

HOUSE OF REPRESENTATIVES  
TWELFTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE  
THIRD SPECIAL SESSION, 2000

FIRST DAY

May 08, 2000

The House of Representatives of the Twelfth Northern Marianas Commonwealth Legislature convened in its First Day, Third Special Session, on Monday, May 08, 2000, at 10:29 a.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, § 2(a), seventeen members were present; Representative Norman S. Palacios came in late and Representative William S. Torres was excused.

Speaker Fitial: Representatives Palacios and William Torres asked to be excused, they may be coming in later, but they are excused if they do not come in.

**ADOPTION OF JOURNALS**

The Chair recognized the Floor Leader.

Floor Leader Babauta: Thank you, Mr. Speaker. Mr. Speaker, I move for the adoption of the First Day, Second Special Session journal.

The motion was seconded.

**First Day, Second Special Session journal (05/08/00)**

Speaker Fitial: Discussion? Representative Benavente?

Rep. Benavente: I just want to check with the Clerk if the copy of this journal was passed out? -- It was, thank you.

Speaker Fitial: Representative Hofschneider?

Rep. Hofschneider: No, I was signaling back, last week. Thank you.

Speaker Fitial: Further discussion?

Rep. Benavente: Ready.

The motion to adopt the First Day, Second Special Session journal was carried by voice vote.

Speaker Fitial: The First Day, Second Special Session journal is adopted.

### **INTRODUCTION OF BILLS**

H. B. NO. 12-171: A Bill for an Act to authorize the Northern Marianas Housing Corporation's (NMHC) payment to Marianas Public Land Trust (MPLT) for funds loaned pursuant to P.L. No. 10-39, as amended to be made from appropriations from the revenues that MPLT turns into the general fund each year, and to grant NMHC a ten (10) year moratorium on repaying the sum of Ten Million (\$10,000,000.00) Dollars to the CNMI; and for other purposes.

Offered by: Rep. Antonio M. Camacho  
Referred to: Committees on Ways and Means and Natural Resources

H. B. NO. 12-172: A Bill for an Act to restrict the burial of human remains on the islands of Saipan, Tinian and Rota to public and private cemeteries; and for other purposes.

Offered by: Rep. Thomas B. Pangelinan and one other  
Referred to: Committee on Natural Resources

H. B. NO. 12-173: A Bill for an Act to amend Public Law 11-15 to give the Marianas Visitors Authority the power to regulate commercial activities on or near tourist sites; and for other purposes.

Offered by: Rep. Oscar M. Babauta  
Referred to: Committee on Commerce and Tourism

H. B. NO. 12-174: A Bill for an Act to further amend the Commonwealth Auditing Act of 1983 for the purpose of addressing the section of the "Nonresident Worker Extension Act" affecting the ability of the Office of the Public Auditor to hire nonresident professionals after September 30, 2000; and for other purposes.

Offered by: Rep. Oscar M. Babauta

Referred to: Committees on Commerce and Tourism and Judicial and Governmental Operations

H. B. NO. 12-175: A Bill for an Act to establish a Schedule of Civil Penalties to be invoked against persons who cause or allow utility services to be connected to their property without properly connecting the services through the procedure of the Commonwealth Utilities Corporation.

Offered by: Rep. Rosiky F. Camacho and four others  
Referred to: Committee on Public Utilities, Transportation and Communications

H. B. NO. 12-176: A Bill for an Act to amend 1 CMC 3711 by adding a new subsection (c); and for other purposes.

Offered by: Rep. Rosiky F. Camacho and three others  
Referred to: Committee on Judicial and Governmental Operations

H. B. NO. 12-177: Toxic Substances Exposure Compensation Act.

Offered by: Rep. Dino M. Jones and two others  
Referred to: Committee on Natural Resources

### **INTRODUCTION OF RESOLUTIONS**

H. R. NO. 12-47: A House Resolution to designate the week of May 14-20, 2000 as Emergency Medical Services Week.

Offered by: Rep. Heinz S. Hofschneider and five others  
Referred to: Committee on Health and Welfare

H. R. NO. 12-48: A House Resolution requesting the Board of Education and the Commissioner of Education to promote and implement character education in every school in the Commonwealth of the Northern Mariana Islands.

Offered by: Rep. Antonio M. Camacho  
Referred to: Committee on Education

### **MESSAGES FROM THE GOVERNOR**

Gov. Comm. 12-53: April 20, 2000 – Informing the Legislature that he signed House Local Bill No. 12-2, S1, D1 (Appropriation of \$412,000 to Saipan Mayor’s Office, \$100,000 Battered Women’s Shelter), into **Saipan Local Law 12-1**.

Gov. Comm. 12-54: April 26, 2000 – Informing the Legislature that he signed House Local Bill No. 12-3 (Appropriation of \$171,700 for Saipan Mayor’s Office), into **Saipan Local Law 12-2**.

Gov. Comm. 12-55: April 28, 2000 – Informing the Legislature that he disapproved House Local Bill No. 12-4, S1, D1 (Managaha Landing Fee Appropriation).

There was no discussion raised.

### **SENATE COMMUNICATIONS**

None

### **HOUSE COMMUNICATIONS**

None

### **COMMUNICATIONS FROM THE JUDICIAL BRANCH**

None

### **COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE**

None

### **COMMUNICATIONS FROM DEPARTMENTS & AGENCIES**

None

### **OTHER COMMUNICATIONS**

None

### **REPORTS OF STANDING COMMITTEES**

Floor Leader Babauta: Mr. Speaker, may we have a two, three-minute recess?

Speaker Fitial: Three-minute short recess.

The House recessed at 10:35 a.m.

**RECESS**

The House reconvened at 10:37 a.m.

Speaker Fitial: We are back into session and shall reconvene. Under Standing Committee Reports, Floor Leader.

Floor Leader Babauta: Mr. Speaker, if there is no objection from the floor, I would like to move and plump the Standing Committee Reports for adoption, starting from Standing Committee Reports: 12-87, reference to House Bill No. 12-45; 12-88, reference to House Bill No. 12-81; 12-89, reference to House Bill No. 12-106; 12-90, reference to Senate Bill No. 12-24, SS1; 12-91, reference to House Bill No. 12-117; 12-92, reference to House Bill No. 12-119; 12-93, reference to House Bill No. 12-133; 12-94, reference to House Bill No. 12-95; 12-95, reference to House Bill No. 12-9; 12-96, reference to House Resolution No. 12-24; 12-97, reference to Senate Bill No. 12-50; 12-98, reference to House Bill No. 12-121; 12-99, reference to House Bill No. 12-170; 12-100, reference to House Resolution No. 12-43; 12-101, reference to House Resolution No. 12-45; 12-102, reference to House Bill No. 12-157; and lastly 12-103, reference to House Bill No. 12-162. So move, Mr. Speaker, for adoption.

The motion was seconded.

S .C. R. NO. 12-87: Reporting on House Bill No. 12-45, entitled, “A Bill for an Act to amend 4 CMC 5613; and for other purposes.” *Your Committee on Judicial and Governmental Operations recommends that the Bill be passed by the House.*

S. C. R. NO. 12-88: Reporting on House Bill No. 12-81, entitled, “A Bill for an Act to amend certain sections of 1 CMC Division 8, by repealing all provisions relating to Class I membership in the northern Mariana Islands Retirement Fund; and for other purposes.” *Your Committee on Judicial and Governmental Operations recommends that the Bill be passed by the House.*

S. C. R. NO. 12-89: Reporting on House Bill No. 12-106, entitled, “A Bill for an Act to amend Title 3, Section 4437 (c) of the Commonwealth Code; and for other purposes.” *Your Committee on Judicial and Governmental Operations recommends that the Bill be passed by the House.*

S. C. R. NO. 12-90: Reporting on Senate Bill No. 12-24, entitled, “A Bill for an Act to amend 1 CMC § 2152, concerning qualifications of the Attorney General, to conform with Article III, Section 11 of the Commonwealth Constitution; and for other

purposes.” *Your Committee on Judicial and Governmental Operations recommends that the Bill be passed in the form of S. B. No. 12-24, HCSI.*

S. C. R. NO. 12-90: Reporting on Senate Bill No. 12-24, entitled, “A Bill for an Act to amend 1 CMC § 2152, concerning qualifications of the Attorney General, to conform with Article III, Section 11 of the Commonwealth Constitution; and for other purposes.” *Your Committee on Judicial and Governmental Operations recommends that the Bill be passed in the form of S. B. No. 12-24, HCSI.*

S. C. R. NO. 12-91: Reporting on House Bill No. 12-117, entitled, “A Bill for an Act to repeal Title 4 CMC Division 5, Chapter 5 in its entirety, Vacate EO 94-3 section 302 (c) and Replace with a new Division 5, Chapter 5, entitled the Alcoholic Beverage Control Act of 2000; and for other purposes.” *Your Committee on Judicial and Governmental Operations recommends that the Bill be passed by the House.*

S. C. R. NO. 12-92: Reporting on House Bill No. 12-119, entitled, “A Bill for an Act to establish a Division of Finance within the Legislative Bureau; and for other purposes.” *Your Committee on Judicial and Governmental Operations recommends that the Bill be passed by the House.*

S. C. R. NO. 12-93: Reporting on House Bill No. 12-133, entitled, “A Bill for an Act to establish an Office of Administrative Hearings and Appeals; and for other purposes.” *Your Committee on Judicial and Governmental Operations recommends that the Bill be passed by the House.*

S. C. R. NO. 12-94: Reporting on House Bill No. 12-95, entitled, “A Bill for an Act to Establish and Implement Water System Development Charges to customers who are, for the first time, connecting to the public water and waste systems; and to establish a CNMI Water and Waste water Infrastructure Development Fund; and for other purposes.” *Your Committee on Public Utilities, Transportation and Communication recommends that the Bill be filed by the House.*

S. C. R. NO. 12-95: Reporting on House Bill No. 12-9, entitled, “A Bill for an Act to authorize the Department of Finance to establish a surcharge fee on local exchange telephone service and mobile radiotelephone service to fund a CNMI wide “911” Emergency System; and for other purposes.” *Your Committee on Public Utilities, Transportation and Communication recommends that the Bill be filed by the House.*

S. C. R. NO. 12-96: Reporting on House Resolution No. 12-24, entitled, “A House Resolution urgently requesting, the Honorable Pedro P. Tenorio, Governor of the Commonwealth of the Northern Mariana Islands; Mr. Timothy P. Villagomez, CUC Executive Director and the Board of Directors, of CUC to take action on the offer made by Rep. Stanley T. Torres in 1990 for CUC to construct water catchment on his land in

Kanat Tabla.” *Your Committee on Public Utilities, Transportation and Communications recommends that the Resolution be adopted by the House.*

S. C. R. NO. 12-97: Reporting on Senate Bill No. 12-50, entitled, “A Bill for an Act to protect, conserve and prohibit the hunting of the Commonwealth Bird (Tottot), as defined in 1 CMC § 233; and for other purposes.” *Your Committee on Natural Resources recommends that the Bill be passed by the House.*

S. C. R. NO. 12-98: Reporting on House Bill No. 12-121, entitled, “A Bill for an Act to amend 6 CMC 3156(a), 1 CMC § 1402(a) and to add a new subsection 1 CMC 5107(h) for purposes of transferring regulation of the game Jueteng to the office of the Mayor for each Senatorial District.” *Your Committee on Ways and Means recommends that the Bill be passed in the form of H. B. No. 12-121, CSI.*

S. C. R. NO. 12-99: Reporting on House Bill No. 12-170, entitled, “A Bill for an Act to establish a temporary Water Safety Task Force; and for other purposes.” *Your Committee on Judicial and Governmental Operations recommends that the Bill be passed by the House.*

S. C. R. NO. 12-100: Reporting on House Resolution No. 12-43, entitled, “A House Resolution commemorating the success of the Millennium 2000 Traditional Canoe Voyage upon its arrival at Tanapag, Saipan, on April 17, 2000.” *Your Committee on Health and Welfare recommends that the Resolution be adopted by the House.*

S. C. R. NO. 12-101: Reporting on House Resolution No. 12-45, entitled, “A House Resolution Expressing sincere appreciation to Mr. Hideo Kato for 32 years of bringing Japanese students and Commonwealth students together through annual visits of the Wakai Nekko No Kai Ocean University; and for other purposes.” *Your Committee on Health and Welfare recommends that the Resolution be adopted by the House.*

S. C. R. NO. 12-102: Reporting on House Bill No. 12-157, entitled, “A Bill for an Act to establish a Health Care System Review Commission; and for other purposes.” *Your Committee on Judicial and Governmental Operations recommends that the Bill be passed in the form of H. B. No. 12-157, HD1.*

S. C. R. NO. 12-103: Reporting on House Bill No. 12-162, entitled, “A Bill for an Act to designate Managaha Island, and its surrounding waters as a marine conservation area, to amend 1 CMC 2268 and PL 10-57 as further amended; and for other purposes.” *Your Committee on Natural Resources recommends that the Bill be passed in the form of H. B. No. 12-162, CSI.*

Speaker Fitial: Discussion on the adoption of these Standing Committee Reports? Representative Attao?

Rep. Attao: On Standing Committee Report No. 12-94, relative to House Bill No. 12-95, your Committee, Mr. Speaker, recommends that this particular bill be filed. Before filing, Mr. Speaker, I would like to ask the Chairman if he solicited comments from CUC or whether or not the bill was put into public hearing?

Speaker Fitial: Chairman Rosiky Camacho?

Rep. Rosiky Camacho: Mr. Speaker, it is being requested from CUC on this particular bill, and they so commented on this bill. The other thing that I would like to inform the Committee is that the original attachment has another attachment that has correction only the front page. The Committee thus deliberated on this bill and that is the findings, Mr. Speaker.

Rep. Attao: Mr. Speaker?

Speaker Fitial: Please continue.

Rep. Attao: May I ask the Chairman to enlighten us on the findings or comments submitted by the CUC Board or the Director?

Rep. Rosiky Camacho: Based on the Bill, Mr. Speaker, just on the title itself, it implies on the title that only new people to be connected be charged, but as you go to Section 3, it entail also those that are existing users of this will be charged this fee.

Speaker Fitial: Let us not debate the Bill yet. Can we just restrict or –

Rep. Attao: No, it is important, Mr. Speaker, because the bill is to be filed. Once we accepted the Standing Committee Report we have no chance to discuss the bill and based on this finding, Mr. Speaker, it is only coming from the bill itself and there is no comment from CUC.

Speaker Fitial: Chairman Rosiky Camacho, you may respond to the question raised by Representative Attao?

Rep. Rosiky Camacho: Yes, Mr. Speaker, it sounded like in the Committee Report that it is under findings of the Bill itself, but also that is actually collaborated with the report from CUC itself.

Speaker Fitial: I think the question that Representative Attao is asking, did you receive any written comments or any kind of comments from CUC?

Rep. Rosiky Camacho: Yes, we do.

Speaker Fitial: Because according to the Committee Report, it does not mentioned whether CUC did in fact submit any testimony or comments.

Rep. Rosiky Camacho: It is consistent with the Committee Report that is why we didn't mention the report from CUC. That is why we didn't acknowledge that reporting from CUC itself.

Rep. Attao: Mr. Speaker, for that reason, I would like to ask the Chair to provide each member the comments submitted by CUC?

Rep. Rosiky Camacho: It will be forthcoming, Mr. Speaker, after the session.

Rep. Attao: Thank you.

Speaker Fitial: Representative Benavente?

Rep. Benavente: Mr. Speaker, Chairman Dino Jones is not in the Chamber at this time and my question would go to him as the Chairman on the Committee on Judicial and Government Operations.

Speaker Fitial: What happen to him? Did he rise on a privilege motion or --?

Rep. Benavente: Or, if the Committee members may respond to my question?

Speaker Fitial: Yes, you may proceed. I think the Committee members are willing and also capable to render answers to your question.

Rep. Benavente: Thank you, Mr. Speaker. On Standing Committee Report No. 12-88, reference to House Bill No. 12-81, this issue is not new, it has come to the Legislature several times, it is very critical proposal to the retirement system. My question would be the same as the question offered by Representative Attao, did we solicit comments from the Retirement Fund and did we even hold hearings for House Bill No. 12-81, Chairman Dino Jones?

Rep. Jones: This bill was out without the written comments from the Retirement Fund. The reason is, they were tied up with their other tasks and just last Friday, they appeared at the public hearing. So, yes, there was no comment made by the Retirement with the exception that they came out on the newspaper that none of the five (5) Bills that I referred to them is acceptable because of financial matter.

Rep. Benavente: The second question, on the hearing, you did hold hearing on House Bill No. 12-81?

Rep. Jones: Yes.

Speaker Fitial: Let me just – the procedure that the leadership took and will continue to take is very simple. Any bill that is introduced in the House, they classify. If it is very clear that the bill does not warrant public hearing then a letter from the Committee will be sent to the concerned agency or party asking them for written comments. Then the other one, they will issue a schedule of public hearings on bills or measures that warrants a public hearing. So, for your comfort, all these bills introduced in the House and also we receive from the Senate that warrant public hearing, public hearings will be scheduled, if not, responsible parties will be requested.

Rep. Benavente: Mr. Speaker, if I may?

Speaker Fitial: Proceed.

Rep. Benavente: In the past also, we do have committee reports that consist of the comments that were submitted to the Legislature on those solicitation or even comments that were made during the public hearing, and I went through the Committee Report 12-88. Since there is no attachment my question to the Chairman would be, what was the respond during the public hearing on House Bill No. 12-81?

Rep. Jones: He did not address this particular bill on the Friday public hearing that we had.

Rep. Benavente: He did not. Are you referring to the Director?

Rep. Jones: Yes, the Administrator.

Rep. Benavente: Thank you, Mr. Speaker. That is all I have to say on the Committee Report.

Speaker Fitial: Please, feel free to – let us deliberate on these issues because as Representative Attao pointed out, if we adopt these Committee Reports that recommends that such bill be filed, then we will not see any wake, it will go directly to the cemetery. So, please feel free to deliberate. Any further discussion on any of the Standing Committee Reports?

Rep. Hofschneider: Yes.

Speaker Fitial: Representative Hofschneider?

Rep. Hofschneider: Other than those mentioned, are there anymore filed bills?

Rep. Jones: On JGO?

Rep. Hofschneider: Or any. The ones that have been submitted to the floor -- are those the only two?

Rep. Jones: It will be announced on a timely basis. Thank you.

Speaker Fitial: Further deliberation?

Rep. Jones: Ready.

Rep. Ada: Mr. Speaker?

Speaker Fitial: Representative Ada?

Rep. Ada: I would appreciate it very much from the Chairman, if we could have the reports at least an hour before the session if possible so that we could digest and try to base our decisions after going through the materials, please. That is all I ask.

Rep. Jones: Yes, but may I ask which of the bills or the Committee Reports that we are addressing today that you did not have a copy of it in preparation for this session?

Rep. Ada: It is not a matter of receiving a copy, it is the time. Sometimes when four Committee Reports reaches my desk, I really cannot digest all four in a matter of fifteen minutes. I just respectfully ask from the Chairman of which I am a member. Thank you.

Rep. Jones: Thank you. It is well taken.

Speaker Fitial: For the Committee Chairman, let us try to avail of copies of your committee reports to all the member, a couple of days at least before the session. I think we are not pressed with the consecutive days of session now so we have the luxury of time to fully prepare for session.

Rep. Jones: Any recommended number of days, Mr. Speaker?

Speaker Fitial: A couple of days.

Rep. Jones: Two days will be sufficient.

Speaker Fitial: We are voting on the adoption motion for Standing Committee Report Nos. 12-87 through 12-103.

The motion to adopt Standing Committee Report Nos. 12-87 through 12-103 was carried by voice vote.

Speaker Fitial: Standing Committee Report Nos. 12-87 through 12-103 are adopted.

## REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

None

## UNFINISHED BUSINESS

None

## RESOLUTION CALENDAR

The Chair recognized the Floor Leader.

Floor Leader Babauta: Mr. Speaker, there are three Resolutions, if I am in order, Mr. Speaker, I move for the adoption of House Resolution Nos. 12-24, 12-43, and 12-45.

The motion was seconded.

**H. R. NO. 12-24:** A HOUSE RESOLUTION URGENTLY REQUESTING, THE HONORABLE PEDRO P. TENORIO, GOVERNOR OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS; MR. TIMOTHY P. VILLAGOMEZ, CUC EXECUTIVE DIRECTOR, AND THE BOARD OF DIRECTORS OF CUC TO TAKE ACTION ON THE OFFER MADE BY REP. STANLEY T. TORRES IN 1990 FOR CUC TO CONSTRUCT WATER CATCHMENT ON HIS LAND IN KANAT TABLA.

**H. R. NO. 12-43:** A HOUSE RESOLUTION COMMEMORATING THE SUCCESS OF THE MILLENNIUM 2000 TRADITIONAL CANOE VOYAGE UPON ITS ARRIVAL AT TANAPAG, SAIPAN, ON APRIL 17, 2000.

**H. R. NO. 12-45:** A HOUSE RESOLUTION EXPRESSING SINCERE APPRECIATION TO MR. HIDEO KATO FOR 32 YEARS OF BRINGING JAPANESE STUDENT TOGETHER THROUGH ANNUAL VISITS OF THE WAKAI NEKO NO KAI OCEAN UNIVERSITY.

There was no discussion raised.

The motion to adopt House Resolution Nos. 12-24, 12-43, and 12-45 was carried by voice vote.

Speaker Fitial: House Resolution Nos. 12-24, 12-43, and 12-45 are adopted.

## **BILL CALENDAR**

The Chair recognized the Floor Leader.

Floor Leader Babauta: Thank you, Mr. Speaker. Mr. Speaker, I move for the suspension of Rule IX, Sections 9 and 10 for the passage on First and Final Reading the following House Bills as it appears on the Calendar: 12-45, 12-81, 12-106, 12-117, 12-119, 12-133 and Senate Bill No. 12-24.

The motion was seconded and carried by voice vote.

Speaker Fitial: The motion carries. We are now considering House Bill Nos. 12-45, 12-81, 12-106, 12-117, 12-119, 12-133 and Senate Bill No. 12-24 on First and Final Reading. Passage motion?

Floor Leader Babauta: Mr. Speaker, since the other Committee Reports under several House Bills are not in the Calendar, if I am in order, Mr. Speaker, I would like to make a suspension motion for the placement of the remaining Bills, if there is no objection.

There was no objection raised.

Speaker Fitial: Can you specifically identify those Bills?

Floor Leader Babauta: I am ready, Mr. Speaker.

Speaker Fitial: Proceed.

Floor Leader Babauta: Mr. Speaker, I move for the suspension of Rule VII, Section 9, for the placement of Senate Bill No. 12-50 under Standing Committee Report No. 12-97, House Bill No. 12-121 under Standing Committee Report No. 12-98, House Bill No. 12-170 under Standing Committee Report No. 12-99, House Bill No. 12-157 under Standing Committee Report No. 12-102, and House Bill No. 12-162 under Standing Committee Report No. 12-103.

The motion was seconded and carried by voice vote.

Speaker Fitial: The motion carries. Floor Leader passage motion?

Floor Leader Babauta: Thank you, Mr. Speaker. Mr. Speaker, I now move for the passage on First and Final Reading House Bill No. 12-45 under Standing Committee Report No. 12-87.

The motion was seconded.

**H. B. NO. 12-45:** A BILL FOR AN ACT TO AMEND 4 CMC 5613; AND FOR OTHER PURPOSES.

Speaker Fitial: Discussion? Representative Hofschneider?

Rep. Hofschneider: It is just a matter of observation. Mr. Speaker and members, is the penalty of \$50,000.00 well intend or is it reasonable in mind that can go down? \$50,000.00 for doing business without a license?

Speaker Fitial: You may nod your head counsel if you agree with that figure?

Rep. Hofschneider: Thank you.

Speaker Fitial: Further discussion on House Bill No. 12-45? Ready, roll call.

The Clerk called the roll on the motion to pass House Bill No. 12-45, on First and Final Reading as follows:

Rep. Martin B. Ada	abstained
Rep. David M. Apatang	yes
Rep. Jesus T. Attao	yes
Rep. Oscar M. Babauta	yes
Rep. Diego T. Benavente	yes
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	excused
Rep. Thomas B. Pangelinan	yes
Rep. Maria “Malua” T. Peter	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	excused
Speaker Benigno R. Fitial	yes

Speaker Fitial: House Bill No. 12-45 passes the House on First and Final Reading. Floor Leader?

Floor Leader Babauta: Thank you, Mr. Speaker. Mr. Speaker, I now move for the passage of House Bill No. 12-81 under Standing Committee Report No. 12-88 on First and Final Reading.

The motion was seconded.

**H. B. NO. 12-81:** A BILL FOR AN ACT TO AMEND CERTAIN SECTIONS OF 1 CMC DIVISION 8, BY REPEALING ALL PROVISIONS RELATING TO CLASS I MEMBERSHIP IN THE NORTHERN MARIANA ISLANDS RETIREMENT FUND; AND FOR OTHER PURPOSES.

Speaker Fitial: Discussion? Representative Attao?

Rep. Attao: Mr. Speaker, I fully support House Bill No. 12-81; however, Mr. Speaker, amending Public Law 6-17, I would like to ask the author the total impact should this bill become law? Because the bill is retroactive to the time when Public Law 6-17 was effective.

Speaker Fitial: Representative Jones?

Rep. Jones: Mr. Speaker, I did not get that information on the impact.

Speaker Fitial: Well, will there be an impact?

Rep. Attao: Yes, Mr. Speaker. At present, Mr. Speaker, Class I, they are paying 9% of the total base salary. However, this bill, if we are to pass and gets signed into law, retroactive annual views the percentage from 9 to 6. Is the difference refundable? -- Yes, the way I look at the bill, because retroactive back to Public Law 6-17. Class II, they are paying 6%.

Speaker Fitial: 6%, so it should be 6 to 9.

Rep. Attao: It is a reverse. Class II is paying 6% while Class I --

Speaker Fitial: More, more --

Rep. Attao: So, it is the same, Mr. Speaker. If we are to pass this, there will be an impact from 9 to 6.

Speaker Fitial: Yes, there will be an impact, but it will not be refundable. The impact will not be refundable.

Rep. Attao: So, I would like to offer an amendment to the Bill that the percentage reduction here will not be refundable.

Speaker Fitial: Does the amendment provide that the impact will be refundable?

Rep. Hofschneider: No, no, no.

Rep. Jones: I don't see the language here.

Speaker Fitial: Because it will not be a refundable. It is an increase from 6 to 9.

Rep. Hofschneider: May I?

Speaker Fitial: Representative Hofschneider, you may enlighten the members?

Rep. Hofschneider: I guess a language to offer here, Mr. Speaker is, since the impact would be probably the most important justification for the Retirement Fund to have the basis for vetoing this bill once it gets to the Governor. Perhaps, a suitable language, we insert a language that it becomes an option for those people who are willing to pay in the difference between 6 ½ to 9% converting yourself to Class II and eliminating Class I. Therefore, it is an option that if you are willing to join Class II category that you pay the difference 2 ½ percent. So, it will be treated by Retirement Fund as having paid for, the conversion of the class. But as it stands, I think that it stands a possibility of being vetoed by the Governor if Retirement Fund comes up with a competition that impacts, this is going to be booked under unfunded liability again. So, perhaps we can provide a language that it is an option to all employees that wants to convert from Class I to Class II that you pay the difference.

Rep. Jones: May I ask colleague Hofschneider to offer that amendment? I think it is a very economical amendment for the Retirement Fund.

Speaker Fitial: I agree. Right now, the Retirement Fund, any move by the Legislature to increase the unfunded liability of the Retirement Fund will be diverted to the cemetery.

Rep. Hofschneider: Mr. Speaker, further --?

Speaker Fitial: Please.

Rep. Hofschneider: This is a bill that, if you conduct a public hearing and all government employees show up, we will be still sitting here trying to pass this bill.

Speaker Fitial: True.

Rep. Hofschneider: What I am saying is that, for the first time, let us get rid of this two-tiered class system and have a uniclass and we will still get the support. It is a policy decision that we are now facing in making a decision. So, it will not change the course of action by this body, even if we conduct a public hearing, majority of people under Class I are asking the Legislature for the last eight years, ten years to change that class system and have a uniclass system. So, in my view, Mr. Speaker and members, it is a matter of how to pay for the conversion. So, if the employees were willing to pay the difference

why would it be a matter of importance based on impact to the Retirement Fund, we are paying for it. Let alone, there has to be an initiative to also control the employers contributions side, right now, I believe it is up to 23% for every dollar. There is a move also to take a look at what Guam has implemented constitutionally on the basis of trying to prevent the bankruptcy of the Retirement Fund. What they did is, for equal contribution put in for new employees, it is amortized based on life expectancy and this is particularly important to this consideration because, you look around family members, they are dying of before the age of 60. And at times, Mr. Speaker, this is the very purpose of having to put in to the savings account. If the policy is not fitting to serve the very purposes intended in savings, then might as well take your money and go to the banks directly and put a savings account there. I think we should revisit those issues also, Mr. Speaker. Thank you.

Speaker Fitial: Representative Benavente?

Rep. Benavente: Thank you, Mr. Speaker. I would agree on the statement that if we were to hold hearing that Class I members would come in support of this, but only those that I believe do not quite understand how the system works because I am one of those class members that would come to the hearing and say that my biggest concern is the survival of the Retirement system that we have. The reason why we are in this system is because of the fact that after our expert review our system and see how it can continue to survive and continue to offer their constitutionally mandated authority to provide the retirement program, they had to eliminate the Class II system and create this Class I system. Because at the time, if we had continue with the Class II system then the Retirement would not be able to continue on, it would be broke at some point in time and the Class I was then set up. I realize that it is not equal, but the way the system was set up, is that eventually the Class II system because of the constitutional requirement that retirement benefits cannot be reduced, we had to keep the Class II system. That is the only reason why it was not reduced in order for the retirement program to continue on without going broke. Eventually though the Class II system would disappear and would not be there anymore and we would have one system and that would be the class I. We noticed that in the past, every time the Legislature comes up and increases the benefits of the retirement, retirees those that are working in the government and stop having to pay for that because our contribution to the system goes up. Every time there is an actual study that is done for the retirement system in the way that it can continue to fulfill its constitutional authority our contribution increases. What this would do, if we were to pass this right now or offer this without considering the program and the system is that, we are going to end up having to pay for this and our contribution, those of us right now that are paying in to the system is going to end up having to pay an unacceptable amount of money just in order for the retirement system to survive. We can't just do this without going and listening to the experts, our financial experts out of the retirement system that can tell us whether or not by passing this bill, we are going to have a retirement system that is going broke in ten years. And that all of the money that I contributed to the system when I do retire and actually will be retiring if I stay in the government in ten years, I will

not be able to see because it is gone. We've got to act responsibly for the future of those people that are in the system. We can't just act on this without listening to the retirement fund administrator, without calling in the experts to review just what that impact that Representative Attao just brought up. Because we can easily change this over to the unfunded liability, but that unfunded liability the last time we heard, was in the amount of Thirty or Forty Million Dollars that this government also in retirement system.

Speaker Fitial: Right. It is bigger now than the Puerto Rico dump.

Rep. Benavente: And we can't expect to say that, let us just subsidize this again. I know that this sounds good to the government employees, but let us consider the future of these government employees. I ask the members to reconsider the motion to pass and refer this back to the committee. Maybe there's a possibility that Representative Hofschneider has brought up something that each individual member may be willing to contribute, I am not sure what that amount is that will take care of the impact that we should be concern of here. So, at this time, Mr. Speaker, after further discussion, I hope that we can refer this back to the committee. Thank you.

Speaker Fitial: I agree with Representative Hofschneider and little bit of you. We have to be prudent. The Legislature has to be responsibly prudent, meaning, we cannot continue to build up the unfunded liability of the government because the liability continues to go up and the resources keep going down. So, we have to be responsibly prudent. Representative Hofschneider brought up a very good alternative and that is to provide an option. Because the retirement program, and I agree with you Representative Benavente, a lot of our people do not understand that they should be getting what they put in. That is why if you look at the 401(k) System concept, that is the most fair system for any retirement in the world because you get what you put in. In our system, our retirees do not understand that. They continue to believe that they should get what they don't put in. So, that is the policy, the floor of our retirement system.

Rep. Hofschneider: May I make a recommendation?

Speaker Fitial: I yield.

Rep. Hofschneider: Thank you, Mr. Speaker.

Speaker Fitial: Proceed.

Rep. Hofschneider: May I recommend, Mr. Speaker, this is a good bill but I think we can straighten it, can we ask the author to hold it and let us work on a language?

Rep. Jones: I was going to ask you to make that floor amendment because that idea that you suggested is a responsible one.

Rep. Hofschneider: So, can we just hold it on the Calendar, Mr. Speaker, and maybe by next session --?

Speaker Fitial: Since you have been given the privilege to come in with the amendment, it is up to you whether you want to hold it or --?

Rep. Hofschneider: Hold in on the Calendar – move to defer action.

Speaker Fitial: Just defer action.

Floor Leader Babauta: Mr. Speaker?

Speaker Fitial: Floor Leader?

Floor Leader Babauta: I so move, Mr. Speaker to defer action and wait for pertinent amendment relative to House Bill No. 12-81.

The motion was seconded and carried by voice vote.

Speaker Fitial: House Bill No. 12-81 is now deferred. Floor Leader?

Floor Leader Babauta: Thank you, Mr. Speaker. Mr. Speaker, I move for the passage of House Bill No. 12-106 on First and Final Reading.

**H. B. NO. 12-106:** A BILL FOR AN ACT TO AMEND TITLE 3, SECTION 4437 (C) OF THE COMMONWEALTH CODE; AND FOR OTHER PURPOSES.

There was no discussion raised.

The Clerk called the roll on the motion to pass House Bill No. 12-106, 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	yes
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	excused
Rep. Thomas B. Pangelinan	yes
Rep. Maria “Malua” T. Peter	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	excused
Speaker Benigno R. Fitial	yes

Speaker Fitial: House Bill No. 12-106 passes the House on First and Final Reading.  
Floor Leader?

Floor Leader Babauta: Thank you, Mr. Speaker. Mr. Speaker, I move for the passage of Senate Bill No. 12-24, Senate Substitute 1, House Committee Substitute 1, on First and Final Reading.

The motion was seconded.

**S. B. NO. 12-24, SS1, HCS1:** A BILL FOR AN ACT TO AMEND 1 CMC § 2152, CONCERNING QUALIFICATIONS OF THE ATTORNEY GENERAL, TO CONFORM WITH ARTICLE III, SECTION 11 OF THE COMMONWEALTH CONSTITUTION; AND FOR OTHER PURPOSES.

Speaker Fitial: Discussion? Representative Benavente?

Rep. Benavente: Thank you, Mr. Speaker. I know that this bill was offered to assist the Governor in the final selection of our Attorney General and although Senate recently, I guess just a few days ago, finally confirmed Judge Soll as our Attorney General, I still believe that this bill is necessary in the future because the restrictions on the requirement for the AG’s Office was the problem in getting our Governor and the Senate to agree on the nomination just last few years. So, this time, I am in support of Senate Bill No. 12-24.

Speaker Fitial: Any further comment? Representative Hofschneider?

Rep. Hofschneider: Again, Mr. Speaker – Thank you, Mr. Speaker. I would like to move to strike out on page 3, line 9, beginning with the word “provided” and ending with “Attorney General”.

Speaker Fitial: Any discussion on the amendment?

Rep. Hofschneider: Also just remove the “(;)” and put a “(.)”.

Floor Leader Babauta: Mr. Speaker?

Speaker Fitial: Floor Leader?

Floor Leader Babauta: If I am in order, Mr. Speaker, I just would like to properly make a motion for the suspension of Rule IX, Section 11 so that Representative Hofschneider can offer his amendment.

There was no objection raised.

Speaker Fitial: No objection, so ordered. Representative Hofschneider, you may reinstate that motion now that you are in order.

Rep. Hofschneider: On page 3, line 9, starting with the “(;)” strike out all the way to “Attorney General” and put a “(.)” after the word “Attorney General”.

The motion was seconded and carried by voice vote.

Rep. Rosiky Camacho: Discussion on the amendment, Mr. Speaker?

Speaker Fitial: Discussion? Proceed.

Rep. Rosiky Camacho: Mr. Speaker, I think just to be in line on page 2, under § 2151, line 28, this section allows the Attorney General to appoint. And on that section that our good colleague have amended, allowing not having that, that means that existing appointee, Deputy Attorney General, by the previous Attorney General will kill. But with that existing without amending, it will continue on to act as a Deputy Attorney General in the absence of the Attorney General. By removing that, than automatically the appointee Deputy Attorney General by the Attorney General is gone. I think the existing bill as it is, is good to protect the interest of the Governor power to appoint acting capacity.

Speaker Fitial: Is that declaratory statement or interrogative?

Rep. Rosiky Camacho: I think it is both.

Speaker Fitial: I agree. Ready? We are now voting on Senate Bill No. 12-21, Senate Substitute 1, House Committee Substitute 1, and then we now have House Draft 1. So, we are voting on the bill as amended by the House, simply put. Roll call.

The Clerk called the roll on the motion to pass Senate Bill No. 12-24, SS1, HCS1, HD1, 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	yes
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	excused
Rep. Thomas B. Pangelinan	yes
Rep. Maria “Malua” T. Peter	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	excused
Speaker Benigno R. Fitial	yes

*Rep. Norman S. Palacios came in at 11:29 a.m.*

Speaker Fitial: Senate Bill No. 12-24, Senate Substitute 1, House Committee Substitute 1, House Draft 1, passes the House on First and Final Reading. I would like the record to reflect that Representative Norman Palacios just landed. Also, I would to recognize the presence in the gallery, one of my most respected Chairman of the Precinct Club, Mr. Frank Crisostimo. Floor Leader?

Floor Leader Babauta: Mr. Speaker, I understand that you are having an important luncheon with Representative Hofschneider this afternoon, so, if only I could move for one simple bill, Mr. Speaker.

Speaker Fitial: That is not supposed to be public information.

Rep. Hofschneider: Mr. Speaker, objection to that.

Floor Leader Babauta: What I mean to say is, you are having a private luncheon. I take that back, Mr. Speaker.

Speaker Fitial: I think the lunch is correct, but not private.

Floor Leader Babauta: I take it back. I want Representative Benavente to know that I have my own source so, I will keep him appraise.

Rep. Benavente: Thank you.

Floor Leader Babauta: Mr. Speaker, one simple bill before we recess until tomorrow.

Speaker Fitial: Proceed.

Floor Leader Babauta: Mr. Speaker, I move for the passage of Senate Bill No. 12-50 under Standing Committee Report No. 12-97, on First and Final Reading.

The motion was seconded.

**S. B. NO. 12-50:** A BILL FOR AN ACT TO PROTECT, CONSERVE AND PROHIBIT THE HUNTING OF THE COMMONWEALTH BIRD (TOTTOT), AS DEFINED IN 1 CMC § 233; AND FOR OTHER PURPOSES.

There was no discussion raised.

The Clerk called the roll on the motion to pass Senate Bill No. 12-50 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	yes
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. Thomas B. Pangelinan	yes
Rep. Maria “Malua” T. Peter	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	excused
Speaker Benigno R. Fitial	yes

Rep. Ada: Mr. Speaker, can I make a clarification on that?

Speaker Fitial: Go ahead.

Rep. Ada: I am voting “yes”, I was nodding to the Clerk about the copy of the Bill, sorry.

Speaker Fitial: It is under Standing Committee Report No. 12-97.

Rep. Ada: Yes. Thank you.

