



# HOUSE OF REPRESENTATIVES

EIGHTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

SECOND REGULAR SESSION, 2013

## LEGISLATIVE JOURNAL

3<sup>rd</sup> Day, 2<sup>nd</sup> Regular Session

Wednesday September 11, 2013

*Due to an unscheduled power outage the House video feed and recordings were temporarily off-line. Through the House Clerk's notes and recollection the following transpired:*

*The House of Representatives of the Eighteenth Northern Marianas Commonwealth Legislature convened its Third Day, Second Regular Session on Wednesday, September 11, 2013, at 2:56 p.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.*

*The Honorable Joseph P. Deleon Guerrero, Speaker of the House, presided.*

*A moment of silence was observed.*

### ROLL CALL

*The Speaker recognized the Clerk for the roll; the Clerk having completed the roll announced to the Speaker that all twenty members were present.*

*The Speaker announced that a quorum has been established; the directed the House to Item 13, Reports of Special and Conference Committees; the Floor Leader was recognized.*

### REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

The Floor Leader moved for the adoption of C. C. R. No. 18-2: Reporting on H. B. 18-98, HD6, SS1, entitled, "To make appropriations for the operations and activities of the Government of the Commonwealth of the Northern Mariana Islands, its agencies, instrumentalities, and independent programs, and to provide budget authority for government corporations for Fiscal Year 2014." *Your Conference Committee recommends passage of the bill in the form of H. B. 18-98, HD6, SS1, CCS1.*

**C. C. R. No. 18-2:** Reporting on H. B. 18-98, HD6, SS1, entitled, "To make appropriations for the operations and activities of the Government of the Commonwealth of the Northern Mariana Islands, its agencies, instrumentalities, and independent programs, and to provide budget authority for government corporations for Fiscal Year

2014.” *Your Conference Committee recommends passage of the bill in the form of H. B. 18-98, HD6, SSI, CCSI.*

*The motion was seconded; and the Speaker opened the floor for discussions; whereby Representative Antonio P. Sablan, Chairman of Ways and Means, and member for Conference Committee on H. B. 18-98, HD6, SSI was recognized.*

Representative Antonio P. Sablan: We started with a short list that came from the Senate conferees and the listing from the House conferees. In summary the Senate came prepared with a listing that included eight items; and through discussions four more items were included on that list. For the House conferees, we came with a list of approximately twenty items. In some of these items in no particular order, included the following; first of all for the House conferees’ top of our list was the difference between the versions with regards to the utility account. As members are aware the House version supported the Administration’s version and this is one of the strategies that was spelt forth by the Administration with regards to the 2014 budget, which was to centralized utility accounts in the hope that by making the respective departments accountable for utility consumption that they would be more in a position to put in place conservation efforts with regards to utilities. The second common item that was both included in the House and Senate version was the issue with regards to the number of vacant positions that were to be provided under the open vacant position accounts. The House version included 50, but 25 of that was specifically earmarked toward the 25 positions currently under the Parks & Recs in anticipation that the current plan of the Administration with regards to privatizing this particular function of the government will not materialize by October 1<sup>st</sup>. The Senate came back with 100 - that was the second item. The other item that was a difference between the two was the Governor’s reprogramming authority. Basically the Senate gave the Governor 100% reprogramming authority; the conferees arrived at a compromise and gave the Governor 50% reprogramming powers. Basically under the current budgeting act the Governor has 25% reprogramming authority we added 25% more to that and that was also a compromise. The other item of disagreement with the Senate version; it amended the 90 days requirements for filling of vacant positions. We sat in conference and decided that the 90 day requirement was sufficient; and that the 120 days version of the Senate was too long; if a department was going to take longer than 120 days to fill a position then basically it was our position that maybe that the position was not essential for the operation of the particular activity. So the 120 days was restored back to 90 days. The other item is the Marianas Visitors Authority (MVA) funding issue. The Senate version diverted \$200,000 from the MVA funding and earmarked it toward and gave it to the NMI Scholarship. The conferees came to an agreement that MVA be given back the \$200,000 to allow it to continue to work on its tourist destination enhancement. Everybody knows that the tourism industry is our primary industry; it is also according to the numbers that we are getting from MVA and the Hotel Association that the industry is on the rebound; and that the \$200,000 should remain with MVA to ensure that the ongoing recovery stays on course. Another item that was discussed and ironed out between the two sides was the \$2 Million dollar funding that was removed from DPL by the House. The Senate went ahead and restored that particular amount. The Conferees went ahead and in deliberating over this particular issue; we asked and requested Secretary Pete A. of DPL and his staff to appear before the conference committee to explain the details of the needs for the \$2 Million. Through this exchange it was decided by the conferees to go ahead and restore the \$2 Million back to DPL and basically this is for the eight homestead site developments on Tinian and one on Rota and one on

Saipan. And for the members this \$2 Million is the bare minimum that is required by DPL for this fiscal year; and with this particular item through our discussion as Chairman of Ways and Means, I ask that the Chairman of Natural Resources take the time to seek an audience with Secretary Pete A. Tenorio and DPL to follow up on the actual or if there will be any changes with regards to the Homestead development strategy. And also a major difference between the two versions was that the Senate adopted a lump sum schedule and basically they group everything under three basic activity columns; one under personnel; one under the operations; and one other utilities. The House version provided the detailed schedule version which basically breaks up and identifies the dollar amount for each activity under each section; for example under operations the House version would show \$500 for office supplies, \$700 for lubrication and fuel; basically to provide with regards to the amount of funding allotted to each department and this is basically connected to the compromise on the utility account that we went ahead and adopted the Senate version; and while I am under the utility account issue, the conferees decided to go ahead and adopt, the House basically the supports that the administration's version of the decentralizing the utility accounts. So with the utility accounts being decentralized the House conferees and the Senate came to a compromise that we will go ahead and adopt the Senate's lump sum schedule version to provide flexibility through fiscal year 2014. Also a difference between the two versions is under DPW. The Senate version added two positions and basically these two positions were for two engineers in the Technical Services Division, this is a longstanding need that I believed members are quite aware of and we supported this particular change in the Senate version and so the Conferees decided go ahead and this particular version that came from the Senate. Also an item of bigger discussion was the issue of the funding for the La Fiesta lease agreement or payment in the amount of \$200,000. The House version included the \$200,000 lease payment fiscal year 2014; the Senate removed the \$200,000 and that is one other item that in our discussion allowed the members to go ahead and provide as much flexibility with regards to how the money spent within the particular agencies. Attached to this is the increase with regards to the Governor's reprogramming authority from the existing 25% under the budget act and we increased it to 50% understanding that during this fiscal year that the administration would be faced with a lot of financial challenges with regards to making and meeting obligations such as, for example under the current budget allotment for the retirement program in both versions included the \$20 Million for payment to the retirement if and when the settlement becomes final an additional \$5 Million would be needed to meet the government's minimum payment under this particular agreement; we also have to be mindful of the need to come up for an additional payment of around \$7 Million to \$8 Million for the government's group life; another \$15 Million or so for the 25% deferred defined benefit pension that would be part of agreement if the agreement becomes final; and also I believe the amount of roughly \$6 Million to \$7 Million for the interest that needs to be paid to those members who have elected to withdrawal from the fund. So all together as much as we tried to be - to ensure that this budget is responsible and accountable we also were mindful of the need to be flexible and we provided as much flexibility as possible to the administration and the expenditure authority of the respective departments with regards to their expenditures and there funding allotments. Mr. Speaker and members as a general overview, I know that this year's revenue projection reflected approximately \$10 Million increase from the previous year; however we must at the same time mindful that the \$10 Million basically went directly to the retirement. The funding for the retirement which basically under 2013 was at \$10 Million we increased that to \$20 Million so we were basically working with the same amount of revenue as 2013. And with the support and participation of the two house conferees the Floor leader and colleague Conner from Tinian, I

just want to inform the members that we tried to stick to as much of the positions that were included in the House version; however we also have to be mindful that this is a two house process and that we have to approach this in while trying to be responsible we also had to be compromising and basically the product that we have before us is basically in my opinion a responsible expenditure budget for the revenues of this government for the fiscal year 2014. So I ask for the full members support so that have an adopted budget ready for the Governor's action hopefully before the end of the day. In closing once again I want to thank the Floor our colleague Conner for their support and inputs throughout conference process as well as all the members who during the past couple of months have done your part in rescheduling and controlling your own committee schedules to accommodate the Ways and Means work with regards to the budget. For the record, I would like to extend my appreciation to Chairwoman, Senator Jovita Taimanao the head conferee from the Senate, Senator Yumul, and Senator Cruz. So with that I believe that this is a workable and responsible budget version and once again I ask for everyone's support and vote for its passage. Mr. Speaker, on behalf of the committee, thank you.

Speaker Joseph P. Deleon Guerrero: Thank you, Chairman. Before I entertain any other discussions on this bill, I just want to inform the public and apologize that our session which was originally scheduled for 1:30 p.m. ended starting at about 3:00 p.m. and that was due to an unscheduled power outage. So with that the floor is now open for further discussions. The Chair recognizes Representative Santos.

Representative Teresita A. Santos: Thank you, Mr. Speaker. I would like to commend and extend my gratitude to the conference committee for expeditiously reaching a compromise on the proposed fiscal year 2014 budget. In addition to what Chairman Sablan enumerated to us earlier I would also like to thank the committee for providing \$200,000 for Public Law 7-31 for the First Senatorial District. Likewise I would also like to commend the legislative assistants and as well as the legal counsels for their diligence in crafting the standing committee report and most importantly the proposed budget bill which is before us for our action. With this, Mr. Speaker, I am reading for the question. Thank you.

Speaker Joseph P. Deleon Guerrero: Thank you, Representative Santos. Would anyone else like to comment or are we ready? Recognize, Representative Tebuteb.

Representative Ramon A. Tebuteb: Thank you, Mr. Speaker. I would also like to thank the Chairman of Ways and Means and the conferees from the House for a job well done. I am in support in the compromised budget in front of us. I have had the opportunity to go over the item as explained by the Chairman on the items compromised as well as the differences between the versions from each respective house. For records purposes, in order for us or myself to comprehend and embrace what is written on page 3; I really appreciate. And what is written on page 3 is the embracing the compromising strategies. I think that part really kind of come out to me and because of that I want to acknowledge the hard work that both houses of the conferees that put together. And perhaps and for the record I am going to ask very specific questions to the Chairman or any of the conferees or for that matter any member of this House. Other than to I guess for the amendment there are no changes we cannot change the bill in front of us as we all know; we can either reject or accept; I ask that the members accept the conferees compromise budget. But I think it is also appropriate that I ask this questions because although the Chairman explained very detailed information on some items; I would like to further perhaps through my

line of questioning with the Chairman and any member be a little bit specific for records purposes. And that is based on the significant embracing the compromising strategies that is on the committee report and that is the letter A, B, C, D, E, and F, page 3 of the committee report. I will skip A, B, C, and I will go starting on F and this is the La Fiesta lease which was not funded and that I believe is the Senate's version of not funding although the House did provide for and I from what the Chair had explained that in order for the budget to move forward that we want to give the reprogramming authority to the Governor and I guess either specifically for the payment of the La Fiesta and other matters; such as the 50 NOPS. So let me note in previous budgets that is this year's proposed budget submitted by the Administration it included the payment of the La Fiesta; the Senate zeroed it out but the compromise restored that \$200,000; and then provided for the Governor's reprogramming flexibility. Last year in Public Law 17-85 and that is the 2013 Budget Act; it was zeroed out and it did not include in the Governor's submission for the budget; so last year it was zeroed out; this year it was proposed and last year it was not proposed and in Public Law 16-32 and this is the budget for 2012 it was not included; I am not sure if that was proposed; in Public Law 15-28 it was not budgeted. So there are certain years that this body proposed and made payments to this obligation. So my question would be in those years that were not budgeted and because of the compromise that the conferees had gone with on the La Fiesta; so who and where did this government pay the zeroed funding level on those two previous fiscal years.

Speaker Joseph P. Deleon Guerrero: Chairman of Ways and Means.

Representative Antonio P. Sablan: Thank you, Mr. Speaker. In response the conferees were aware that in the current FY 2013 budget, Public Law 17-85, the same funding issue was zeroed funded. However, the information received by the committee was that the request for this particular entry in the La Fiesta from the previous budget came from the previous Administration. Obviously we all know there is a change of Administration and at the same time we also according to the information provided to the conferees that the issue of zeroing out this particular obligation came directly from the Senate President. And with those information gathered together we decided to leave this particular issue as is which was zero funding and allow the Governor the flexibility to address this. We also recommended to the Senate that this particular item be brought up and myself as the Chair for Ways and Means were asked that the Governor address this particular issue with the Senate Leadership for obvious reason that it is the Senate's position that this particular item remain zero funded and the House conferees raised the issue of the risk of having the Government default on the La Fiesta lease for the mere fact that if we zero funded it for FY 2013 and we are going to zero fund it again for FY 2014 we are surely going to be risking having the government lose the interest on the lease on the property. But also I think this is one of those issues that needs to be addressed by the other committees and maybe the Natural Resources along with the issue of the homestead funding to find out from the Administration or Finance whether in FY 2013 the \$200,000 obligation for this particular item was paid for or not. In response to Chairman Tebuteb's question this was the last item that was on our list of discussion and we resolved this late Monday and it was to our consensus that to try to work the budget for basically \$200,000 was risking not having a budget that will be agreeable to both houses knowing that it was the Senate Leadership's position that this item be zero funded so the compromise was go ahead and leave it the way it was but we insisted on providing flexibility to the Governor to be able to address this particular issue if the need arises and

basically that is the product that came out of the conference committee work. I hope that clarified the issue.

Speaker Joseph P. Deleon Guerrero: Chairman Tebuteb you still hold the floor.

Representative Ramon A. Tebuteb: Thank you, Mr. Speaker. I certainly appreciate those responses, Mr. Chairman of Ways and Means, and I certainly appreciate the extend that you have just proposed that perhaps our committee will further dig into it. My concern is that I guess a simple question to this concern was is the CNMI on this list default. Because in 2011 the Governor now Lieutenant Governor then it was not budgeted and it was not proposed. In 2013 it was not included in the budget and it was zeroed out so my only concern is that are we in default and I do not expect that you have the answer, Mr. Chairman, I am just tossing it out for the record so that we are all aware and I am sure that everybody knows that there are more outstanding obligations of this Government other than the judgment against this Government that we are task to make sure and find out solutions to this.

Representative Antonio P. Sablan: Mr. Speaker, I believe that the Government is not in default in this otherwise, the Administration would not have submitted the request in its submission for the \$200,000 funding.

Representative Ramon A. Tebuteb: I am satisfied really on the response by the Chairman. And so if I may I would like to go onto the next which I just have two more questions based on his presentation. Thus if we are not in default because it was zeroed out in those budgeted year where did this government get the money to pay the outstanding or this lease were not budgeted and yet we are not defaulted. On the next item this is on the \$2 Million homestead. I know that normally during conference you only look at the differences and I am not sure if this were raised because the proposed amendment that the Senate rejected was to transfer the \$2 Million Marianas Public Lands Trust; and because it was rejected and now the compromise is that the \$2 Million will now go back to the Public Lands for homestead development. Perhaps for any of the conferee members, was the issue raised - because of remittance issue on what the House accepted, and then subsequently rejected by the Senate; at least for the past five if not ten years; if that was answered, how much did DPL remitted to MPLT in total if there is any information on that.

Speaker Joseph P. Deleon Guerrero: Chairman Sablan, are you prepared to answer that question?

Representative Antonio P. Sablan: I am prepared to provide a clarification with regards to the first part of the statement from Chairman Tebuteb, the question on the action taken by the conferees with regards to this particular item; if everyone would recall in the House version we removed the \$2 Million dollars under the DPL budget which was according to information provided to the committee that this is going to go towards the homestead development. And the Chairman's amendment if I can summarize it was basically taking it out away from for the homestead development and included language that it be remitted directly to MPLT. The Senate version came back and reinstated that \$2 Million back under DPL. So where there are items of disagreements there were put on the list of the items for discussion and basically as I stated earlier after sitting in with the Secretary and I believe Mrs. Rasa and Mr. Rabauliman of DPL, the

conferees decided to go ahead and reinstate this particular item. Also, if I may add during this particular session we recommended to the Secretary to reassess the strategies with regards to the current homestead development, which is taking on six or eight homestead developments all at one time, and I think he was receptive of the recommendation, which is why I recommended to the Chairperson of Natural Resources to take this issue up and follow it up with the Secretary and address other issues with regards to the homestead program; such as the issue of the lack of homestead development plans for the Northern Islands. So again, if I may ask Chairman Tebuteb to accept the compromise that was worked out between the conferees and allow the Chairperson of Natural Resources to bring back DPL and have another audience with them to address some yours and other members concerns with regards to DPL activities. I hope that is a request that my good colleague would at this time accept. Again that is the details of this particular issue. Thank you.

Speaker Joseph P. Deleon Guerrero: Thank you, Chairman. Before I go further to recognize Representative Tebuteb, I would like to have this acted on before four o'clock so we can transmit it to the Governor by today. By law and by constitution the Governor has 20 days to act on appropriation bills, today marks the 20<sup>th</sup> day; and there are other members who have questions; so I ask for your indulgence, Representative Tebuteb; we have five minutes per member; let me go around and recognize other members and if you still want we can come back to you. With that the Chair now recognizes Representative Maratita.

Representative Janet U. Maratita: Thank you, Mr. Speaker. First of all I would like to commend and acknowledge the Chairman of Ways and Means and the rest of the conferees. Although I am in support of this compromise; Mr. Speaker, I would like to state for the record the 25% accorded to the Governor constitutionally and statutorily is sufficient enough. It is mindboggling and I applaud the Chairman of this House that he would compromise at least 50% instead of the 100% reprogramming authority. I am very concern as in the past we should have learned what has happened in the past when we gave 100% reprogramming authority; that is a mistake that I truly believe that we made and I do not want to make that mistake again by giving the 100% reprogramming authority or for that matter 50% reprogramming authority. It is my belief that we are giving our responsibility we are relinquishing our duties and responsibilities as members of this House. Also I believe we are defeating the purpose of check and balance. Again, I just want to state for the record that I do recognize the hard work of the Chairman and conferees, it is mindboggling that we have to give 50% reprogramming authority, I am just afraid that it will be another mistake that we have to endure again. Thank you.

Speaker Joseph P. Deleon Guerrero: Thank you, Representative Maratita. I believe the Chairman of Ways and Means would like to respond.

Representative Antonio P. Sablan: Thank you again, Mr. Speaker. This is just for the members' information; under the current budget the Governor was granted 100% reprogramming authority. Let me also mention for the record that the last quarters reprogramming report that came out of Finance included like maybe two or three pages and that included the reprogramming that were done during this fiscal year. On some of those entries included minor reprogramming such as, one member transferring certain part of their operational accounts to another member and so forth. So the House conferees in particular, were mindful of this particular issue, currently the Governor has 100% but the record shows that there is no abuse of that authority granted to the

Governor. We also took into consideration the background of the Governor with regards to the management of the Government's revenue in the past. So when you look at the current version and the proposed version on 2014 we basically reduced the reprogramming authority that the Governor currently has under Public Law 17-85. Again, I ask for the members understanding and look at the overall picture. If the Governor has 100% reprogramming authority now and the reprogramming report that is coming out shows that there is no abuse of this authority – personally I am comfortable – I think the members should be more comfortable knowing that from 100% now, we now have basically reduced it down to 50%. So I hope that the members would look at this particular reprogramming issue in that light. Thank you.

Speaker Joseph P. Deleon Guerrero: Thank you, Chairman. Are there any other members? I recognize the Vice Speaker.

Vice Speaker Francisco S. Dela Cruz: Thank you, Mr. Speaker. I also would like to commend the conferees both from the House and the Senate with coming up with this budget bill. Although I do believe that no budget legislation is ever perfect. There are times when compromise need to be made. Although I do have some issues with the budget such as, the Judiciary's \$4.3 Million budget. As we all know the Judiciary had earlier came out requesting for \$6.2 Million dollar budget, although they were willing to come down to at least \$5 Million to keep their operations in order. They are now stuck with \$4.3 Million dollars and as someone said earlier we cannot amend the product before us; it is either to reject it or accept it and move it over to the Governor. There are a couple of issues that I have looked at and I wanted to pose the questions to the conferees; as with regards to Section 605 the Public Auditor's fee; whether the conferees of the House and the Senate have taken a look back to see exactly what are the estimated lapse for prior fiscal year budgets of this 1% Auditor Fee. The intent of Section 605 is to pay for the utilities for the First and Second Senatorial Districts' Guest Houses here in Saipan. And that is commendable, although I would like to have seen what numbers are we talking about. Section 605 is on page 20, beginning on line 11. And this is to prioritize the payment of this medical housing for our brothers and sisters from the First and Second. I know that the First and Second Senatorial Districts have their own budget and they should have appropriated an amount for this particular item. I also know on Section 710 the Department of Public Lands that the \$2 Million Dollars has been reverted back to DPL for homesteading, but out of the \$2 Million Dollars \$1.7 Million Dollars is for the Second Senatorial District alone; leaving Saipan of \$200,000 and Rota of \$100,000. And I know that this is somewhat of a disparity if you will, I know that our brothers and sisters in the First and even here in the Third are also looking forward – our kids are looking forward to homesteads; a piece of land that they can call their own. And again I must say this is a very big disparity. And so I go back to the Judiciary; this is the third branch of our Government that needs to operate efficiently and I know we cannot turn back the clock and I know today we will not be amending this product before us, but just to remind us what we could have and what we would have done if we knew that this was there before we came into this session or even before the conferees had a chance to adopt the report. And so again, Mr. Speaker and members, there is never any perfect budget but I believe that it is appropriate to bring out the issues that we see so that we are reminded in the future that maybe we would have done something different. I also feel for our government employees if the budget does not make it before the end of this month and that is why we are somewhat in a rush to put this product out. And so with that Mr. Speaker, I yield.

Speaker Joseph P. Deleon Guerrero: Thank you, Vice Speaker. I do not know if there was a question in there I think the Vice Speaker was merely registering his concerns. Are there any other members who have not yet spoken? Floor Leader?

Floor Leader Rafael S. Demapan: Thank you, Mr. Speaker. I agree with the Vice Speaker. This is not a perfect product but it is a product that perhaps maybe and I am imploring everyone to consider this and let us move on with this product and approve this product. But we all know that when the submission came from the Administration we are operating on that submission. What I am trying to say here is if only we could have or perhaps we should continue to aggressively introduce money generating legislation, especially in the Senate in concurring with. But also I ask that we proceed with caution so that there is no disparity in distributing the amount accordingly. And because the lack of that kind of legislation it impairs the Government in making sure that funds are needed to provide programs within the Government. And with that Mr. Speaker I also like to take this time and commend both Chairs from the Senate and the House; also I would like to appreciate the LA staff and the counsels from the Senate and the House. I will cut this short and not repeat what the Chairman had said and I ask each one of you to let us move on and approve this product so that we can prevent shut-down. Thank you.

Speaker Joseph P. Deleon Guerrero: Thank you, Mr. Floor Leader. Are there any other member? I recognize Representative Ogumoro.

Representative Felicidad T. Ogumoro: Thank you, Mr. Speaker. Just like the previous speakers have noted I would like to also congratulate the Chairpersons of the Conference Committee and their members for bringing in this budget package back to us for approval. I do share the concerns also that we need to get this budget out to the Governor in time so that we do not face any problem like we did in the past. But I do just want to ask if we any indication from the Governor that we are going to have a supplemental submission, perhaps at that time if there is one we will be able to take care of all the difficulties and challenges that have been echoed. Because I also see the agencies such as the Judiciary need to operate efficiently with money and if we could be looking at if we should have that supplemental submission. Thank you.

Speaker Joseph P. Deleon Guerrero: Thank you, Representative Ogumoro. Are there any further? I think there has been enough commendations and thank you going around so if you have a comment, please get to it. I recognize Representative Leon Guerrero.

Representative Christopher D. Leon Guerrero: Thank you. Just briefly members I would like to just give it as a whole for your due diligence in this effort on this matter before us today. There is no right or wrong as to what we do today or yesterday or several months ago since we have started deliberating on this budget. It only boils down to the final decision that we make at the end of the day. So I am asking your due diligence in this because one day shut-down is too many. Let us get through with it. Thank you.

Speaker Joseph P. Deleon Guerrero: Thank you, Representative Leon Guerrero. Are there any other members, if not, I would like to back to Representative Tebuteb. Representative Tebuteb, do you have any concerns for the second round.

Representative Ramon A. Tebuteb: I would like to motion to end debate.

Speaker Joseph P. Deleon Guerrero: There was one other member, okay, we will end debate and we will give the last chance to our Chairman of Ways and Means since he had his hand raised.

Representative Antonio P. Sablan: Once again, let me just clarify because the issue had been raised in particular with regards to the funding under Section 605; or the Administrative provision under Section 605; and basically that provision in essence only says that in case of a short-fall that the lapse funding from Public Auditor's fees before it goes to the restoration account that it would be tapped to use any short-fall with regards to the utility funding for these guest houses; and basically we decided that in consideration of the basic health and safety of the patients we have to understand that these are in most situations medical patients that have been referred over here from Tinian and Rota that we provide the mechanism to ensure that these facilities remain open with the basic power and water for the comfort of our Tinian and Rota health care guests; and basically that is just for in the case of a short-fall for the funding provided under the respective Senatorial Districts under the utility account. So I thought I would clarify that. I want to ask for the members support and for their vote on the passage of H. B. 18-98, HD6, SS1, CCD1. Thank you.

Speaker Joseph P. Deleon Guerrero: Thank you. Since our good Chairman is the last; I would like to ask our Clerk to call the roll.

*The Clerk called the roll on the motion for the adoption of Conference Committee Report 18-2 with the following results:*

Representative Antonio R. Agulto	yes
Representative Anthony T. Benavente	yes
Representative Roman C. Benavente	yes
Representative George N. Camacho	yes
Representative Trenton B. Conner	yes
Representative Francisco S. Dela Cruz	yes
Representative Lorenzo I. Deleon Guerrero	yes
Representative Rafael S. Demapan	yes
Representative Christopher D. Leon Guerrero	yes
Representative Janet Ulloa Maratita	no
Representative Felicidad Taman Ogumoro	yes
Representative Antonio P. Sablan	yes
Representative John Paul P. Sablan	yes
Representative Teresita A. Santos	yes
Representative Richard B. Seman	yes
Representative Mariano Taitano	yes
Representative Ramon A. Tebuteb	yes
Representative Edmund Joseph S. Villagomez	yes
Representative Ralph N. Yumul	yes
Speaker Joseph P. Deleon Guerrero	yes

Speaker Joseph P. Deleon Guerrero: With a vote of 19 yes, and 1 no, C. C. R. No. 18-2 is hereby adopted. I would like to extend my appreciation to the Chairman of Ways and Means and its members; to the Conferees from the House and Senate; and to all of you for engaging in this discussion and for passing it in a timely manner. I believe this is and you can correct me if I am wrong but this maybe the first time both houses have passed a budget and send it to the Governor within the twenty day Constitutional mandate and we hope that we can continue this every year

and with that, thank you members. Before we acted on the conference committee report we did skip all of the items on today's Order of Business; it is four o'clock in the afternoon and I wanted to ask the members if we wish to continue and act on the remaining items on our agenda or recess until tomorrow. The Chair was just informed that there is a funeral tomorrow morning I believe from Precinct Four; would the members like to reconvene tomorrow at 1:30 p.m.?

*Several members voiced "yes."*

Speaker Joseph P. Deleon Guerrero: Okay. I apologize to some of the members in the gallery did come here to present their public comments; we will reconvene tomorrow at 1:30 p.m. and I ask that you come back then; and with that thank you to everyone. This House stands recess until tomorrow at 1:30 p.m.

*The House stood recess at 4:06 p.m.*

*The House of Representatives of the Eighteenth Northern Marianas Commonwealth Legislature reconvened its Second Day, Second Regular Session on Thursday, September 12, 2013, at 1:50 p.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.*

*The Honorable Joseph P. Deleon Guerrero, Speaker of the House, presided.*

Speaker Joseph P. Deleon Guerrero: Thank you, members. We continue our Third Day, Second Regular Session; after we had left of yesterday we had a recess until today at 1:30 p.m. and I now call this session back into order. We left of on Item 13, Report on Special and Conference Committee Reports; the CCR 18-2 has been adopted; and now we go back and continue on with our Order of Business; we will now come back to Item 2, Public Comments. Representative Sablan.

### **PUBLIC COMMENTS**

Representative Antonio P. Sablan: Thank you, Mr. Speaker if there is no objection, I would just like to take this time for the Chair to recognize the presence in the gallery of our former Speaker Mr. Oscar Rasa and our former colleague Representative Stanley Torres.

Speaker Joseph P. Deleon Guerrero: Thank you, Representative Sablan. Welcome to the Chamber Mr. Speaker and Mr. Representative. We are now on Item 2, and I was informed that there will be public comments on a miscellaneous communication which does not meet the 24 hour filing; so we would have to suspend the Rules to amend the Agenda to include the communication and as well as other bills and resolution; so with that I turn it over to the Floor Leader for the proper motion.

Floor Leader Rafael S. Demapan: Thank you, Mr. Speaker, I move to suspend Rule IX Section 4(d) to allow the House to amend the agenda by adding items on the agenda, so move.

### **RULE IX. BILLS, RESOLUTIONS AND AMENDMENTS.**

#### **Section 4. Format of Bills and Resolutions.**

(d) Bills and resolutions for introduction may be prefiled with the House Clerk for formal introduction at the next session, provided that it is pre-filed not less than 24 hours before that session and appears on the session agenda as required under Rule III. The 24-hour notice and agenda requirements may be dispensed with only in accordance with Rule III.

*The motion was seconded.*

*The Clerk called the roll on the motion to suspend Rule IX, Section 4 (d) with the following results:*

Representative Antonio R. Agulto	yes
Representative Anthony T. Benavente	yes
Representative Roman C. Benavente	yes
Representative George N. Camacho	yes
Representative Trenton B. Conner	yes

Representative Francisco S. Dela Cruz	yes
Representative Lorenzo I. Deleon Guerrero	yes
Representative Rafael S. Demapan	yes
Representative Christopher D. Leon Guerrero	yes
Representative Janet Ulloa Maratita	yes
Representative Felicidad Taman Ogumoro	yes
Representative Antonio P. Sablan	yes
Representative John Paul P. Sablan	yes
Representative Teresita A. Santos	yes
Representative Richard B. Seman	yes
Representative Mariano Taitano	yes
Representative Ramon A. Tebuteb	yes
Representative Edmund Joseph S. Villagomez	yes
Representative Ralph N. Yumul	yes
Speaker Joseph P. Deleon Guerrero	yes

Speaker Joseph P. Deleon Guerrero: Thank you, Clerk; with a vote of 20 voting in the affirmative the motion carries. Under Public Comments the public is welcome to come up to the podium and please state your name for the record and we do ask that you keep within five minutes. Thank you.

Public comments was received by approximately 4 individual.

Mr. Stanley T. M. Torres  
3 Members of the community

Speaker Joseph P. Deleon Guerrero: In as much as we may want to ask questions at this time under public comments; we do not question until we dissolve into committee of the whole; so if any member wishes to ask questions I ask that we first entertain a motion to go into the committee of the whole. Mr. Torres, as we amended the agenda this matter now becomes part of the agenda under Miscellaneous and perhaps hold-off under public comments so that we can entertain other members from the public and when we get to that item on our Order of Business we can then; if any member wishes to question, we can do it then. Just so that you do not have to wait here unnecessarily maybe I should pose the question; do any of the members have questions so that he can stay when we get to that item; and because if not he does not have to be waiting here? There is one; so at this point can I request that we at least maybe hold-off a moment; we have the Man'amko here and they have requested an audience with the members; and so under public comments I wanted to open it up for them. Thank you, for your patience Mr. Torres; and what we will do we will go ahead and bring in the Man'amko and if there are no further comments we can entertain a motion to dissolve. Sergeant at arms, please escort our dearly beloved Man'amko into the Chamber. Since there are no other members from the gallery for public comments; I would like to ask the Floor Leader to offer a motion to dissolve into the committee of the whole.

*The House dissolved into the Committee of the Whole at 2:05 p.m.*

#### *COMMITTEE OF THE WHOLE*

*The House reconvened in in plenary session at 2:16 p.m.*

Speaker Joseph P. Deleon Guerrero: We are back in our plenary session. We proceed on, I now recognize the Clerk for under Adoption of Journals.

## ADOPTION OF JOURNALS

None

## INTRODUCTION OF BILLS

Speaker Joseph P. Deleon Guerrero: Before we entertain the first Representative; it has been brought to the Chair's attention that there are bills and some communications that did not meet the 24 hour pre-filing to the Clerk; so I would like to ask the Floor Leader to offer the motion to suspend the Rules to add items to today's agenda.

Floor Leader Rafael S. Demapan: Thank you, Mr. Speaker, I move to suspend Rule IX Section 4(d) to allow the House to amend the agenda by adding items on the agenda, so move.

### RULE IX. BILLS, RESOLUTIONS AND AMENDMENTS.

#### **Section 4. Format of Bills and Resolutions.**

(d) Bills and resolutions for introduction may be prefiled with the House Clerk for formal introduction at the next session, provided that it is pre-filed not less than 24 hours before that session and appears on the session agenda as required under Rule III. The 24-hour notice and agenda requirements may be dispensed with only in accordance with Rule III.

*The motion was seconded.*

*The Clerk called the roll on the motion to suspend Rule IX, Section 4 (d) with the following results:*

Representative Antonio R. Agulto	yes
Representative Anthony T. Benavente	yes
Representative Roman C. Benavente	yes
Representative George N. Camacho	yes
Representative Trenton B. Conner	yes
Representative Francisco S. Dela Cruz	yes
Representative Lorenzo I. Deleon Guerrero	yes
Representative Rafael S. Demapan	yes
Representative Christopher D. Leon Guerrero	yes
Representative Janet Ulloa Maratita	yes
Representative Felicidad Taman Ogumoro	absent ( <i>excused</i> )
Representative Antonio P. Sablan	yes
Representative John Paul P. Sablan	yes
Representative Teresita A. Santos	yes
Representative Richard B. Seman	yes
Representative Mariano Taitano	yes
Representative Ramon A. Tebuteb	yes
Representative Edmund Joseph S. Villagomez	absent ( <i>excused</i> )
Representative Ralph N. Yumul	present
Speaker Joseph P. Deleon Guerrero	yes

Speaker Joseph P. Deleon Guerrero: Thank you, Clerk. With seventeen members voting yes the motion as offered by the Floor Leader is hereby adopted.

***House Bills:***

Speaker Joseph P. Deleon Guerrero: The Chair recognizes himself, first on House Bills, introducing H. B. No. 18-122: To impose a penalty on persons who acquire and sell goods upon which the Excise Tax has not been paid. Introduced by myself and I welcome co-sponsors. This bill is referred to the Committee on Commerce.

**H. B. No. 18-122:** To impose a penalty on persons who acquire and sell goods upon which the Excise Tax has not been paid. Introduced by Rep. Joseph P. Deleon Guerrero of Saipan, Precinct 1 (*for himself*) referred to the Committee on Commerce.

Speaker Joseph P. Deleon Guerrero: Are there any other House Bills for introduction? We now move on to Item B, House Local Bills. The Chair recognizes Representative Ralph Yumul.

***House Local Bills:***

Representative Ralph N. Yumul: Thank you, Mr. Speaker, now introducing H. L. B. No. 18-26 “To appropriate \$3,264,000.00 from revenues to be collected pursuant to Saipan Local Law 11-2 as amended anticipated to be collected for fiscal year 2014; and for other purposes.” Introduced by myself, and Representative John Paul P. Sablan; and I welcome anyone in the Local Delegation to co-sign. Thank you.

**H. L. B. No. 18-26:** To appropriate \$3,264,000.00 from revenues to be collected pursuant to Saipan Local Law 11-2 as amended anticipated to be collected for fiscal year 2014; and for other purposes. Introduced by Rep. Ralph N. Yumul of Saipan, Precinct 3 (*for himself*, Representative John Paul P. Sablan) on September 12, 2013.

Speaker Joseph P. Deleon Guerrero: Thank you, Representative Yumul. The Chair now recognizes Representative Conner.

Representative Trenton B. Conner: Thank you, Mr. Speaker. I am officially introducing H. L. B. No. 18-27 “To amend Part VI, Section 50 (3) of the Revised Tinian Gaming Control Act for the purpose of updating the casino gambling tax to adapt to Asian style gaming and to boost the Asian “High Roller” gaming market; introduced by myself. Thank you.

**H. L. B. No. 18-27:** To amend Part VI, Section 50 (3) of the Revised Tinian Gaming Control Act for the purpose of updating the casino gambling tax to adapt to Asian style gaming and to boost the Asian “High Roller” gaming market. Introduced by Rep. Trenton B. Conner of Tinian, Precinct 6 (*for himself*) on September 12, 2013.

Speaker Joseph P. Deleon Guerrero: Thank you, Representative Conner. Representative Santos?

Representative Teresita A. Santos: Thank you, Mr. Speaker. I would like to introduce H. L. B. No. 18-28: To make appropriations for the operations and activities of the Rota Casino Gaming Commission for FY 2013 pursuant to Section 16 (a) of the Rota Casino Act of 2007, as

amended by Public Law 16-4; and for other purposes. Mr. Speaker, if there is no objections from the members, I would like to briefly go on record regarding the drafting of this bill.

**H. L. B. No. 18-28:** To make appropriations for the operations and activities of the Rota Casino Gaming Commission for FY 2013 pursuant to Section 16 (a) of the Rota Casino Act of 2007, as amended by Public Law 16-4; and for other purposes. Introduced by Rep. Teresita A. Santos of Rota, Precinct 7 (*for herself*) on September 12, 2013.

Speaker Joseph P. Deleon Guerrero: Are there any objections?

*There was no objection raised on the floor.*

Speaker Joseph P. Deleon Guerrero: Please proceed.

Representative Teresita A. Santos: For the members information this appropriation bill is exempted from Title 1 CMC subsection 1403, Introduction of Local Bills as per Public Law 17-2. This appropriation was crafted from the Rota Municipal Council's transmittal which was approved during their recent session in Rota. Like most of us the Councils also acknowledged and would like to see resolved the long outstanding financial obligations of the Rota Casino Gaming Commission (RCGC) to the Saipan and Northern Islands Delegation (SNILD). In fact it was the Councils original intent to allocate a certain amount to SNILD, but such intent was aborted after Mrs. Laura Manglona, Chairwoman of the RCGC strongly insisted during her oral followed by a written testimony to the Rota Municipal Council officials that there was prior agreement as to how RCGC debts will be paid to SNILD. According to Mrs. Manglona that agreement should be binding and considered. The last time I have spoken to Mrs. Manglona, she stated she stands ready to answer to the members of SNILD. Thank you, Mr. Speaker.

Speaker Joseph P. Deleon Guerrero: Thank you, Representative Santos. Are there any other House Local Bills for introduction today? The Chair recognizes Representative Tebuteb.

Representative Ramon A. Tebuteb: Thank you, Mr. Speaker. Relative to our good Representative from the First Senatorial District's comment; and I also ask and I thought I had seen Mrs. Manglona somewhere in the Chamber, so that I could ask that we go into the Committee of the whole so that we can pose some questions or that any members would pose some questions on specific details or areas of concerns that anybody would have. And if in absence - I do not know where the Chairwoman of the Rota Commission is; absent that then I am going ask Mr. Speaker that you perhaps hold this bill until such time that we get the Rota Commission to provide some specific answers to questions that perhaps even members may have; I do have a lot of questions; although we do not want to prolong this I believe we do not have much authority to hold the bill as it does provide for as mentioned by our good Representative from the First Senatorial District which requires only one appearance and so after such then I do not know what the next step so I am asking the Speaker to maybe hold this otherwise we take it to the Delegation but it will not do any good by way of getting specific information from Mrs. Manglona. I got a signal that Mrs. Manglona is in the Chamber; perhaps I will ask that we go into the Committee of the whole and get some answers on that.

Speaker Joseph P. Deleon Guerrero: Are there any objections?

*There was no objection raised on the floor. The Speaker recognized the Floor Leader for the motion to dissolve into the Committee of the Whole; it was moved and seconded; and carried by voice vote.*

*The House dissolved into the Committee of the Whole at 2:05 p.m.*

### COMMITTEE OF THE WHOLE

*The House reconvened at in plenary session at 2:16 p.m.*

Speaker Joseph P. Deleon Guerrero: We are back to our plenary session. Are there any House Local Bills for introduction?

### *House Legislative Initiatives:*

Speaker Joseph P. Deleon Guerrero: Under Item C, House Legislative Initiatives, the Chair now recognizes Representative Leon Guerrero.

Representative Christopher D. Leon Guerrero: Thank you, Mr. Speaker. I am officially introducing H. L. I. No. 18-8, “To amend Article II of the Constitution of the Commonwealth of the Northern Mariana Islands to amend Section 2, repeal Section 3, and amend Section 4 to add a new subsection (c) for the purpose of establishing a unicameral legislature by eliminating the House of Representatives and establishing a Senate comprised of twelve (12) Senators elected at-large; and for other purposes.” Introduced by myself and co-authored by several others and I welcome others. Thank you.

**H. L. I. No. 18-8:** To amend Article II of the Constitution of the Commonwealth of the Northern Mariana Islands to amend Section 2, repeal Section 3, and amend Section 4 to add a new subsection (c) for the purpose of establishing a unicameral legislature by eliminating the House of Representatives and establishing a Senate comprised of twelve (12) Senators elected at-large; and for other purposes. Introduced by Rep. Christopher D. Leon Guerrero of Saipan, Precinct 4 (*for himself*, Representatives Anthony T. Benavente, Lorenzo I. Deleon Guerrero, Mariano Taitano, Edmund S. Villagomez, and Ralph N. Yumul) on September 12, 2013, referred to the Committee on Judiciary and Governmental Operations and Committee on Ways and Means.

Speaker Joseph P. Deleon Guerrero: Thank you, Representative Leon Guerrero. H. L. I. No. 18-8 will be referred to the Committee on Judiciary and Governmental Operations, in conjunction with the Committee on Ways and Means because I believe the intent of this was to save money, so it will be a dual referral. The Chair now recognizes the Floor Leader for the next Initiative.

Floor Leader Rafael S. Demapan: *Si yu’us ma’ase, Mr. Speaker.* This is to officially introduce H. L. I. No. 18-9, “To amend Article XI of the Constitution of the Commonwealth of the Northern Mariana Islands to assure that the revenues from public lands are used for the benefit of the people of the Commonwealth who are of Northern Marianas Descent and to provide for the payment of a dividend from such revenues to such people.” Mr. Speaker and colleagues the intent of this legislative initiative is to take care of the ongoing drama between the Marianas Public Lands Trust (MPLT) and the Department of Public Lands (DPL) with regards to money

earned from Article XI; it also provides that rather than appointing a Trustee it will be an elected Trustees. This will also provide payment of dividends to Northern Marianas Descent. This will also change the MPLT agencies' name to Northern Marianas Descent. I also expect this initiative to be improved as it gets to the committee. Thank you, Mr. Speaker.

**H. L. I. No. 18-9:** To amend Article XI of the Constitution of the Commonwealth of the Northern Mariana Islands to assure that the revenues from public lands are used for the benefit of the people of the Commonwealth who are of Northern Marianas Descent and to provide for the payment of a dividend from such revenues to such people. Introduced by Rep. Rafael S. Demapan of Saipan, Precinct 2 (*for himself*) on September 12, 2013, referred to the Committee on Natural Resources and Committee on Ways and Means.

Speaker Joseph P. Deleon Guerrero: Thank you, Floor Leader. H. L. I. No. 18-9, will be a dual referral to the Committee on Natural Resources and Committee on Ways and Means. Are there any further legislative initiatives for introduction today? There being none, we move on to Item 5, Introduction of Resolutions.

## INTRODUCTION OF RESOLUTIONS

### *House Resolutions:*

Speaker Joseph P. Deleon Guerrero: Are there any House Resolutions for introduction today? The Chair recognizes Representative Ogumoro.

Representative Felicidad T. Ogumoro: Thank you, Mr. Speaker. I have a numbered resolution to introduce today, H. Res. No. 18-34, "To respectfully request the House of Representatives of the 113th Congress of the United States to hold indefinitely any action on Section 2109 (Long-Term Legal Residents of the Commonwealth of the Northern Mariana Islands) of S.744 and similar legislation which will allow thousands of alien workers, their families, and persons of other ethnic origin or race who are in the Commonwealth of the Northern Mariana Islands to become U.S. permanent residents and subsequently become U. S. citizen. Section 2109 violate the spirit and sanctity of the Covenant which established a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America." I am open, Mr. Speaker and I ask that you and my fellow colleagues if interested to also co-sponsor the resolution. At this time Mr. Speaker, if there is no objection I have prepared a brief statement to make on the subject resolution.

**H. Res. No. 18-34:** To respectfully request the House of Representatives of the 113th Congress of the United States to hold indefinitely any action on Section 2109 (Long-Term Legal Residents of the Commonwealth of the Northern Mariana Islands) of S.744 and similar legislation which will allow thousands of alien workers, their families, and persons of other ethnic origin or race who are in the Commonwealth of the Northern Mariana Islands to become U.S. permanent residents and subsequently become U. S. citizen. Section 2109 violate the spirit and sanctity of the Covenant which established a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America. Introduced by **Rep. Felicidad T. Ogumoro** of Saipan, Precinct 3 (*for herself*, Representatives Antonio R. Agulto, Anthony T. Benavente, Roman C. Benavente, George N. Camacho, Lorenzo I. Deleon Guerrero, Christopher D. Leon

Guerrero, Janet U. Maratita, John Paul P. Sablan, Richard B. Seman, Mariano Taitano, and Ramon A. Tebuteb) on September 12, 2013, referred to the Committee on Federal and Foreign Affairs.

Speaker Joseph P. Deleon Guerrero: Are there any objections?

*There was no objection raised on the floor.*

Speaker Joseph P. Deleon Guerrero: Please proceed.

Representative Felicidad T. Ogomoro: The Covenant Agreement which established the Commonwealth of the Northern Mariana Islands in political union with the United States of America, must be honored at all times. However, Section 2109 of US S. Bill 744, that is the long term legal residents of the Commonwealth of the Northern Mariana Islands which seeks a pathway to citizenship for more than 13,000 alien workers and other groups in the CNMI was passed by the Senate and is now awaiting action by the US House of Representatives. Mr. Speaker and fellow colleagues Section 2109 of US S. Bill 744 violates the Covenant Agreement; Article 1, Section 105 provides, “the United States may enact legislation in accordance with the constitutional processes which will be applicable to the Northern Mariana Islands. In order to respect the right of self-government guaranteed by this Covenant, the United States agrees to limit the exercise of that authority so that the fundamental provisions of this Covenant namely Articles 1, 2, and 3 and Sections 501 and 805, may be modified only with the consent of the Government of the United States and the Government of the Northern Mariana Islands. In particular, Section 103 of the Covenant provides, “the people of the Northern Mariana Islands will have the right of local self-government and will govern themselves with respect to internal affairs in accordance with the constitution of their own adoption”. The 2010 Census data shows that the combine total Chamorros and Carolinians of Northern Marianas Descent in the CNMI was 15,363 or 29% only of the total population of 53,883. If passed Section 2109 of S. Bill 744 will have a devastating effect on the Chamorros and Carolinians of Northern Marianas Descent who have always aspired to maintain their autonomy and be self-governing; a right that is guaranteed and protected under the Covenant. This Section will change and disrupt the social, political, and economic livelihood and aspirations of the Chamorros and Carolinians. They will lose control of that right to govern themselves becoming marginalized in the process. The Chamorros and Carolinians will become a powerless minority in their own native land. Our right to self-governance to determine our own destiny is what Filipino national hero Jose Rizal fought for and died for – for his people. It is a desire also reflected in the very similar experiences of the Native Americans of North America, the Fijians, the Aborigines of Australia, the Maori of New Zealand, the Native Hawaiians to name a few. Mr. Speaker and fellow colleagues the very people that we have been elected to protect need our help. And as their leaders I am respectfully asking that you please support the adoption of this resolution and allow the Chamorros and Carolinians to continue to exercise and enjoy their right to control the destiny of their islands. Thank you, Mr. Speaker.

Speaker Joseph P. Deleon Guerrero: Thank you, Representative Ogomoro. Are there any other resolutions for introduction today? We now proceed down.

### ***House Joint Resolutions:***

Speaker Joseph P. Deleon Guerrero: The Chair has one, H. J. R. No. 18-9, Requesting the Honorable Eloy S. Inos to object to the request for attorney's fees made by the attorneys for the Plaintiff in the case of Betty Johnson vs. Eloy S. Inos, Governor, *et. al.* We cannot act on this resolution today, however, it will be calendared for the next session because it did not meet the 24 hour pre-filing, but it will be with the Clerk and any members may also affix their signature to it if they wish. Are there any other House Joint Resolutions? We move down to Commemorative Resolutions.

**H. J. R. No. 18-9:** Requesting the Honorable Eloy S. Inos to object to the request for attorney's fees made by the attorneys for the Plaintiff in the case of Betty Johnson vs. Eloy S. Inos, Governor, *et. al.* Introduced by **Rep. Joseph P. Deleon Guerrero** of Saipan, Precinct 1 (*for himself*, Representatives Antonio R. Agulto, Anthony T. Benavente, Roman C. Benavente, George N. Camacho, Trenton B. Conner, Francisco S. Dela Cruz, Joseph P. Deleon Guerrero, Lorenzo I. Deleon Guerrero, Rafael S. Demapan, Christopher D. Leon Guerrero, Janet U. Maratita, Felicidad T. Ogumoro, Antonio P. Sablan, John Paul P. Sablan, Teresita A. Santos, Richard B. Seman, Mariano Taitano, Edmund S. Villagomez, Ralph N. Yumul) on September 12, 2013. {Calendared 9/12/13}

### ***House Commemorative Resolutions:***

Speaker Joseph P. Deleon Guerrero: The Chair recognizes Representative Lorenzo Deleon Guerrero.

Representative Lorenzo I. Deleon Guerrero: Thank you, Mr. Speaker. C. Res. No. 18-5 to honor and acknowledge the Employer Support of the Guard and Reserve and the Guam-CNMI Committee, and to thank them and their volunteer members for their outstanding service by recognizing the week of September 9<sup>th</sup> through September 13<sup>th</sup>, 2013, as "Employer Support of the Guard and Reserve Week.", authored by myself and co-authored by several others of the House. And for those who did not know we did presented through the ESGR committee both Guam and CNMI yesterday jointly with the Senate at the Senate Chamber. Thank you, Mr. Speaker.

**C. RES. NO. 18-5:** To honor and acknowledge the Employer Support of the Guard and Reserve and the Guam-CNMI Committee, and to thank them and their volunteer members for their outstanding service by recognizing the week of September 9<sup>th</sup> through September 13<sup>th</sup>, 2013, as "Employer Support of the Guard and Reserve Week." Introduced by **REP. LORENZO I. DELEON GUERRERO** of Saipan, Precinct 5 (*for himself*, Representatives Antonio R. Agulto, Anthony T. Benavente, Roman C. Benavente, Francisco S. Dela Cruz, Joseph P. Deleon Guerrero, Rafael S. Demapan, Christopher D. Leon Guerrero, Antonio P. Sablan, John Paul P. Sablan, Mariano Taitano, Ramon A. Tebuteb, Edmund S. Villagomez, and Ralph N. Yumul) on September 12, 2013. {Calendared}

Speaker Joseph P. Deleon Guerrero: Thank you, Representative Deleon Guerrero. Are there any further Commemorative Resolutions for introduction?

***House Concurrent Resolutions: None***

Speaker Joseph P. Deleon Guerrero: Since there are no other resolutions. Let us take a five minute recess before we move on with our Agenda.

*The House recessed at 3:12 p.m.*

**RECESS**

*The House reconvened at 3:36 p.m.*

Speaker Joseph P. Deleon Guerrero: We return back to our session. Let left of on Item 5, on our Order of Business, Resolutions, and before we move on to Messages from the Governor, H. Res. No. 18-34, offered by Representative Ogomoro, will be referred to the Committee on Federal and Foreign Affairs. H. J. R. No. 18-9 and C. Res. 18-5 will be calendared for action on the next session. With that we move on to Item 6, Messages from the Governor.

**MESSAGES FROM THE GOVERNOR**

House Clerk Linda B. Muña: *Mr. Speaker we have Governor's Communications 18-79 to 18-80.*

GOV. COMM. 18-79: (9/5/13) Informing the House that he signed into law S. B. NO. 18-12, HD1 (Amending 1 CMC §2902 on Executive Appointments). Became **Public Law 18-17**. [*For info*]

GOV. COMM. 18-80: (9/5/13) **Executive Order 2013-19** – Declaration of a State of Emergency: CHC's Imminent threat of disruption of critical medical services in the Commonwealth and the danger that such a condition poses to the public because of the great increase in otherwise preventable deaths that would result.

Speaker Joseph P. Deleon Guerrero: Thank you, Madam Clerk. Are there any comments on GOV. COMM. 18-79 or GOV. COMM. 18-80? There being none, we move on to the next item on our Agenda, Item 7, Senate Communications.

**SENATE COMMUNICATIONS**

Speaker Joseph P. Deleon Guerrero: I would like to recognize the Floor Leader for a motion to accept Senate Communications.

Floor Leader Rafael S. Demapan: Thank you, Mr. Speaker. Under Item VII, Senate Communications we have sixteen communications; five are for action and eleven is just for information purpose. I now move to accept all Senate Communications to be the property of the House, so move.

Sen. Comm. 18-63: (8/30/13) Informing the House that the Senate accepted the House amendments to S. B. No. 18-7, SS1, HD1 (To mandate the Commonwealth Utilities

Corporation to change the water and waste water rate for the Public School System to commercial rate; and for other purposes.) on August 29, 2013. [*For info*]

Sen. Comm. 18-64: (8/30/13) Transmitting for House action S. B. No. 18-10, entitled, “To authorize DEQ to set well water rates for commercial users, and for other purposes.,” which was passed by the Senate on August 29, 2013. [*For action*] Referred to the Committee on Natural Resources on September 12, 2013.

Sen. Comm. 18-65: (8/30/13) Informing the House that the Senate accepted the House amendments to S. B. No. 18-12, HD1 (To amend 1 CMC §2902 regarding executive appointments; and for other purposes.) on August 29, 2013. [*For info*]

Sen. Comm. 18-66: (8/30/13) Transmitting for House action S. B. No. 18-25, SD1, entitled, “To amend 9 CMC §§3101 and 3103 ; and for other purposes.,” which was passed by the Senate on August 29, 2013. [*For action*] Referred to the Committee on Judiciary and Governmental Operations on September 12, 2013.

Sen. Comm. 18-67: (8/30/13) Transmitting for House action S. B. No. 18-26, entitled, “To authorize the Governor to negotiate a settlement and resolution of the judgments entered against the CNMI Government; and for other purposes.,” which was passed by the Senate on August 29, 2013. [*For action*] Referred to the Committee on Ways and Means on September 12, 2013.

Sen. Comm. 18-68: (8/30/13) Returning H. B. No. 18-5, HD1, (To present to the voters in the Commonwealth in the next general election the question: “Shall there be a constitutional convention to propose amendments to the Constitution?”), which was passed by the Senate without amendments on August 29, 2013. [*For info*]

Sen. Comm. 18-69: (8/30/13) Returning H. B. No. 18-11, (To amend Title 9, Division 2 Chapter 1 §2116 (Public Law 14-16) ; and for other purposes.), which was passed by the Senate without amendments on August 29, 2013. [*For info – Will go to Governor*]

Sen. Comm. 18-70: (8/30/13) Returning H. B. No. 18-19, HD1, (To establish a safety measure for instances where a vehicle overtakes a bicycle on a public road or highway; and for other purposes.), which was passed by the Senate without amendments on August 29, 2013. [*For info – Will go to Governor*]

Sen. Comm. 18-71: (8/30/13) Returning H. B. No. 18-29, HD2, (To amend the Weapons Control Act; to promote and allow outdoor shooting ranges; skeet shooting; to amend Customs violations provisions to accommodate outdoor shooting ranges and revision to correct technical errors.), which was passed by the Senate without amendments on August 29, 2013. [*For info – Will go to Governor*]

Sen. Comm. 18-72: (8/30/13) Returning H. B. No. 18-33, (To re-establish the Commonwealth Board of Nurse Examiners as an autonomous public agency; and for other purposes.), which was passed by the Senate without amendments on August 29, 2013. [*For info – Will go to Governor*]

Sen. Comm. 18-73: (8/30/13) Returning H. B. No. 18-46, HD1, “To allow members of the Defined Contribution Plan to withdraw their account balance without terminating employment, which was passed by the Senate with amendments on August 29, 2013, in

the form of H. B. 18-46, HD1, SD1. [*For action on Senate amendments*] {Calendared on 9/12/13}

Sen. Comm. 18-74: (8/30/13) Returning H. B. No. 18-116, (To amend 2 CMC Article 3 Public Roads section 4132(a) Definitions; and for other purposes.), which was passed by the Senate without amendments on August 29, 2013. [*For info – Will go to Governor*]

Sen. Comm. 18-75: (8/30/13) Returning H. J. R. 18-5 (To fully support the five-year extension of the transitional period of the Commonwealth Only Transitional Worker Program beyond December 31, 2014 so that the Commonwealth of the Northern Mariana Islands will have an adequate amount of time to fully adjust to the transition.), which was adopted by the Senate, without amendments, on August 29, 2013. [*For info*]

Sen. Comm. 18-76: (8/30/13) Returning H. J. R. 18-6 (Respectfully urging Governor Eloy S. Inos to concur and support the opinion of the Attorney General that former Governor Benigno R. Fitial had no authority to enter into the Power Purchase Agreement with Saipan Development, LLC.), which was adopted by the Senate, without amendments, on August 29, 2013. [*For info*]

Sen. Comm. 18-77: (9/6/13) Returning H. L. I. No. 18-1, HD1, “To amend Article XII, Section 4 of the Northern Mariana Islands Constitution; and for other purposes, which was passed by the Senate with amendments on August 29, 2013, by the affirmative vote of three-fourths, in the form of H. L. I. No. 18-1, HD1, SD1. [*For action on Senate amendments*] {Calendared on 9/12/13}

Sen. Comm. 18-78: (9/6/13) Transmitting a certified copy of Senate Commemorative Resolution No. 18-7, entitled, “Honoring the life and achievements of Juan Camacho Diaz and commending him for his distinguished contributions to the Commonwealth of the Northern Mariana Islands and service to the people,” which was adopted by the Senate on August 21, 2013. [*For info*]

*The motion was seconded by Representative Leon Guerrero. There was no discussion and the motion was carried by voice vote. There was no nay vote.*

Speaker Joseph P. Deleon Guerrero: All Senate communications are hereby accepted by the House. With that let us go down the line and for those requiring action:

*The Chair referred the following communications to respective House Committees as follows:*

Sen. Comm. 18-64: (8/30/13) Transmitting for House action S. B. No. 18-10, entitled, “To authorize DEQ to set well water rates for commercial users, and for other purposes.,” which was passed by the Senate on August 29, 2013. [*For action*] Referred to the Committee on Natural Resources on September 12, 2013.

Sen. Comm. 18-66: (8/30/13) Transmitting for House action S. B. No. 18-25, SD1, entitled, “To amend 9 CMC §§3101 and 3103 [Amending safety inspections for new vehicles]; and for other purposes.,” which was passed by the Senate on August 29, 2013. [*For action*] Referred to the Committee on Judiciary and Governmental Operations on September 12, 2013.

Sen. Comm. 18-67: (8/30/13) Transmitting for House action S. B. No. 18-26, entitled, “To authorize the Governor to negotiate a settlement and resolution of the judgments entered against the CNMI Government; and for other purposes.,” which was passed by the Senate on August 29, 2013. [*For action*] Referred to the Committee on Ways and Means on September 12, 2013.

*The Chair calendared for House action on Senate amendments as follows:*

Sen. Comm. 18-73: (8/30/13) Returning H. B. No. 18-46, HD1, “To allow members of the Defined Contribution Plan to withdraw their account balance without terminating employment, which was passed by the Senate with amendments on August 29, 2013, in the form of H. B. 18-46, HD1, SD1. [*For action on Senate amendments*] {Calendared on 9/12/13}

Sen. Comm. 18-77: (9/6/13) Returning H. L. I. No. 18-1, HD1, “To amend Article XII, Section 4 of the Northern Mariana Islands Constitution; and for other purposes, which was passed by the Senate with amendments on August 29, 2013, by the affirmative vote of three-fourths, in the form of H. L. I. No. 18-1, HD1, SD1. [*For action on Senate amendments*] {Calendared on 9/12/13}

Speaker Joseph P. Deleon Guerrero: Are there any comments from any of the communications from the Senate? Ready. We move on to the next item on our Agenda, House Communications.

## HOUSE COMMUNICATIONS

Speaker Joseph P. Deleon Guerrero: Madam Clerk?

House Clerk Linda B. Muña: *We have none Mr. Speaker*

Speaker Joseph P. Deleon Guerrero: And it appears that we also have none on Items 9, and 10. We move done to Miscellaneous Communications. And I recognize Madam Clerk.

## COMMUNICATIONS FROM THE JUDICIAL BRANCH

None

## COMMUNICATIONS FROM DEPARTMENTS & AGENCIES

None

## MISCELLANEOUS COMMUNICATIONS

House Clerk Linda B. Muña: *Mr. Speaker we have one item Miscellaneous Communications 18-6 which was added on.*

Misc. Comm. 18-6: From Mr. Stanley T. M. Torres to Representative Ogunoro submitting documents on complaint filed against Dr. Alan Markoff's confirmation to the Health Care Professional Licensing Board. [For Info] [Added 9/12]

Speaker Joseph P. Deleon Guerrero: Thank you, Madam Clerk and I believe we did have a rather extensive discussion this is the letter from former Representative Stanley Torres asking for the House's intervention and oversight on the matter pertaining to the Medical Professional Licensing Board. Are there any further discussions on the communication? Recognize Representative Tebuteb.

Representative Ramon A. Tebuteb: On the Misc. Comm. 18-6 I note that you have already assigned it to the appropriate committee and that is the Committee on Health and Welfare. And perhaps a timeline should be taken into account and that we fast track this with the Committee as much as we can; so I am requesting that to the appropriate committee.

Speaker Joseph P. Deleon Guerrero: Thank you, for your comments Representative Tebuteb. I think the Chairman is also waiting on Mr. Torres to provide his committee with the other documents that are relevant to this matter. So take note Chairman Agulto, but as soon as those documents come in – the Chairman has already said he is prepared to send out a letter immediately – of course granted the additional documentation is provided to his committee. Thank you. I recognized Representative Deleon Guerrero.

Representative Lorenzo I. Deleon Guerrero: Thank you, Mr. Speaker. This individual is also an officer of the NMC Foundation which falls within education and I thought we did also assign the Education Committee to look into this allegations if I am not correct.

Speaker Joseph P. Deleon Guerrero: I believe the Chairman of the Committee on Education has offered to also inquire through the NMC Foundation regarding this individual. But I am sure that there are no objections to both Chairmen initiating the letters. Are there any further? Ready. We now move on to Reports of Standing Committee, item 12. The Chair now recognizes the Floor Leader.

## REPORTS OF STANDING COMMITTEES

Floor Leader Rafael S. Demapan: Thank you, Mr. Speaker. We have four committee reports for adoption and first is S. C. R. No. 18-45: Reporting on H. B. No. 18-88, entitled: "To amend Title 4, Division 5, Chapter 5, by adding new section 5569 and amending section 5593 to criminalize the sale and/or resale of products purchased or obtained from the Army and Air Force Exchange Service ("AAFES") and to authorize the Commonwealth Department of Commerce, Division of Alcohol Beverage and Tobacco Control, the Department of Public Safety and the Office of the Attorney General to enforce and prosecute violations of this Act; and for other purposes." *Your Committee on Commerce recommends that the House pass the bill in the form of H. B. No. 18-88, HD1.* So move.

**S. C. R. No. 18-45**: Reporting on H. B. No. 18-88, entitled: "To amend Title 4, Division 5, Chapter 5, by adding new section 5569 and amending section 5593 to criminalize the sale and/or resale of products purchased or obtained from the

Army and Air Force Exchange Service (“AAFES”) and to authorize the Commonwealth Department of Commerce, Division of Alcohol Beverage and Tobacco Control, the Department of Public Safety and the Office of the Attorney General to enforce and prosecute violations of this Act; and for other purposes.” *Your Committee on Commerce recommends that the House pass the bill in the form of H. B. No. 18-88, HD1.*

*The motion was seconded by Representative Leon Guerrero.*

Speaker Joseph P. Deleon Guerrero: Thank you, Floor Leader. A motion has been offered for the adoption of S. C. R. No. 18-45 and has been seconded; discussion on the motion. Maybe I should ask either the author or the Chairman to kind of summarize the intent of the bill for the members. The Chair recognizes the Chairman of Commerce.

Representative Edmund S. Villagomez: Thank you, Mr. Speaker. Well basically the issue of items being purchased at the Troop Store and being resold out there has been brought up to our attention; it has been brought up to the author’s attention as well therefore he introduced this bill to make sure that these establishments that participates in this activity pay the price because we are losing out on revenue because they do not pay excise tax. The committee pretty much made amendments that came from the Department of Commerce, the ABTC Division (Alcohol, Beverage and Tobacco Control) just to amend the language to keep it consistent with the current regulations. For example right now there is no Board and it is just the Secretary of Commerce along with the work done by the ABTC Division that determines whether a licensee is in line or not in line. The bill just pretty much penalizes the reselling of products from the AAFES. Thank you very much.

Speaker Joseph P. Deleon Guerrero: Thank you, Chairman. Are there further discussions on the S. C. R. No. 18-45? Chairman of Ways and Means.

Representative Antonio P. Sablan: Thank you, Mr. Chairman. I just wanted to pose a question on the issue; I know that this particular house legislation; the amendment specifically deals with alcoholic beverages. Are any other products subject to the same restriction or under current statute or are we basically just concern about the reselling of alcoholic beverages from the Army and Air Force Exchange facility?

Speaker Joseph P. Deleon Guerrero: Representative Villagomez.

Representative Edmund S. Villagomez: Thank you, Mr. Chairman. If the author can back me up; the bill mentions other items but also was very specific on the alcohol products. Thank you.

Speaker Joseph P. Deleon Guerrero: Chairman, on page 3 of the actual bill lines 12-15 does include alcohol, tobacco, or other merchandise purchase or otherwise obtained from the AAFES.

Representative Antonio P. Sablan: And that is the point I was trying to get whether this or other merchandise purchase means to include any other product because basically the amendment on the heading is unauthorized beverages and that it has a subsection so I do not know whether the other merchandise products are referring to any other alcoholic or tobacco products and basically

that is the question. I am not sure because it says alcoholic beverages and tobacco product or other merchandise purchase; I am just trying to get a clarification whether the term other merchandise purchase is meaning any other merchandise related to the heading and the listing of products enumerated.

Speaker Joseph P. Deleon Guerrero: Chairman, on the following section lines 19 on page 3 going back down does provide penalties for violating A or B; which B kind of encompasses all products all merchandise; so I think it does. Chairman Villagomez do you wish to clarify further?

Representative Edmund S. Villagomez: I was going to yield to the author because I saw him raising his hand.

Representative John Paul P. Sablan: Thank you, Chairman. Mr. Speaker the initial intent of this bill is for all products from the AAFES and Troop Store. Thank you.

Speaker Joseph P. Deleon Guerrero: Thank you for the clarification. Representative Sablan.

Representative Antonio P. Sablan: Basically Speaker that is the answer that I was trying to get for the record in case there is any questions with regards to the issue. And with the Chairman making that statement I think the legislative intent is pretty clear. Thank you.

Speaker Joseph P. Deleon Guerrero: Thank you. Chairman of Commerce?

Representative Edmund S. Villagomez: Yes, I just want to thank the Chairman of Ways and Means for that clarification because, yes, the language can be misleading. Thank you very much.

Speaker Joseph P. Deleon Guerrero: Thank you. Are there any further comments before we move to act on – Chairman Leon Guerrero.

Representative Christopher D. Leon Guerrero: Thank you, Mr. Speaker. I just want to clarify page 4 of the bill starting on line 1:

## HOUSE BILL 18-88, HD 1

1                   (1) ~~The Alcoholic Beverage Control Board~~ The Secretary  
2                   of the Department of Commerce shall immediately revoke any and  
3                   all licenses previously issued by the ~~Board-ABTC Division~~ to the  
4                   licensee if, within a 2 year period following a conviction for  
5                   violating ~~5 CMC § 5569~~ 4 CMC §5553 (a) or (b), the licensee,  
6                   his/her agent, or employee is convicted of a subsequent violation.  
7                   (2) Any person or licensee who has been convicted 2 or  
8                   more times within a 2 year period of violating ~~5 CMC § 5569~~ 4  
9                   CMC §5553 (a) or (b) shall be deemed unfit to hold any class of  
10                  license under this chapter for a period of 5 years from the date of  
11                  the most recent conviction.  
12                  (d) Any person, not listed in subsection (c) of this section, who  
13                  violates subsection (b) of this section is guilty of a misdemeanor and shall,  
14                  upon conviction, be fined not less than \$1,000 and/or imprisoned for at  
15                  least 90 days for each violation of this section.  
16                  (e) Punishment for multiple violations of subsection (a) and/or (b)  
17                  shall be consecutive and may not be concurrent."  
18                  **Section 4. Amendment.** Section of 5593 of Title 4 of the  
19                  Commonwealth Code is hereby amended as follows:  
20                  "§ 5593. Criminal Prosecution  
21                  The criminal prosecution of any person by the Department of  
22                  Public Safety and/or the Office of the Attorney General under the

- 4 -

That is the enforcement part of the ABTC, correct, for the driver's license.

Representative Edmund S. Villagomez: The license to sell alcohol or tobacco.

Representative Christopher D. Leon Guerrero: Right. Now if we go down to lines 21 for the inclusion of the prosecution which is the Department of Public Safety, John, can you give the body an overview as to why DPS is inclusive in this specific section.

Representative Ramon A. Tebuteb: Mr. Speaker, clarification on that note.

Speaker Joseph P. Deleon Guerrero: State your point.

Representative Ramon A. Tebuteb: I am trying to follow the comment that was just made. Which part in the committee report are we referring to?

Speaker Joseph P. Deleon Guerrero: I believe he is referring to actual sections of the bill. On page 4 of the bill, starting on line 1, it gives the Secretary of the Department of Commerce the authority to revoke licenses, but because this bill also intends to criminalize violations of this proposed act it goes further – for criminal prosecutions on line 4 section 4 starting on line 21, it also authorizes the DPS and or the Attorney General's office in addition to revoking or suspending the license to initiate criminal prosecution.

Vice Speaker Francisco S. Dela Cruz: Point of clarification, Mr. Speaker.

Speaker Joseph P. Deleon Guerrero: Wait, before that, Representative Tebuteb are you clear or do you have...

Representative Ramon A. Tebuteb: I am clear Mr. Speaker – I am looking at page 3 of the committee report and that is what you pointed out – page 4, line 1, was deleted – that is the Alcohol, Beverage Control Board and then they inserted the Secretary of Commerce – is that correct? Okay.

Speaker Joseph P. Deleon Guerrero: That is the committee’s amendment to the bill. State your point Vice Speaker.

Vice Speaker Francisco S. Dela Cruz: I just wanted to get clarification from Representative Tebuteb. I believe that the bill has not yet gone to the Calendar and so I guess what he is trying to say is we are not discussing the bill we are discussing the standing committee report. And I believe that we are out of order at this time to even begin discussing the merits of the legislation without first acting on the standing committee report.

Speaker Joseph P. Deleon Guerrero: Thank you, for the clarification, Vice Speaker. Although the Chairman did say that he found it on page 3 of the committee report. So continue, Representative Leon Guerrero.

Representative Christopher D. Leon Guerrero: I will yield for now.

Speaker Joseph P. Deleon Guerrero: Are there further comments, questions, or clarifications?

*Several members voiced ready. There being no further discussion the motion to adopt S. C. R. No. 18-45 was carried by voice vote. There was no nay vote.*

Speaker Joseph P. Deleon Guerrero: Floor Leader for the next committee report.

Floor Leader Rafael S. Demapan: Thank you, Mr. Speaker. Next on our standing committee is S. C. R. No. 18-46: Reporting on H. B. No. 18-100, entitled: “To amend 1 CMC sections 9301 and 9302 relating to the Commonwealth Lottery Commission; and for other purposes.” *Your Committee on Commerce recommends that the House pass the bill in the form of H. B. No. 18-100, HD1.* So move.

**S. C. R. No. 18-46:** Reporting on H. B. No. 18-100, entitled: “To amend 1 CMC sections 9301 and 9302 relating to the Commonwealth Lottery Commission; and for other purposes.” *Your Committee on Commerce recommends that the House pass the bill in the form of H. B. No. 18-100, HD1.*

*The motion was seconded by Representative John Paul Sablan.*

Speaker Joseph P. Deleon Guerrero: The motion has been offered and seconded, discussion? I recognize Representative Conner.

Representative Trenton B. Conner: Thank you, Mr. Speaker. In the committee report I see that it states that they are going to amend Section 9306 (f) on page 2 lines 16 to 21. And I am just wondering if that has been incorporated or not. Because the report is stating that it is to amend Sections 9301 and 9302 but I do not see 9306 in the committee report main heading.

Speaker Joseph P. Deleon Guerrero: Chairman of Commerce.

Representative Edmund S. Villagomez: Are you talking about the second page of the committee report?

Representative Trenton B. Conner: On the first page in front of the standing committee report you have “to amend 1 CMC sections 9301 and 9302”.

Representative Edmund S. Villagomez: Okay.

Speaker Joseph P. Deleon Guerrero: Counsel?

LC John F. Cool: That is the title of the original bill HB 18-100 before HD 1. So if you look at HD 1 the proposed amendment the title is changed to include 9306.

Representative Trenton B. Conner: So the report is then indicating that you are including 9306 under what section – the one that I just read 1 CMC section 9306 is hereby amended to read as follows” on item D. Thank you.

Speaker Joseph P. Deleon Guerrero: Thank you for the clarification. Are we ready? Chairman of Commerce?

Representative Edmund S. Villagomez: Just to further clarify it – it is also reflected on the HD 1 version as amended on the title. Thank you.

Speaker Joseph P. Deleon Guerrero: Members take note that the actual bill HD 1 is amended to include subsection 9306. So are there any further comments? Ready. Representative Tebuteb.

Representative Ramon A. Tebuteb: Thank you, Mr. Speaker. Just one question to the committee because I am not very familiar with lottery activities or lottery gaming activities; are there more than one lottery activities or lottery gaming activities; and how many?

Speaker Joseph P. Deleon Guerrero: I recognize the author, Representative Agulto.

Representative Antonio R. Agulto: Thank you, Mr. Speaker. I just wanted to get clarification Representative Tebuteb are you referring to on island in the CNMI?

Representative Ramon A. Tebuteb: I am in support of the committee report I am looking at section b of the committee findings and basically it reflects what is in the bill and on the third sentence the committee finds that the advancement in technology has greatly enhanced accountability and transparency. So I am trying to figure out accountability and transparency because of the advancement of technology. And it further says in dealing with lottery gaming

activities – I am just wondering how many lottery gaming activities. I mean I am clueless when it comes to gambling.

Speaker Joseph P. Deleon Guerrero: If there is no objection and just to clarify I think that sentence refers to the video lottery gaming industry in general that there are advancements. I think the transparency accountability refers to the servers wherein revenues that each machine gets or gives out is transmitted to a main server in real-time. So at any point of time that data is maintained and kept. So there is no – not like our poker machines here where a technician would have to go open the machines check the register to see how much coins it receives or gives out. The technology as I understand it and any member can correct me if I am wrong right now allows for all these data to be transmitted to a main server in real-time. So that is the accountability and the transparency that it refers to. You still hold the floor, Representative Tebuteb.

Representative Ramon A. Tebuteb: I understand your explanation and I am just trying to ask a very simple question on the last three words of that sentence that I just read – lottery gaming activities. Being clueless in this kind of activities; how many lottery gaming activities are there?

Speaker Joseph P. Deleon Guerrero: On island or in general?

Representative Ramon A. Tebuteb: That is what I am trying to figure out – on island or in general? I am clueless.

Speaker Joseph P. Deleon Guerrero: The author is ready to respond.

Representative Antonio R. Agulto: *Taya video lottery guini on island, Mr. Speaker.* This video lottery network is very much strict and it will be operated under a controlled and a related wide-area network. This is the terms of this legislation. Thank you, Mr. Speaker.

Speaker Joseph P. Deleon Guerrero: I think what the author was trying to say that in other jurisdictions where there is video lottery it is tightly regulated and controlled via this advance technology. Recognize, Representative Yumul.

Representative Ralph N. Yumul: Thank you, Mr. Speaker. I am not sure if it is still is happening right now, but back a couple of years ago I remembered there was scratchers – I think those were considered as lottery activities, one, and I am not sure if that company is still operating here in the CNMI. And I believe the one that was in the Joeten Shopping Center, the Marianas Lottery I am not sure if that is still in operation right now. Those are the activities that I believe that was an activity but I am not sure if they are still operating here in the CNMI.

Speaker Joseph P. Deleon Guerrero: Thank you, Representative Yumul. The floor is still open for further discussion. Recognize, Representative Seman.

Representative Richard B. Seman: Maybe the author can provide for more clarity on this issue of video lottery. As I understand it – we only have three kinds of video lottery games which is the line game almost like a slot machine; card game; and keno – those are the three kinds of expected games to be available once enacted.

Speaker Joseph P. Deleon Guerrero: In response, Representative Agulto.

Representative Antonio R. Agulto: *Mr. Speaker, guaha esta existing law I believe 3-60 ya this is just to amend that so we can move out and let us start getting out additional revenue generating – guaha esta law lao pot para ha ta amend ha esti sa in 'nisisita revenue guini giya Marianas. Si yu'us ma'ase, Mr. Speaker.*

Speaker Joseph P. Deleon Guerrero: Thank you, Representative Agulto. Can I ask the Counsel to verify that statement – is there in existence laws allowing for lottery in the Commonwealth?

LC John F. Cool: Yes, currently lotteries are allowed in the Commonwealth. The Lottery Commission has been abolished – the Secretary of Finance is the Lottery Commission in this point in time. They have adopted rules and regulations concerning the operation of lotteries. There can be more than one lottery given or allowed by different people. And the other question is that I do not know if there is any being operated at this time. I just thought I saw a sign a couple of weeks ago at a grocery store that said something about a lottery but I do not know if that is current at all.

Speaker Joseph P. Deleon Guerrero: Thank you, for the clarification, Counsel. Floor Leader?

Floor Leader Rafael S. Demapan: I would like to further clarify from the Counsel. How is this different from – we do have currently and I am not sure whether it is lottery – we do have this so called numbers game. In the Philippines wet-teng I do not know if you are familiar with that but that is happening now – we do have it in the Commonwealth. Is there any difference with regards to this measure before us?

Speaker Joseph P. Deleon Guerrero: Counsel?

LC John F. Cool: It appears that – that may be a lottery and again I do not know whether that has been licensed by Finance or not. But it would be a lottery if it is being played for money.

Speaker Joseph P. Deleon Guerrero: Vice Speaker?

Vice Speaker Francisco S. Dela Cruz: Thank you, Mr. Speaker. I just got this and I believe this came from Mr. Stump; this is the video lottery regulations for the Commonwealth Northern Mariana Islands. I just got this today and it is actually from Chairman Villagomez of Commerce. And I am looking at one of the definitions for video game; and let me just read the definition for this – video game is defined as any game played on a video lottery machine, including but not limited to a variation of poker, blackjack, pulltabs, instant or lineup games. So this is the variations of machines that can be played on a video lottery terminal, according to the regulations set forth by the Administration.

Speaker Joseph P. Deleon Guerrero: Thank you, Vice Speaker. And if you go down two more lines you will see the definition of video lottery. Are there any further discussions? Ready.

*Several members voiced ready. There being no further discussion the motion to adopt S. C. R. No. 18-46 was carried by voice vote. There was no nay vote.*

Speaker Joseph P. Deleon Guerrero: Floor Leader for the next standing committee report?

Floor Leader Rafael S. Demapan: Thank you, Mr. Speaker. The next is S. C. R. No. 18-47: Reporting on H. B. No. 18-25, entitled: “To add a new Chapter 9 to Division 3 of Title 2 of the Commonwealth Code to authorize the Division of Fish and Wildlife to develop a system for the assessment of fees on non-residents visiting Marine Protected Areas in order to better invest in the Marine Resources of the Commonwealth; and for other purposes.” *Your Committee on Natural Resources recommends that the House pass the bill in the form of H. B. No. 18-25, HD1.* So move.

**S. C. R. No. 18-47**: Reporting on H. B. No. 18-25, entitled: “To add a new Chapter 9 to Division 3 of Title 2 of the Commonwealth Code to authorize the Division of Fish and Wildlife to develop a system for the assessment of fees on non-residents visiting Marine Protected Areas in order to better invest in the Marine Resources of the Commonwealth; and for other purposes.” *Your Committee on Natural Resources recommends that the House pass the bill in the form of H. B. No. 18-25, HD1.*

*Several members seconded the motion.*

Speaker Joseph P. Deleon Guerrero: The motion has been offered and seconded for the adoption of S. C. R. No. 18-47; discussion; recognize Representative Roman Benavente.

Representative Roman C. Benavente: Thank you, Mr. Speaker for the opportunity for discussion. I like this bill. The bill itself is something that will make the Division of Fish and Wildlife (DFW) start enforcing their authority and not only enforcing but maybe put a placement fee in different restricted areas or refuge areas. Basically I introduced the same bill that correlates with this bill. Unfortunately the DFW found it that it is inappropriate for the bill. But regardless of whatever they think I am supporting this bill because this is a stepping stone to open them up and obligate their efforts to start enforcing this issue. They have been challenged with so many different kinds of recommendations by individuals and even the legislators in the past they never really listened and they never really tried to implement; they had the promulgating authority with regards to their DFW regulation but they never did try to promulgate additional bills or tried to inform certain issues. So with this bill maybe it is an enlightenment that will open them up to start enforcing. Thank you, Mr. Speaker.

Speaker Joseph P. Deleon Guerrero: Thank you, Representative Benavente. Are there any other members? Representative Antonio Sablan.

Representative Antonio P. Sablan: Thank you, Mr. Speaker. The question is with the authority that this bill intends to provide to the Secretary of Department of Lands and Natural Resources (DLNR) is it safe to assume that tourist travelling to Managaha might be subjected to the additional fees other than the current landing fees being required? And I turn to the language on the committee report that basically says that, the marine conservation areas or marine sanctuaries under Public Law 12-12 designates the surrounding waters of the Islet of Managaha as a marine

conservation area and basically this legislation is giving the Secretary the authorization to establish fees for anyone entering a conservation area. The current landing fee legislation already provides and requires for a landing fee for those travelling to Managaha; so I just want to get a clarification whether we are talking of two different issues here aside from the landing fee whether the Secretary per this legislation would he have the authority to establish a fee schedule for the surrounding waters? Basically reading the bill I am not too sure but we are talking about landing fee and we are talking about conservation areas.

Speaker Joseph P. Deleon Guerrero: Thank you, I believe the author wishes to respond, recognize Representative Seman.

Representative Richard B. Seman: Thank you, Mr. Speaker and I appreciate the inquiry from Representative Sablan because that is the very reason why this particular legislation was drafted up. To begin with the landing fee as much as it is imposed on our visitors to Managaha – zero cents goes to the DFW despite Managaha being considered one of the best beach snorkeling destination by the Japanese tourists; that being said, it is the primary draw of all visitors going to Managaha; they do not really care much about those mountain climbing and whatever device we have out there I know the masseuse but they are there because they want to enjoy the beach and the water. And this legislation will provide the funds to allow the DFW to be able to ensure that – that area remains pristine the way our visitors lead to believe; and the way that the Managaha is exposed throughout the Asian market and to other places like Russia. And so the volume of people going to Managaha right now has reached at least in 1997 over 400,000 visitors went to Managaha; with that kind of impact it is imperative that we do something to maintain the marine life; maintain the population of fish and in order to do that we have to be able to enforce regulations that will be developed through the direct involvement of stakeholders that is why there is no fee structure here other than that they were assessed fees but the fees will be set up by getting all stakeholders involved in developing those fees that is favorable that is doable and that will make sense to the stakeholders and those people doing business out there. And so yes, it despite the landing fee we get zero penny; despite Public Law 12-12 giving the Department the jurisdiction by having that place designated as a conservation area; in addition to the Managaha it also involves other sanctuaries such as the Grotto area, which is the Bird Island Sanctuary. Thank you, Mr. Speaker

Speaker Joseph P. Deleon Guerrero: Thank you, Representative Seman. Representative Sablan, do you still want to continue?

Representative Antonio P. Sablan: Yes, and thank you, Mr. Speaker. Basically the answer to my question is, yes, this legislation would provide the Secretary of DLNR the authority to impose a fee schedule for those travelling to Managaha on top of the current landing fees required under current statute. I do not know whether we should be concerned on this particular issue. I know that there are other areas that intended to be covered by this legislation, such as the Bird Island and other conservation areas but here we are no one gets to Managaha without – or when you go to Managaha you cannot just stay on the island obviously anyone who basically travels to Managaha would be subjected to the additional fee. How much? We do not know and I do not know and I believe the legislation authorizes the Secretary to establish the fees to the standard of promulgation of regulations but I am just concern with regards to this one particular area; what

will be sufficient with regards to fees that would be charged on top of the current is it \$15 that are being charged to – I just thought I raise up the issue. Thank you, Mr. Speaker.

Speaker Joseph P. Deleon Guerrero: Thank you. Before we go on again, be mindful we will review the bill itself when we get to the bill calendar. So please try to stay within the committee report for now. Are there discussions on the committee report? Ready.

*Several members voiced ready. There being no further discussion the motion to adopt S. C. R. No. 18-47 was carried by voice vote. There was no nay vote.*

Speaker Joseph P. Deleon Guerrero: I turn it back to the Floor Leader for the last committee report.

Floor Leader Rafael S. Demapan: Thank you, Mr. Speaker. The last of our standing committee report is S. C. R. No. 18-48: Reporting on H. B. No. 18-83, entitled: “To provide for the care, maintenance, supervision, and administration of public cemeteries.” *Your Committee on Natural Resources recommends that the House pass the bill in the form of H. B. No. 18-83, HD1.* So move

**S. C. R. No. 18-48**: Reporting on H. B. No. 18-83, entitled: “To provide for the care, maintenance, supervision, and administration of public cemeteries.” *Your Committee on Natural Resources recommends that the House pass the bill in the form of H. B. No. 18-83, HD1.* {Adopted-9/12/13}

*The motion was seconded.*

Speaker Joseph P. Deleon Guerrero: Thank you, Floor Leader. The motion is on the floor for the adoption of S. C. R. No. 18-48 and it has been seconded. Discussion on the motion? Ready.

*Several members voiced ready. There being no discussions; the motion to adopt S. C. R. No. 18-48 was carried by voice vote. There was no nay vote.*

Speaker Joseph P. Deleon Guerrero: Members, since we have taken care of Item 13, which is the Special and Conference Committee Report. We do not have any resolutions to act on today since the resolutions introduced earlier did not meet the 24 hour pre-filing and so that we adjourn for today and then in our next session we will tackle the Bill Calendar and the Resolution Calendar.

*There was no objections raised on the floor.*

Speaker Joseph P. Deleon Guerrero: I turn it over to the Floor Leader for the motion to adjourn subject to the call.

## UNFINISHED BUSINESS

None

**RESOLUTION CALENDAR**

None

**BILL CALENDAR**

None

**MISCELLANEOUS BUSINESS**

None

**ANNOUNCEMENTS**

None

**ADJOURNMENT**

Floor Leader Rafael S. Demapan: Thank you, Mr. Speaker. With that I move to adjourn subject to the Call of the Chair.

*The motion was seconded and carried by voice vote. There was no nay vote.*

*The House adjourned at 4:25 p.m.*

Respectfully submitted,

Venetia A. Sanchez  
House Journal Clerk

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**APPEARANCE OF LOCAL BILLS**

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

**SECOND LEGISLATIVE DAY:**

H. L. B. NO. 18-24

To amend the Saipan Zoning Law of 2013, 10 CMC §§ 3511. Introduced by REP. RAMON A. TEBUTEB of Saipan, Precinct 3 (*for himself*) on August 27, 2013.

H. L. B. NO. 18-25

To amend the Saipan Zoning Law of 2013, as enacted by Saipan Local Law 18-4, by repealing parts of the Saipan Zoning Law pertaining to the Adult Business Overlay Zoning District and to delete the designation of the Overlay District on the sheets of the official Saipan Zoning map. Introduced by REP. FRANCISCO S. DELA CRUZ of Saipan, Precinct 3 (*for himself*) on August 27, 2013.

**THIRD LEGISLATIVE DAY:** NONE