Administration and the Retirement Funds recommendations and still get it passed to today. So if there are no objections from the members I wanted to ask to please entertain this initiative today and I will offer the floor amendment – if anyone else would like to amend it further the Retirement Fund is here and we can have them come in and correct me if need be.

There were no objections on the Floor.

Speaker Froilan C. Tenorio: Mr. Benavente?

Mr. Diego Benavente: Thank you, Mr. Speaker. If there is a consideration for us to go ahead and entertain this bill then I yield at this time and allow for the other members to speak.

Speaker Froilan C. Tenorio: Mr. Raymond Palacios.

Mr. Raymond Palacios: Just in line with what Representative Joseph Deleon Guerrero had stated. It does not hurt to pass this initiative and at the same time wait for the casino because like he mentioned and stated that it will only give the government options and if it so happens that the casino bill also passed I know that the government might as well rely on the casino interest rather than taking the risk of borrowing Two Hundred Million Dollars (\$200,000,000.00) and not being able to pay it back. If you are concern regarding the casino bill I think it will not really matter. Your bill is safe as well, but it does not hurt to pass the initiative. Thank you, Mr. Speaker.

Speaker Froilan C. Tenorio: Vice Speaker, recognized.

Vice Speaker Ogumoro: I would also like to echo the same concerns of Representatives Joseph Deleon Guerrero and Raymond Palacios. I think that we should go ahead and if there are no objections on the Floor and maybe if we need to recess a little to allow for the necessary amendments to be prepared let us do that. But it would not hurt to go ahead to pass this measure today and prepare for it to be included and be placed on the ballot for this upcoming election. That would provide us another alternative should the casino bill fail for whatever reason. We cannot continue to delay the Retirement Fund is in need of our help so we must now. Now, if the

casino bill that you had sponsored, Mr. Speaker passes then by all means we should put a block to the floating of that bond and use the casino funds. Thank you, Mr. Speaker.

Speaker Froilan C. Tenorio: May I just ask a question. What was the reason earlier that we wanted to bypass this initiative?

Floor Leader Camacho: The Committee on Ways and Means wanted to make changes to the bill and they just had recently received comments from the Retirement Fund and wanted to incorporate those changes.

Speaker Froilan C. Tenorio: Mr. Basa?

Mr. Ramon Basa: That is true, Mr. Floor Leader, and it is in the substitute bill that reflects that. And I also have the committee report if I get six signatures we can also adopt that.

Speaker Froilan C. Tenorio: Recess.

The House recessed at 12:51 p.m.

RECESS

The House reconvened at 2:44 p.m.

Speaker Froilan C. Tenorio: We are back to our session. Mr. Floor Leader?

Floor Leader Camacho: Thank you. Let us move along with the Bill Calendar while we are waiting on copies of the substitute bill with regards to the initiative. The next item on the Bill Calendar is H. B. 17-76, this is to amend the homesteading permitting processes and I move for its passage on First and Final Reading.

The motion was seconded.

H. B. No. 17-76

**A BILL FOR AN ACT TO AMEND 143 NMIAC § 145-20.4-115 REGARDING
HOMESTEAD PERMIT PROCESS; AND FOR OTHER PURPOSES.**

Speaker Froilan C. Tenorio: Discussion on the motion?

Several members voiced “ready”.

The Clerk called the roll on the motion to pass H. B. No. 17-76 on First and Final Reading:

Representative Ramon S. Basa	yes
Representative Diego T. Benavente	yes
Representative Eliceo D. Cabrera	absent (excused)
Representative George N. Camacho	yes
Representative Trenton B. Conner	yes
Representative Francisco S. Dela Cruz	yes

Representative Joseph P. Deleon Guerrero	yes
Representative Fredrick P. Deleon Guerrero	absent (during voting)
Representative Rafael S. Demapan	yes
Representative Sylvestre Ilo Iguel	absent (during voting)
Representative Felicidad Taman Ogumoro	yes
Representative Joseph M. Palacios	yes
Representative Raymond D. Palacios	absent (during voting)
Representative Antonio P. Sablan	yes
Representative Teresita A. Santos	yes
Representative Ramon A. Tebuteb	yes
Speaker Froilan C. Tenorio	yes
Representative Stanley McGinnis Torres	yes
Representative Edmund Joseph S. Villagomez	yes
Representative Ray N. Yumul	yes

Speaker Froilan C. Tenorio: H. B. 17-76, is approved. Mr. Floor Leader, recognized.

Floor Leader Camacho: Thank you, Mr. Speaker. The next item is H. B. 17-57, HD1, to establish a NMD Registry with the Commonwealth Election Commission (CEC) and I move for its passage on First and Final Reading.

The motion was seconded.

H. B. No. 17-57, HD1

A BILL FOR AN ACT TO ESTABLISH A NORTHERN MARIANAS DESCENT REGISTRY WITHIN THE COMMONWEALTH ELECTION COMMISSION.

Speaker Froilan C. Tenorio: Discussion on the motion?

Several member voiced "ready".

Speaker Froilan C. Tenorio: Wait, why are we doing this? Vice Speaker?

Vice Speaker Ogumoro: Mr. Speaker, the main author of the bill the purpose establishing the Northern Marianas Descent (NMD) Registry is to make sure that we comply with Article XVIII Section 5 (c) of the Northern Marianas Island (NMI) Constitution which provides that only persons of Northern Marianas Descent (NMD) can vote on constitutional amendments affecting the projections against alienation of land in Article XII of the NMI Constitution. This NMD Registry has begun sometime ago it went from the hands of the DPL and then it went to the CEC and then it stopped. We need to make sure that we have these registry in placed so that there is no doubt when the time comes to vote on issues that are pertinent to only persons of NMD to vote that – that registry is in placed to get the CEC to have a clear direction on who is to vote and who is not to vote.

Several members vote "ready".

Speaker Froilan C. Tenorio: Just one moment, please. May I ask the Legal Counsels, I honestly feel that the idea that only NMD can vote on amending the Constitution on Article XII, I think is unconstitutional.

Vice Speaker Ogumoro: Before the Legal Counsel answers I would like to call the members attention to Article XVIII that went into being after our people voted legislative initiative establishes that only persons of NMD will vote. So if that is going to be the constitutionality of that provision is going to be questioned, let that be brought to the attention of the Court. But as it stands, that is what the people of the Northern Marianas voted when they voted to amend Article XVIII, Section 5 (c) of the NMI Constitution.

Mr. Diego Benavente: Point of clarification, Mr. Speaker.

Speaker Froilan C. Tenorio: Mr. Benavente?

Mr. Diego Benavente: Just to clarify or at least have the Counsels clarify the question that you offered as this bill proposes. Because I think what the bill does is provide for a registry. It does not necessarily mean that this is going to limit those of NMD to be voting – I am not sure but just if you cannot that should be differentiated in your response.

Speaker Froilan C. Tenorio: Mr. Joseph Palacios, recognized.

Mr. Joseph Palacios: Thank you, Mr. Speaker. I think the intent of this bill is really in line with the Native Americans, Native Alaskans, Native Hawaiians, Chamorro Land Nation on Guam – in my opinion we are practically has far as the Chamorro and Carolinians we are pretty much endangered species ourselves – we are less than fifty thousand people. So we have to protect our rights. Like the Native Indians in the mainland for example although they have reservation but they are still US citizens so that is not going to kick us outside of that for the fact that it is going to change our status. It is only going to protect our interest that is my opinion, Mr. Speaker. Thank you.

Speaker Froilan C. Tenorio: Clerk, roll call.

The Clerk called the roll on the motion to pass H. B. No. 17-57, HDI on First and Final Reading:

Representative Ramon S. Basa	yes
Representative Diego T. Benavente	yes
Representative Eliceo D. Cabrera	absent (excused)
Representative George N. Camacho	yes
Representative Trenton B. Conner	yes
Representative Francisco S. Dela Cruz	yes
Representative Joseph P. Deleon Guerrero	yes
Representative Fredrick P. Deleon Guerrero	yes
Representative Rafael S. Demapan	yes
Representative Sylvestre Ilo Iguel	yes
Representative Felicidad Taman Ogumoro	yes
Representative Joseph M. Palacios	yes

Representative Raymond D. Palacios	yes
Representative Antonio P. Sablan	yes
Representative Teresita A. Santos	yes
Representative Ramon A. Tebuteb	yes
Speaker Froilan C. Tenorio	no
Representative Stanley McGinnis Torres	yes
Representative Edmund Joseph S. Villagomez	yes
Representative Ray N. Yumul	yes

Speaker Froilan C. Tenorio: H. B. 17-57, HD1 is approved. Mr. Floor Leader?

Floor Leader Camacho: Thank you, Mr. Speaker, the next item on our Bill Calendar is H. B. 17-80. We do have the Director of CUC in the gallery right now, and if the members have any questions with regards to this bill, he is more than willing to answer them. Let us move to committee of the whole so that we may receive comments from the Director of CUC concerning H. B. 17-80.

The motion was seconded and being no discussions the motion was carried by voice vote.

The House dissolved into the Committee of the Whole at 4:09 p.m.

COMMITTEE OF THE WHOLE

The House reconvened at in plenary session at 4:38 p.m.

Speaker Froilan C. Tenorio: Mr. Dela Cruz?

Mr. Francisco Dela Cruz: Mr. Speaker, I would to make a motion to refer H. B. 17-80 and refer it back to the Committee for further discussion.

The motion was seconded.

Speaker Froilan C. Tenorio: Okay, discussion, on the motion? Mr. Benavente?

Mr. Diego Benavente: Mr. Speaker, as you can see I have also presented some concerns to Director Muña on this legislation. And I see that the minority members who would insist that we defer action on this legislation. It is my understanding that this legislation is critical and necessary and I would think that it is given the current rate for our customers, constituents, and our community that they are paying for power currently. I raise these concerns with several meetings with not just members of the House but also members of the Senate. I have taken it upon myself to support and encourage the removal of the status quo of the current situation that we are in and one of those is the need to repeal if not all then certainly certain sections of Public Law 16-17. Because we cannot continue to charge the kind of rates that we have. And it is my understanding is that there are opportunities currently that are coming through whether it is waste to energy that are being proposed and correct me if I am wrong if anybody knows better than I do, but at the rate of Fifteen Cents (\$.15) per kilowatt hour, Mr. Speaker, currently our people are

paying between Twenty-Seven Cents (\$.27) Twenty-Nine Cents (\$.29) and I think for commercial is about Thirty-Four Cents (\$.34) per kilowatt hour. At Fifteen Cents (\$.15) per kilowatt hour we better be saying where do we sign and can you start today because our people need it. I know that there is a risk that we are concerned with regards to how this Administration is going to pursue the privatization of the utilities. In my opinion though given that the Public Utilities Commission (PUC) is in placed and given that there is the Public Auditors Office (OPA) that in fact was the instrument and the agency to stop what the previous attempt for privatization. I feel that there is enough and you have to include that if there is going to be more than one bidder then there is going to be those other bidders that are going to file a protest if they see anything where a protest should be filed. I believe that under our current Procurement laws that there is enough protection to protect the interest of the people in this. And I want to say that if we are not sure that it is worth the risk to pursue this and move and change this restrictive measures that would present us an opportunity for a cheaper utility rate for our consumers this is killing this community not just because the individual and for families inability to pay this expensive rate but it is killing the opportunities for investments here in the Commonwealth. I know that we can go back to the Committee and review this matter further but we are always going to be debating on certain sections. There is always going to be something that we will not agree upon. For now, I want to say that I am risking it but I am taking my chances, I am going to believe this Administration and believe the fact that there is enough protection within the other agencies to protect the interest of the people but risk it for the purpose of reducing utility rates for our consumers, because it is in my opinion is worth the risk. And really, we need to believe recently we had a public hearing and we passed a law that repealed the restriction for nuclear power generation here in our islands, there is interest in waste to energy the technology has gotten to where there is a real possibility and I have spoken to experts on this. New technology continues to come before us. So we need to get out of this expensive diesel fuel that is costing our people this expensive rate and Public Law 16-17 is restricting us from doing that and I ask my fellow colleagues in the minority side let us move on and take that risk because it is worth the risk if it means bringing the rate down to Fifteen Cents (\$.15) per kilowatt hour it is worth the risk. Thank you.

Speaker Froilan C. Tenorio: I would just like to say that the Administration that would benefit the most from what we are doing today will be the one in 2015. Mr. Joseph Deleon Guerrero?

Mr. Joseph Deleon Guerrero: Thank you, Mr. Speaker. At first I thought my good Minority Leader was supporting to table for now until we can look at it closely, but my assumption is wrong. Mr. Speaker, and for the benefit of the members who were not here during the Sixteenth Legislature the CUC privatization bill was a very contentious legislation raising a lot of concerns there was hours and hours of deliberation and debates and a lot of it focused on the protection to make sure that any privatization venture whether it is an (IPP) and you have heard many of the acronyms Performance Management Contracts (PMC) different alternatives that whatever route that we decide that there would be protection in placed for our consumers. And some of those protections were embedded in – in the different sections. I would like to ask for at least to live it on the Bill Calendar and we do not have to refer it back to the Committee but to give us a little time – I, myself would not only go back – I want to go as far back as looking into the Journal and the Committee Reports just to make sure that we are not repealing a meaningful provisions that

protects our people in the event that privatization does occur. I do not think anyone of us here wants to hold back alternative energy or the CNMI moving in that direction – I do not want to hold that back myself. I just want to make sure that those provisions are in place, I ask for your indulgence just until the next session so that we can – right now I was hoping that the bill would have the repealers that would actually include the sections, but it does not. So I am very hesitant to support the bill as it is being proposed simply because all it does is have a repealer of this section and I do not know how many of us not only have read what is being repealed but understand why those provisions were there in the first place. And I may believe I can elaborate more during the next session once we have had the chance to go back and look at that. So I am supporting Representative Dela Cruz's recommendation perhaps, maybe, if he is willing not necessarily to send it back to the Committee but just to table it until the next session – if there are not objections from the members.

There were no objections raised on the Floor.

Speaker Froilan C. Tenorio: Mr. Dela Cruz?

Mr. Francisco Dela Cruz: Thank you, Mr. Speaker. I also ask for the same request maybe not to the Committee but to further discuss the issue. I hate to say it but sometimes when we are in haste to do some things a lot of times it backfires. To give you an example, today I was talking to the Executive Director of CUC with regards to mandating reduced rates to farmers and NMC-CREES and we were discussing the issue and one of the things that he pointed out was that CUC's water is chlorinated – why would farmers want chlorinated water? It is going to spoil their plants. Again, that is why I say, sometimes we have to look back and rethink the issue. We had just measure that probably is of no usefulness for the farmers and NMC-CREES because it is treated water – that is the water we are supposed to be using in our households and not for farming. Thank you, Mr. Speaker and I thank all the members to table this.

Several members voiced “ready”.

Speaker Froilan C. Tenorio: Mr. Tebuteb?

Mr. Ramon Tebuteb: Thank you, Mr. Speaker. I am sensing that members voicing “ready” favors the request that I also support made by Representative Dela Cruz and may I please, again, ask for your indulgence and remind everybody on what Public Law 16-7 Section 4 so that we may be reminded again, Public Law 16-7 is the repealer what we did to specifically reprogrammed Marianas Public Lands Trust (MPLT) interest for CUC which reads:

Public Law 16-7

To earmark MPLT revenues for CUC for emergency power generation services from a private contractor and for contractual obligations of CUC; and for other purposes.

Section 4. Rebate of earmarked funds. Within 18 months of the effective date of the Act, CUC shall implement a residential rate reduction or begin a residential consumer rebate program in the amount of \$3,400,000. A total of

\$3,400,00 shall be expended by CUC for residential rate reduction or a residential customer rebate program within 54 months of the effective date of this Act.

That 18 months was in July 2008, the timeline for the 18 months is January 2009. So the least that we could do is have something from CUC to tell us what the program has or review whether it is effective or not.

Speaker Froilan C. Tenorio: Thank you, Mr. Tebuteb. There is a motion to on the Floor to table H. B. 17-80, any further discussion? Mr. Benavente?

Mr. Diego Benavente: Mr. Speaker, again my concern is that we need to expedite this legislation and so if next session is tomorrow then I would agree to it, but it cannot be next session in two weeks and I do not know when the Leadership will be calling for another session, but this is one those urgent matters currently that our people need. So if you can satisfy the members that this next session would be by tomorrow then I will support the motion.

Speaker Froilan C. Tenorio: Alright, we are now voting on the motion to table H. B. 17-80, Clerk roll call.

The Clerk called the Roll on the motion to table H. B. 17-80:

Representative Ramon S. Basa	no
Representative Diego T. Benavente	no
Representative Eliceo D. Cabrera	absent (excused)
Representative George N. Camacho	no
Representative Trenton B. Conner	yes
Representative Francisco S. Dela Cruz	yes
Representative Joseph P. Deleon Guerrero	yes
Representative Fredrick P. Deleon Guerrero	no
Representative Rafael S. Demapan	no
Representative Sylvestre Ilo Iguel	no
Representative Felicidad Taman Ogumoro	no
Representative Joseph M. Palacios	yes
Representative Raymond D. Palacios	yes
Representative Antonio P. Sablan	yes
Representative Teresita A. Santos	absent (during voting)
Representative Ramon A. Tebuteb	yes
Speaker Froilan C. Tenorio	no
Representative Stanley McGinnis Torres	no
Representative Edmund Joseph S. Villagomez	no
Representative Ray N. Yumul	yes

Speaker Froilan C. Tenorio: Therefore the motion to table H. B. 17-80 is defeated. Mr. Floor Leader?

Floor Leader Camacho: Thank you, Mr. Speaker, on that note I move for the passage on First and Final Reading, H. B. 17-80.

The motion was seconded.

H. B. No. 17-80

A BILL FOR AN ACT TO RESTORE THE COMMONWEALTH UTILITIES CORPORATION'S PROCUREMENT AUTHORITY TO GIVE THE CUC THE FLEXIBILITY NEEDED TO PARTNER WITH THE PRIVATE SECTOR TO PROVIDE RELIABLE SERVICE AT EFFICIENT RATES; AND FOR OTHER PURPOSES.

Speaker Froilan C. Tenorio: Discussion on the motion?

Several members voiced "ready".

Speaker Froilan C. Tenorio: Mr. Benavente, recognized.

Mr. Diego Benavente: For the purpose of record I would like to ask that the discussion that I offered during the motion to table H. B. 17-80 to be placed on this discussion under the motion to pass H. B. 17-80 on First and Reading. Thank you.

There were no objections on the Floor.

Speaker Froilan C. Tenorio: So noted. Clerk, roll call.

The Clerk called the roll on the motion to pass H. B. No. 17-80 on First and Final Reading:

Representative Ramon S. Basa	yes
Representative Diego T. Benavente	yes
Representative Eliceo D. Cabrera	absent (excused)
Representative George N. Camacho	yes
Representative Trenton B. Conner	yes
Representative Francisco S. Dela Cruz	no
Representative Joseph P. Deleon Guerrero	no
Representative Fredrick P. Deleon Guerrero	yes
Representative Rafael S. Demapan	yes
Representative Sylvestre Ilo Iguel	yes
Representative Felicidad Taman Ogumoro	yes
Representative Joseph M. Palacios	no
Representative Raymond D. Palacios	yes
Representative Antonio P. Sablan	no
Representative Teresita A. Santos	absent (during voting)
Representative Ramon A. Tebuteb	no
Speaker Froilan C. Tenorio	yes
Representative Stanley McGinnis Torres	yes
Representative Edmund Joseph S. Villagomez	yes
Representative Ray N. Yumul	no

Speaker Froilan C. Tenorio: Therefore H. B. 17-80 is approved. Mr. Floor Leader?

Floor Leader Camacho: Thank you, Mr. Speaker, the last item for today, and I move for the passage on First and Final Reading H. L. I 17-1, authorizing the Commonwealth government to issue a pension obligation bond.

The motion was seconded.

H. L. I. No. 17-1

A HOUSE LEGISLATIVE INITIATIVE TO ADD A NEW SECTION 10 TO ARTICLE X OF THE CONSTITUTION OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS TO AUTHORIZE THE COMMONWEALTH TO ISSUE PENSION OBLIGATION BONDS AND FOR OTHER PURPOSES.

Speaker Froilan C. Tenorio: Discussion on the motion? Mr. Basa, recognized.

Mr. Ramon Basa: Thank you, Mr. Speaker. I would like to offer a floor amendment in a form of a substituted on H. L. I 17-1.

The motion was seconded.

Speaker Froilan C. Tenorio: Discussion on the motion.

Several members voiced “ready”, and being no discussion the motion was carried by voice vote.

Speaker Froilan C. Tenorio: Mr. Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker, we are back to the main motion, to approve H. L. I 17-1, HS1 on First and Final Reading.

The motion was seconded.

Mr. Diego Benavente: Just for all the members information and I hope that we unanimously support this but there is a Constitutional requirement for a minimum vote for a legislative initiative and for the Counsel can we hear exactly how many members necessary?

Speaker Froilan C. Tenorio: Legal Counsel?

LC Joseph Tajjeron: Three Fourths (3/4) is the requirement eighteen (18) members are present and potentially voting, that will be fourteen (14).

Mr. Diego Benavente: Okay, thank you.

Speaker Froilan C. Tenorio: Mr. Joseph Deleon Guerrero?

Mr. Joseph Deleon Guerrero: We can all agree – there is a typographical error on page 2, Line 6, to correct the word “derived” for the record. If we can agree if the Clerk can make that technical correction. Thank you.

There were no objections on the Floor.

Speaker Froilan C. Tenorio: Clerk, call the roll.

The Clerk called the roll on the motion to pass H. L. I. No. 17-1 on First and Final Reading:

Representative Ramon S. Basa	yes
Representative Diego T. Benavente	yes
Representative Eliceo D. Cabrera	absent (excused)
Representative George N. Camacho	yes
Representative Trenton B. Conner	yes
Representative Francisco S. Dela Cruz	yes
Representative Joseph P. Deleon Guerrero	yes
Representative Fredrick P. Deleon Guerrero	yes
Representative Rafael S. Demapan	yes
Representative Sylvestre Ilo Iguel	yes
Representative Felicidad Taman Ogumoro	yes
Representative Joseph M. Palacios	yes
Representative Raymond D. Palacios	yes
Representative Antonio P. Sablan	yes
Representative Teresita A. Santos	absent (during voting)
Representative Ramon A. Tebuteb	yes
Speaker Froilan C. Tenorio	yes
Representative Stanley McGinnis Torres	yes
Representative Edmund Joseph S. Villagomez	yes
Representative Ray N. Yumul	yes

Speaker Froilan C. Tenorio: Therefore, H. L. I 17-1, HS1 is approved. Mr. Floor Leader.

Floor Leader Camacho: Thank you, Mr. Speaker. The last final action for today is H. B. 17-48 and I move its passage on First and Final Reading.

The motion was seconded.

H. B. No. 17-48

A BILL FOR AN ACT TO AMEND 4 CMC § 5611(D) TO ESTABLISH A REVOLVING FUND TO PAY FOR THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS ANNUAL MEMBERSHIP DUES; AND FOR PURPOSES.

Speaker Froilan C. Tenorio: Discussion on the motion? Mr. Yumul.

Mr. Ray Yumul: Thank you. I have a written floor amendment that I would like to offer to H. B. 17-48. On page 1, Line 22 to revise Section 3 to read as follows:

4 CMC § 5611 as amended by Public Law 11- to amend subsection (d) 4 and to add the rest accordingly

I so move.

The motion was seconded.

Speaker Froilan C. Tenorio: Discussion. Mr. Joseph Deleon Guerrero?

Mr. Joseph Deleon Guerrero: Can the mover of the amendment justify why this additional amendment?

Speaker Froilan C. Tenorio: Mr. Yumul?

Mr. Ray Yumul: Okay, under the current statute for general business license covering all other business unless provided for in this section is a Fifty Dollar (\$50.00) per separate line of business. I will give you a great example, if you were in the water sports business and you have a boat it is Fifty Dollars (\$50.00) if you have a banana boat it is Fifty Dollars (\$50.00) if you have a jet ski it is Fifty Dollars (\$50.00) and so forth. As we know water sports is not a multi-million dollar money maker however insurance companies are collecting in excess of Three Hundred Thousand Dollars (\$300,000) to a Million Dollars in annual premiums they only pay one business license that is Three Hundred Dollars (\$300.00). So if they offer typhoon insurance they offer fire, they offer general liability they offer automobile still under one umbrella, Three Hundred Dollars (\$300.00). And so what we are doing here is to separate those lines of business by requiring they to pay the Hundred Dollar fee – this fee will be added onto the intent of H. B. 17-48 which is to allow the Department of Commerce (DOC) mainly the Division that covers insurance to be funded so that they can keep up with the latest trends and the information on the insurance industry as we know is very dynamic a lot of things are changing on a continuing basis so I think it is only proper to allow for this activity to open up.

Speaker Froilan C. Tenorio: Mr. Joseph Deleon Guerrero.

Mr. Joseph Deleon Guerrero: I am a member of this Committee (Committee on Commerce and Tourism) and my understanding is that it proposes to establish a small fee so that it covers the inter-revolving account which would be used for the annual membership dues and I believe any lapses shall go to the General Fund. And really it is to cover something that these insurance companies are represented through this association of insurance commissioners. What Representative Yumul is proposing almost sounds like business license fee which this is not proposing to do, this is to cover the cost for the annual membership dues – I do not know why Representative Yumul want to tack on.

Mr. Ray Yumul: If you read the bill itself the amendment actually adds a new item under the same 4 CMC §5611 and all I am doing is to just add an additional line of business because if we do not do this – this bill will become problematic and probably be vetoed because as you may or may not know or we are under an continuing budget you cannot take moneys out of the General

Fund that is already being or have been identified under Public Law 16-32 to fund FY 2010. This merely adds this additional funding source so that this activity can happen otherwise it is going to run into problems with the Planning and Budgeting Act.

Mr. Joseph Deleon Guerrero: I am sorry I am still kind of lost here. I am very sure that the Chairman has consulted with the Department of Commerce in terms of and I think this bill is flexible enough that it allows the Department of Commerce to establish what the rate will be. Yes, what will be a reasonable rate to cover their membership dues. I do not see anything where it proposes a specific monetary amount. And again I am concern because it is almost like double taxation. There is a business license fee which insurance companies and all other businesses will pay, now, if you are proposing this monetary amount for the business license for any separate line of business I can understand the intent, but like I said the intent for this is merely to establish a revolving account, create a reasonable fee so that they can pay their dues. And I do not know if what you are proposing is reasonable, Representative Yumul.

Mr. Ray Yumul: I think it is very reasonable, because I again the moneys that are being collecting under 4 CMC § 5611 which is the business licenses those are already identified under Public Law 16-32 for the expenditures of the government because we did not enact a budget act for FY 2010 this bill as it presently sits without this amendment aims to take money from the General Fund we cannot do that. That is why this simple amendment just adds a additional revenues source so that this activity can receive the moneys like you have mentioned earlier any excess will go to the General Fund anyway. So it is a creative way of giving the Department of Commerce funding but at the same time identifying a new source funding for that activity.

Speaker Froilan C. Tenorio: Mr. Villagomez?

Mr. Edmund Villagomez: Representative Yumul, this Hundred Dollars will still go into the General Fund either way, right?

Mr. Ray Yumul: Right, as you bill is written whatever money that the insurance commissioners needs to pay these dues all the excess will go to the General Fund. But we cannot just identify that this money will be earmarked for this because we are under a continuing budget. We need to include this in an annual budget. That is the problem that we have right now. We are in the middle of a 2010 budget – this money has been already identified to operate current operations.

Speaker Froilan C. Tenorio: Mr. McGinnis-Torres?

Mr. Stanley McGinnis-Torres: Mr. Speaker, I would like to ask Representative Yumul is there is an insurance company that has more than one annuity?

Mr. Ray Yumul: Well you have an insurance company and within that insurance company you have different lines of product or in this case the insurance that you are offering it could be automotive the coverage could be fire, typhoon, flooding those are the different line items. Over the years the Department of Commerce has actually have been asking the Legislature to increase

the required capital from Twenty-Five Thousand Dollars (\$25,000) per line insurance to a Hundred Thousand because a lot of these insurance companies are underfunded.

Mr. Joseph Deleon Guerrero: But correct me if I am wrong – they have been asking for the business license to increase the business license for each line of business that each company has.

Mr. Ray Yumul: Insurance companies has...

Mr. Joseph Deleon Guerrero: But that is for business license, right?

Mr. Ray Yumul: Right. But because the source of this insurance annual fee is from the business license where are trying to earmark this Three Hundred Dollars (\$300) license fee. There is only sixteen domestic insurance companies and forty to foreign companies operating here. There is not a lot of insurance companies – there are a lot of agents.

Mr. Joseph Deleon Guerrero: Correct me if I am wrong, all that this legislation proposes to do is to establish a revolving account from which they can get from those fees put in to this revolving account and use it to pay for the membership dues. Now, your amendment...

Mr. Ray Yumul: Is to identify the source of funds. Because we cannot take it from the General Fund right now because we are under a continuing budget.

Mr. Joseph Deleon Guerrero: It does not take it from the General Fund it takes it from the license fees.

Mr. Ray Yumul: All licensing fees go to the General Fund and then we do an annual appropriation. So it is already identified and earmarked for 2010.

Mr. Joseph Deleon Guerrero: Your amendment may have this bill vetoed. Because the Administration is not going to support any type of tax increase.

Speaker Froilan C. Tenorio: Mr. Benavente.

Mr. Diego Benavente: Mr. Speaker, I know that our Journal Clerk is in here and I just wondered if she has memorized our voices enough to determine who is speaking since there is – so you have memorized it so there would not be any problem when the speaker identifying the next speaker. Okay, so I yield at this time.

Speaker Froilan C. Tenorio: Mr. Yumul.

Mr. Ray Yumul: I would like to ask the Legal Counsel if my amendment is not included here and this bill passes and becomes law will this take money away from the General Fund which is already has been identified or this continuing budget year 2010?

Speaker Froilan C. Tenorio: Legal Counsels.

LC John F. Cool: I think the big question is when the license fees are due and if the license fees are due within the next two months then it would divert funds from the general revenues under the continuing resolution to a special account, however, if the license fees are paid earlier in the year which I think they then no funds would be diverted at this time.

Speaker Froilan C. Tenorio: Point of information, what is subsection d(4)?

LC Joseph Taijeron: Mr. Speaker, that is the section involving Business license fees.

Speaker Froilan C. Tenorio: From what – is it specific? Mr. Villagomez?

Mr. Edmund Villagomez: From insurance companies.

Speaker Froilan C. Tenorio: Legal Counsel.

LC Joseph Taijeron: Representative Yumul's question about how much money will be diverted – I would ask Representative Villagomez to factually represent what I think is a nominal sum – just the amount to pay for the membership dues. But I would like Representative Villagomez to confirm that.

Speaker Froilan C. Tenorio: Mr. Villagomez?

Mr. Edmund Villagomez: Well it basically depends on the premiums collected. For the past couple of years it is between Seven to Eight Thousand Dollars so far. So it goes up and down depending on the premiums collected.

Speaker Froilan C. Tenorio: Mr. Demapan, recognized.

Mr. Rafael Demapan: Thank you, Mr. Speaker. I just need some clarity. One, are you saying that we are singling out insurance companies? Two, as you stated earlier for a separate line of business there is a Fifty Dollar fee for that, are you saying we should increase an additional Fifty Dollars or a Hundred Dollars for line of business?

Speaker Froilan C. Tenorio: Mr. Yumul?

Mr. Ray Yumul: The license fee actually only deals with what is needed. The insurance commissioner needs to pay these annual fees. It could simply said that we made H. B. 17-48 a flexible legislation on the part of the insurance commissioner to collect fees based on what total premiums are being collected by each insurance and then using that to pay these annual fees then that is one thing. What we are trying to do here base on this bill is just to pay this annual Seven to Eight Thousand Dollars a year fee – we cannot do that unless we identify additional funds sources. Otherwise we are going to have an issue because we are taking that money away from the General Fund which we are already into towards the end July. So by just allowing the insurance companies to pay for this separate line of business just like how every other business

would. If you want to engage in different activities you pay for the business license. There is not necessarily just one general business license that covers all business activity that is why it is all separated. Now, if someone here feels that the Hundred Dollars for separate line item is too much then we can equalize it with section 12, and just say Fifty Dollars, but with the example I brought up earlier is if we are talking about the jet ski and the water sports operators having to pay Fifty Dollars for every type of activity and they are not making a lot and then here is the insurance industry that is collecting more than Eight to Ten Million Dollars a year in annual premiums and we are only talking about a Hundred Dollar per line item. So that is the disparity.

Speaker Froilan C. Tenorio: Mr. McGinnis-Torres?

Mr. Stanley McGinnis-Torres: This is just for observation. You know the insurance company that are doing bonding like one example, to bond a contract worker is now Seventy-Five Dollars (\$75) an increase of Twenty-Five Dollars (\$25). If the increase of One Hundred Dollars (\$100) one for an insurance company per line of business can you imagine there will be an increase in premium from the people here.

Speaker Froilan C. Tenorio: Mr. Yumul.

Mr. Ray Yumul: Mr. Speaker, I think people are misinterpreting the amendment it is a business license. For example a bonding company if they are selling a Hundred to a Thousand bonding documents one per employee that is just a Hundred Dollar license fee. But they are collecting Seventy-Five Dollars per pot. If AON Insurance is selling over a Thousand vehicle coverage at about One Hundred Seventy-Five Dollars per year for liability it is a Hundred Dollars per year. This is not a Hundred Dollars per policy it is just an activity. You want to engage yourself in selling auto insurance, bonding insurance, construction performance bonds, typhoon coverage insurance it is just a Hundred Dollars. But the point here is we are trying to identify new sources of money so that the Department of Commerce Insurance Commissioner can pay these fees. We have no place else to get that money from unless the Governor is willing to reprogram. This is the best avenue to derive that revenue and as what was mentioned earlier any excess collections would go to the General Fund anyway. So that helps. Thank you.

Speaker Froilan C. Tenorio: Mr. Basa?

Mr. Ramon Basa: Thank you. I would like to make a recommendation to the mover of this amendment. One of our agreements in the Conference Committee is not only to work on the austerity but also to work on a revenue generating bill. So this would be a very ideal thing to bring up when the Conference Committee meet because we are looking at a very comprehensive revenue generating measure. Thank you.

Speaker Froilan C. Tenorio: Mr. Frederick Deleon Guerrero?

Mr. Frederick Deleon Guerrero: To the Legal Counsel, did you say that this would or would not?

Speaker Froilan C. Tenorio: Legal counsel?

LC John F. Cool: It depends when the taxes are paid. If the taxes have already been paid for this Fiscal Year there will be no impact on the General Fund because this bill will only be prospective fee and only will apply to taxes that are paid in the future. I believe that the business license fees are due earlier in the year and that there probably be no fees that will be paid for the rest of this Fiscal Year.

Mr. Frederick Deleon Guerrero: So basically the Three Hundred Dollars (\$300) and the One Hundred Dollars (\$100) would get collected next year, correct?

LC John F. Cool: Yes.

Mr. Frederick Deleon Guerrero: Okay, so would that being the case, how can we adjust this to fit into the bill? We obviously see what Representative Yumul is trying to do, so is there a way that we can adjust this to fit into the bill?

LC John F. Cool: It could be the enactment of the next appropriation bill.

Mr. Frederick Deleon Guerrero: So would Representative Yumul would like to adjust his amendment?

Speaker Froilan C. Tenorio: Mr. Yumul?

Mr. Ray Yumul: Well if the intent is to establish this for an effective date of October 1, and beyond then contemplate this into the 2011 budget then I do not have any objections from withdrawing my motion but then we would have to go to page 2, Line 20 and change the effective date to reflect that because like what the Legal Counsel says that business license fees has probably been collecting and there is nothing else to collect for the rest of the year. So this bill should really be effective the next Fiscal Year, but even before we do that the Chairman has to go back to the April 1 submission of the Governor and make sure that if the Governor identified this insurance company business license fee as part of the general collection which he did then we have a problem because he has already submitted a balanced budget. So no matter what we do we have to identify additional funding source to pay for this annual fee otherwise the Committee on Way and Means are going to have to make adjustments – someone is going to get cut at least to the amount that is needed to divert to the insurance annual fees.

Speaker Froilan C. Tenorio: Mr. Joseph Deleon Guerrero?

Mr. Joseph Deleon Guerrero: Thank you, Mr. Speaker. The reasons for asking all those questions earlier was to try to get an understanding of what the intent is for this amendment. And if it was to just to raise fees then I felt that perhaps a comprehensive revenue generating bill would be the right place for that. Now, if it were to raise fees so that we could pay this association dues then I feel that it is a bit unfair because the main bill was basically to establish a

revolving account and I am sure all the relevant insurance companies that were asked to comment on it was what they were commenting on. Now, once you start to increase fees for them first they did not have the chance to comment on that, second, I think had the Committee – it was part the bill that we would raise fees they would have looked at how much the dues are and they would figure out how many companies there are out there and perhaps factor in how much we should raise the fees so that it is equitable and sufficient to cover the dues. But here we are just throwing in a figure and we do not even know if this increase is two or three times what we would normally charge a company – and I do not have any stocks in any insurance companies I am just saying that in all fairness maybe if we are going to entertain this and approve this amendment I want to refer it back to the Committee and have them go back and figure out what is the appropriate figure that we should charge these companies. Otherwise if it is to just generate revenue I say do it in a comprehensive revenue bill.

Speaker Froilan C. Tenorio: Mr. Fredrick Deleon Guerrero?

Mr. Frederick Deleon Guerrero: Yes, I agree with Representative Joseph Deleon Guerrero. Perhaps Representative Yumul would like to pull this back and have it go as a stand-alone bill.

Speaker Froilan C. Tenorio: Mr. Yumul?

Mr. Ray Yumul: Okay, with that I do not have an issue, I withdraw my floor amendment but I will caution that that if the intent is to pay for an annual fee that is due this fiscal year without reprogramming is going to be a problem. Thank you.

Several members voiced “no objection”.

Speaker Froilan C. Tenorio: Okay, are there any more discussions?

Several members voiced “ready”.

Speaker Froilan C. Tenorio: Clerk, roll call.

The Clerk called the roll on the motion to pass H. B. No. 17-48 on First and Final Reading:

Representative Ramon S. Basa	yes
Representative Diego T. Benavente	yes
Representative Eliceo D. Cabrera	absent (excused)
Representative George N. Camacho	yes
Representative Trenton B. Conner	yes
Representative Francisco S. Dela Cruz	yes
Representative Joseph P. Deleon Guerrero	yes
Representative Fredrick P. Deleon Guerrero	yes
Representative Rafael S. Demapan	yes
Representative Sylvestre Ilo Iguel	yes
Representative Felicidad Taman Ogumoro	yes
Representative Joseph M. Palacios	yes
Representative Raymond D. Palacios	yes

Representative Antonio P. Sablan	no
Representative Teresita A. Santos	absent (during voting)
Representative Ramon A. Tebuteb	yes
Speaker Froilan C. Tenorio	yes
Representative Stanley McGinnis Torres	yes
Representative Edmund Joseph S. Villagomez	yes
Representative Ray N. Yumul	yes

Speaker Froilan C. Tenorio: Therefore the motion has been carried and H. B. 17-48 is approved.
Mr. Floor Leader.

MISCELLANEOUS BUSINESS

NONE

ANNOUNCEMENTS

NONE

ADJOURNMENT

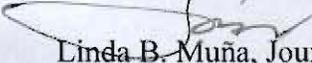
Speaker Froilan C. Tenorio: Floor Leader.

Floor Leader George N. Camacho: Thank you, Mr. Speaker. I move to adjourn subject to the call of the Chair.

The motion to adjourn subject the Call of the Chair was carried by voice vote.

The House adjourned at 5:32 p.m.

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:

H. L. B. 17-25

A Local Appropriation Bill for an Act for the Third Senatorial District to provide for an appropriation for the Saipan Little League Association, Inc.; and for other purposes.

THIRD APPEARANCE: NONE