# HOUSE OF REPRESENTATIVES TWELFTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE FIRST REGULAR SESSION, 2000

# **NINETEENTH DAY**

March 08, 2000

The House of Representatives of the Twelfth Northern Marianas Commonwealth Legislature convened in its Nineteenth Day, First Regular Session, on Wednesday, March 08, 2000, at 1:58 p.m. in the House Chamber, Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Benigno R. Fitial, Speaker of the House, presided.

A moment of silence was observed.

In accordance with Rule XIII,  $\ni$  2(a), seventeen members were present, Representative Diego T. Benavente was excused.

<u>Speaker Fitial</u>: A quorum is duly constituted for the Nineteenth Day of our First Regular Session. Representative Benavente is excused.

#### ADOPTION OF JOURNALS

The Chair recognized the Floor Leader.

<u>Floor Leader Babauta</u>: Mr. Speaker, thank you. I move for the adoption of the 17<sup>th</sup> Day, First Regular Session journal.

The motion was seconded.

# 17<sup>th</sup> Day, First Regular Session journal (3/6/00)

There was no discussion raised. The motion to adopt the 17<sup>th</sup> Day, First Regular Session journal was carried by voice vote.

Speaker Fitial: The 17<sup>th</sup> Day journal is adopted.

### INTRODUCTION OF BILLS

H. B. NO. 12-134: A Bill for an Act to establish the Commonwealth Fair Labor Standards; and for other purposes.

Offered by: Rep. Benigno R. Fitial

Referred to: Committees on Commerce and Tourism and Judiciary and Governmental

Operations

H. L. I. NO. 12-1: A House Legislative Initiative to amend Article XV, Section 1(e) of the Constitution of the Commonwealth of the Northern Mariana Islands.

Offered by: Rep. Thomas B. Pangelinan

Referred to: Committee on Judiciary and Governmental Operations

# INTRODUCTION OF RESOLUTIONS

#### None

### MESSAGES FROM THE GOVERNOR

Gov. Comm. 12-48: Informing the Legislature that he signed House Local Bill No. 12-1 (To appropriate \$123,000 from local license fees for pachinko slot machines and poker machines in the First Senatorial District; and for other purposes.) into **Rota Local Law 12-1.** 

There was no discussion raised.

Speaker Fitial: We have the first House Local Bill to become law.

# SENATE COMMUNICATIONS

# None

### **HOUSE COMMUNICATIONS**

Hse. Comm. 12-2: From Rep. Benavente informing the Speaker that he will be off-island from March 8-11, 2000, and requesting that he be excused from session.

There was no discussion raised.

<u>Speaker Fitial</u>: Just to inform you that Representative Benavente is excused from today's and future sessions until March 11, as requested to be excused.

### COMMUNICATIONS FROM THE JUDICIAL BRANCH

None

### COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE

None

### COMMUNICATIONS FROM DEPARTMENTS & AGENCIES

#### None

### OTHER COMMUNICATIONS

#### None

### REPORTS OF STANDING COMMITTEES

The Chair recognized the Floor Leader.

<u>Floor Leader Babauta</u>: If there is no objection from the members, I would like to inform them to include on Item No. 12 of the Order of Business, Standing Committee Report No. 12-39.

There was no objection raised.

<u>Speaker Fitial</u>: So ordered, the Standing Committee Report is now being placed under Item 12 of our Order of Business.

Rep. Peter: Mr. Speaker, there are three more Standing Committee Reports coming.

<u>Speaker Fitial</u>: While we are awaiting the arrival of the three more committee reports, can we dispose of these two that are now on the Calendar, Floor Leader?

<u>Floor Leader Babauta</u>: Thank you, Mr. Speaker. Mr. Speaker, I move for the adoption of Standing Committee Report Nos. 12-38 and 12-39.

The motion was seconded.

- S. C. R. NO. 12-38: Reporting on House Bill No. 12-10, entitled, "A Bill for an Act to amend Article XV, Section 1(e) of the Constitution of the Commonwealth of the Northern Mariana Islands." *Your Committee on Education recommends that the Bill be filed by the House.*
- S. C. R. NO. 12-39: Reporting on House Bill No. 12-97, entitled, "A Bill for an Act to establish Tax Fairness and Review Commission; and for other purposes." *Your Committee on Ways and Means recommends that the Bill be passed in the form of H. B. No. 12-97, House Draft 1.*

There was no discussion raised. The motion to adopt Standing Committee Report Nos. 12-38 and 12-39 was carried by voice vote.

<u>Speaker Fitial</u>: Standing Committee Report Nos. 12-38 and 12-39 are hereby adopted. We will go back to Item 12 as soon as the other three committee reports show up.

### REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

### None

### **UNFINISHED BUSINESS**

#### None

# **BILL CALENDAR**

The Chair recognized the Floor Leader.

<u>Floor Leader Babauta</u>: Mr. Speaker, as a result of Standing Committee Report No. 12-39, I move to suspend Rule IX and X of Section 9 to pass House Bill No. 12-97, House Draft 1 on First and Final Reading.

The motion was seconded.

**Speaker Fitial**: Is that a passage motion?

Floor Leader Babauta: Suspension for passage, Mr. Speaker.

Speaker Fitial: Don't you need to effectuate a motion to suspend the Rule to allow for its..

Floor Leader Babauta: That was the motion, Mr. Speaker.

**Speaker Fitial**: Suspension motion?

Floor Leader Babauta: Yes, Mr. Speaker.

The motion to suspend Rule IX and X, Section 9 to pass House Bill No. 12-97, H.D.1, on First and Final Reading was carried by voice vote.

Speaker Fitial: The motion carries. Floor Leader, again.

<u>Floor Leader Babauta</u>: Mr. Speaker, I move for the passage on First and Final Reading House Bill No. 12-97, H. D. 1.

The motion was seconded.

**H. B. NO. 12-97, H.D.1**: A BILL FOR AN ACT TO ESTABLISH TAX FAIRNESS AND REVIEW COMMISSION; AND FOR OTHER PURPOSES.

Speaker Fitial: Discussion? Representative Hofschneider?

Rep. Hofschneider: Thank you, Mr. Speaker. Is this part of the conversation yesterday, the flat tax initiative?

Speaker Fitial: Precisely.

Rep. Hofschneider: On Section 2 of the Bill on page 1, I just thought I'd raise this, we are not limiting this task force or commission to consider flat tax as well as other methodology in consideration or are we limiting them to just consider flat tax?

<u>Speaker Fitial</u>: For this commission, it will be limited to just studying the flat tax. Because you may know, we have Tax Task Forces, previous Tax Task Forces that have expensively studied other forms of taxation. So, this is the only form of taxation that has yet to be studied thoroughly. So, this is the intent of this commission.

Rep. Hofschneider: Don't we want to clearly specify the parameters of what they want to do or should be doing instead of just opening it up generally? They may alleviate from the flat tax consideration.

Rep. A. Camacho: Mr. Speaker, I spoke with Mr. Mike Sablan and the reason why we have this tax commission, I think the former Governor Froilan Tenorio, established a Tax Task Force which they never come up with any recommendation. And before ado the concentration will be on the flat tax, but we are not limiting them to look into other areas.

Rep. Hofschneider: Because it is ambiguous in terms of the mandate to consider what we want them to take up.

<u>Speaker Fitial</u>: Well, on that same page, Representative Hofschneider, starting on line 8, page 1, we are putting our trust in this commission that they can make the appropriate recommendations for long overdue reform.

Rep. Hofschneider: No, I just thought I'd raise that to simply make it clear to whoever the commission members that job one is to consider flat tax and maybe two, alternative tax system. Because they may return in fact and say, well, just remove the excise tax and the BGRT and we would have an equivalent of flat tax, but then in general flat tax will be much more convenient approach. You see where I am getting at? You should focus on delineating at least a general rule of parameters. Flat tax one, two, would be a revisiting of the current tax system if not others.

<u>Speaker Fitial</u>: If the commission feels that other forms of taxation are more appropriate than the flat tax than they are at liberty to recommend accordingly.

Rep. Hofschneider: As long as there's that reading of the mind that they're suppose to concentrate on that.

Speaker Fitial: Further deliberation? Roll call.

The Clerk called the roll on the motion to pass House Bill No. 12-97, H. D. 1, on First and Final Reading as follows:

Rep. Martin B. Ada	yes
Rep. David M. Apatang	yes
Rep. Jesus T. Attao	yes
Rep. Oscar M. Babauta	yes
Rep. Diego T. Benavente	excused

Rep. Antonio M. Camacho	yes
Rep. Rosiky F. Camacho	yes
Rep. Florencio T. Deleon Guerrero	yes
Rep. Heinz S. Hofschneider	yes
Rep. Brigida DLG. Ichihara	yes
Rep. Dino M. Jones	yes
Rep. Alejo M. Mendiola, Jr.	yes
Rep. Norman S. Palacios	yes
Rep. Thomas B. Pangelinan	yes
Rep. Maria "Malua" T. Peter	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	yes
Speaker Benigno R. Fitial	yes

<u>Speaker Fitial</u>: House Bill No. 12-97, House Draft 1, passes the House on First and Final Reading. Representative Peter, are you prepared to submit your committee reports?

Rep. Peter: They are making copies, Mr. Speaker.

Floor Leader Babauta: We take short recess, Mr. Speaker, one or two minutes.

Speaker Fitial: Okay. So ordered.

The House recessed at 2:10 p.m.

#### RECESS

The House reconvened at 2:24 p.m.

Speaker Fitial: We are back to plenary session. Floor Leader?

<u>Floor Leader Babauta</u>: If there is no objection from the members, can we go back to Item 12?

There was no objection raised.

# REPORTS OF STANDING COMMITTEES

The Chair recognized the Floor Leader.

<u>Floor Leader Babauta</u>: And again, to include Standing Committee Report Nos. 12-40, 12-41, 12-42, and 12-43.

There was no objection raised.

Speaker Fitial: No objection. Passage motion, Floor Leader.

<u>Floor Leader Babauta</u>: I now move for the adoption of Standing Committee Report Nos. 12-40, 12-41, 12-42 and 12-43.

The motion was seconded.

- S. C. R. NO. 12-40: Reporting on House Bill No. 12-2, entitled, "A Bill for an Act to prohibit the sale of spray paint and permanent markers to minors, and require retail sellers of such products to post warning signs in regard to this prohibition; and for other purposes." *Your Committee on Health and Welfare recommends the Bill be filed by the House.*
- S. C. R. NO. 12-41: Reporting on House Bill No. 12-8, entitle, "A Bill for an Act to amend Public Law 11-75 to further restrict the sell and increase penalties on the provisions of use and purchase of tobacco products by minors; and to raise the purchase age from 18 years of age to 21; and for other purposes." *Your Committee Health and Welfare recommends that the Bill be filed by the House.*
- S. C. R. NO. 12-42: Reporting on House Bill No. 12-49, entitled, "A Bill for an Act to require marriage counseling and education before a marriage license is issued in the Commonwealth; and for other purposes." *Your Committee on Health and Welfare recommends that the Bill be filed by the House.*
- S. C. R. NO. 12-43: Reporting on House Resolution No. 12-21, entitled, "A House Resolution to support and promote the Governor's proclamation of March 2000 as the National Women's History Month." *Your Committee on Health and Welfare recommends its adoption*.

There was no discussion raised. The motion to adopt Standing Committee Report Nos. 12-40, 12-41, 12-42, and 12-43 was carried by voice vote.

Speaker Fitial: The motion carries.

# **RESOLUTION CALENDAR**

The Chair recognized the Floor Leader.

<u>Floor Leader Babauta</u>: Mr. Speaker, I now move for the adoption of House Resolution No. 12-21.

The motion was seconded.

**H. R. NO. 12-21**: A HOUSE RESOLUTION TO SUPPORT AND PROMOTE THE GOVERNOR'S PROCLAMATION OF MARCH 2000 AS THE NATIONAL WOMEN'S HISTORY MONTH.

There was no discussion raised. The motion to adopt House Resolution No. 12-21 was carried by voice vote.

Speaker Fitial: House Resolution No. 12-21 is adopted.

#### BILL CALENDAR

The Chair recognized the Floor Leader.

<u>Floor Leader Babauta</u>: Mr. Speaker, with the indulgence of the members again, I would like to request and move that we defer action again on House Bill No. 12-39, C. S. 1. Because personally, I just received a copy of the HANMI's proposed language. So, hopefully maybe tomorrow we can incorporate all the changes and move into one discussion. With that, Mr. Speaker, so move to defer action.

The motion was seconded.

Speaker Fitial: Discussion?

Rep. Jones: What Standing Committee Report, Mr. Speaker?

Rep. Attao: Mr. Speaker?

Speaker Fitial: This is a motion to defer action on House Bill No. 12-39. Representative Attao?

<u>Rep. Attao</u>: Yesterday's session, somebody mentioned that the Contractor's Associations will be meeting on Saturday. Would it be possible for our Floor Leader to call them and discuss the proposed amendment on House Bill No. 12-39 so that we can act immediately?

<u>Speaker Fitial</u>: Basically, they also have the same concern. They are asking if they could also be given that opportunity to allow temporary transfer between construction companies within their industry. That is basically what they are asking.

<u>Rep. Attao</u>: Can you give them a call to have the meeting earlier than Saturday so that we can act on the Bill?

Speaker Fitial: Okay. No further discussion on the deferment?

The motion to defer House Bill No. 12-39, C. S. 1, was carried by voice vote.

Speaker Fitial: Again, House Bill No. 12-39, C. S. 1, is deferred.

Rep. Hofschneider: Mr. Speaker, on the subject of deferment.

Speaker Fitial: Recognized.

<u>Rep. Hofschneider</u>: I think for the record, Mr. Speaker, we don't have to continually repeat the motion to defer because once you defer it absolved the Rules until we take up the action. So, we don't have to continue revisiting.

Speaker Fitial: So noted. Miscellaneous.

#### MISCELLANEOUS BUSINESS

The Chair recognized the Vice Speaker.

<u>Vice Speaker Mendiola</u>: Thank you, Mr. Speaker. Just to give thanks to the Governor for expediting his signature on my Local Bill that he signed it into law. I appreciated for expediting so that Agricultural Fair will be more than happy to receive their money for this upcoming San Isidro Fiesta in Rota. I am inviting everybody to be with us on this Fiesta this coming Saturday. Thank you.

Speaker Fitial: Further Miscellaneous? Representative Pangelinan?

Rep. Pangelinan: Thank you, Mr. Speaker and my fellow colleagues. The Saipan baseball community, which consists of the Little League organization, the Junior League organization, and the Saipan Major Leagues, extends appreciation to the many of you who partially or major sponsored teams. However, there are some teams that are without uniforms and if you know of a business community, a business enterprise, private sector, or if you are willing to help these teams, please let me know. Thank you.

#### **ANNOUNCEMENTS**

The Chair recognized Rep. Rosiky Camacho.

<u>Chairman Rosiky Camacho</u>: The public hearing for tomorrow at 8:00 a.m. is still active so please be prepared at 8:00 a.m. for the public hearing on the Telecommunication Bill, H. B. No. 12-6.

**Speaker Fitial**: Representative Peter?

<u>Chairwoman Peter</u>: Thank you, Mr. Speaker. So that my Committee scheduled meetings does not conflict with others, I would like to move up thirty minutes early on my scheduled meeting for Tuesday next week -1:30 is the public hearing, but I would like to call the Committee to please meet at 1:00 p.m. before we get into the public hearing on Tuesday. Thank you.

Speaker Fitial: Representative Jones?

<u>Chairman Jones</u>: I would like to respectfully submit my resignation as a member of Health and Welfare Committee. Thank you.

<u>Speaker Fitial</u>: Further Announcements? Chairman Rosiky, when is the scheduled public hearing in Tinian?

<u>Chairman Rosiky Camacho</u>: That will be on Monday, Mr. Speaker, and that is tentatively because we need to decide that – I believe that is on Monday at 10:00 a.m.

Floor Leader Babauta: Mr. Speaker?

**Speaker Fitial**: Floor Leader?

<u>Floor Leader Babauta</u>: Mr. Speaker, just before we adjourn, I just would like to share with the body that earlier we were talking about recessing the session today until tomorrow morning at 9:00 a.m. because of some members' commitment. I just heard again that the Public Utilities, Transportation and Communications public hearing would be conducted at 8:00 tomorrow morning. I just can't tell whether or not that particular hearing will finish by 9:00 a.m.

Speaker Fitial: Let us meet in session tomorrow at 9:00 a.m.

<u>Floor Leader Babauta</u>: Nine o'clock. Is that an ample time for the PUTC Committee members, primarily the Chairman?

<u>Chairman Rosiky Camacho</u>: I think we are squeezing in too short. We have a session at 9:00 a.m., maybe we could have the public hearing adjusted to 9:30 a.m.

Speaker Fitial: How about at 10:00 a.m.?

Floor Leader Babauta: Ready?

<u>Speaker Fitial</u>: Okay. Can the leadership meet right after the session in the Conference Room? Floor Leader?

Floor Leader Babauta: Mr. Speaker, I move to recess until ten o'clock tomorrow morning.

The motion was seconded and carried by voice vote.

The House recessed at 2:32 p.m.

Respectfully Submitted,

Joan P. Kaipat, Journal Clerk House of Representatives