

FIRST DAY

April 10, 2002

The House of Representatives of the Thirteenth Northern Marianas Commonwealth Legislature convened in its First Day, First Special Session, on Wednesday, April 10, 2002, at 9:43 a.m., in the House Chamber, Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Heinz S. Hofschneider, Speaker of the House, presided.

A moment of silence was observed.

In accordance with Rule XIII, § 2(a), seventeen members were recorded present. Representative Herman T. Palacios was excused.

Speaker Hofschneider: Representative Herman T. Palacios is excused. Before we proceed, I have the honor of welcoming to this Chamber two of the most observant and participative members of this community. They're very inquisitive, they're very well-informed, the two DD's and the two J's. Can we give them a round of applause? (Applause)

ADOPTION OF JOURNALS

None

PREFILED AND INTRODUCTION OF BILLS

H. B. NO. 13-100: A Bill for an Act to prohibit the use of hand held cellular phones and other held communication devices while operating a motor vehicle.

Offered by: Rep. Ramon A. Tebuteb
Referred to: Committee on Public Utilities, Transportation and Communications

H. B. NO. 13-101: A Bill for an Act to allow the Secretary of Commerce to appoint Ad Hoc Hearing Officers for all divisions; and for other purposes.

Offered by: Rep. Andrew S. Salas
Referred to: Committee on Commerce

H. B. NO. 13-102: A Bill for an Act to amend Title 4 CMC § 7108 to facilitate the appointment of a hearing officer for matters dealing with insurance; and for other purposes.

Offered by: Rep. Andrew S. Salas
Referred to: Committee on Commerce

Speaker Hofschneider: Vice Speaker, could you take the honor of introducing Representative Herman Palacios' two bills?

Vice Speaker Tenorio: Thank you, Mr. Speaker. Representative Herman Palacios is not able to attend today's meeting and I'm please to introduce two prefiled bills as follows:

H. B. NO. 13-103: A Bill for an Act to provide a period of limited immunity for illegal aliens to report themselves to the Department of Labor and Immigration to enable them to become lawfully employed in the CNMI, and to prohibit prosecution of such aliens for their prior status; and for other purposes.

Offered by: Rep. Herman T. Palacios
Referred to: Subcommittee on Labor and Immigration

H. B. NO. 13-104: A Bill for an Act to amend the Immigration Fraud Statute.

Offered by: Rep. Herman T. Palacios
Referred to: Subcommittee on Labor and Immigration

H. B. NO. 13-105: A Bill for an Act to restore to the Department of Lands and Natural Resources the administration and management of submerged lands; and for other purposes.

Offered by: Rep. Arnold I. Palacios
Referred to: Committee on Natural Resources

H. B. NO. 13-106: A Bill for an Act to effectuate the terms of the Settlement Agreement between the Commonwealth Development Authority and the Commonwealth Utilities Corporation by authorizing the Authority to waive certain loan and interest payments; and for other purposes.

Offered by: Rep. Joseph P. Deleon Guerrero and three others

H. B. NO. 13-107: A Bill for an Act to effectuate the terms of the Settlement Agreement between the Commonwealth Development Authority and the Commonwealth Utilities Corporation by authorizing the corporation to issue shares of cumulative, non-convertible preferred stock valued to the Authority and to provide for the repayment of debt for users fees for electrical consumption by the CNMI Government according to the terms of the Settlement Agreement; and for other purposes.

Offered by: Rep. Joseph P. Deleon Guerrero and three others

H. B. NO. 13-108: A Bill for an Act to criminalize and punish the conduct of stalking; and for other purposes.

Offered by: Rep. Gloria DLC. Cabrera and one other
Referred to: Committee on Judiciary and Governmental Operations

H. B. NO. 13-109: A Bill for an Act to require the construction, installation, maintenance and management of desalination plant facilities be financed through tax-exempt bonds; and for other purposes.

Offered by: Rep. Jesus T. Attao
Referred to: Committee on Public Utilities, Transportation and Communications

H. B. NO. 13-110: A Bill for an Act to create a marine reserve area on Tinian extending from the north point of the municipal breakwater to Puntan Diablo Point; and for other purposes.

Offered by: Rep. Norman S. Palacios and one other
Referred to: Committee on Natural Resources

H. B. NO. 13-111: A Bill for an Act to amend Section 7 of Public Law 12-64 to appropriate funds to build dialysis treatment facilities on the islands of Tinian and Rota.

Offered by: Rep. Daniel O. Quitugua and one other
Referred to: Committee on Ways and Means

H. L. B. NO. 13-022: A Bill for an Act to re-appropriate \$50,000 from Saipan Local Law 12-13; and for other purposes.

Offered by: Rep. Arnold I. Palacios and three others

H. L. B. NO. 13-023: A Bill for an Act to amend Section 2, subsection 3 of Saipan Local Law 12-20; and for other purposes.

Offered by: Rep. Jesus T. Attao

H. L. B. NO. 13-024: A Local Bill for an Act to name the Saipan International Airport the Francisco C. Ada International Airport in recognition of his pioneering efforts to modernize Saipan's airport facility and the island's economy.

Offered by: Rep. Jesus T. Attao

H. L. B. NO. 13-025: A Local Appropriation Bill for an Act to impose in addition to the user fee collected under 4 CMC § 1421 a local user fee of 1.3% of the gross value of merchandise which require the Department of Finance's certification for export from the Commonwealth.

Offered by: Rep. Heinz S. Hofschneider and seven others

PREFILED AND INTRODUCTION OF RESOLUTIONS

H. R. NO. 13-037: A House Resolution to extend a sincere and heartfelt recognition and congratulation to Mr. Juan L. Babauta upon his successful Senate confirmation to the position of Secretary, for the Department of the Community and Cultural Affairs.

Offered by: Rep. Pedro P. Castro and five others

H. R. NO. 13-038: A House Resolution to extend a sincere and heartfelt recognition and congratulation to Mr. Thomas B. Pangelinan upon his successful Senate confirmation to the position of Secretary, for the Department of the Lands and Natural Resources.

Offered by: Rep. Pedro P. Castro and five others

H. R. NO. 13-039: A House Resolution to extend a sincere and heartfelt recognition and congratulation to Mr. Juan S. Reyes upon his successful Senate confirmation to the position of Secretary, for the Department of Public Works.

Offered by: Rep. Pedro P. Castro and five others

H. R. NO. 13-040: A House Resolution commend and congratulate Mount Carmel School in their celebration of their 50th Golden Jubilee, celebrating the fifty year tradition of faith, excellence, and success in the Commonwealth of the Northern Mariana Islands.

Offered by: Rep. Benjamin B. Seman and seventeen others

H. R. NO. 13-041: A House Resolution appealing on behalf of the farmers on Saipan, Tinian, Rota the Northern Islands an other US insular territories, to the United States Undersecretary of Farm and Foreign Agriculture Service of the United States Department of Agriculture to direct the USDA Risk Management Agency (RMA) to implement the Federal Crop Insurance Program in the Commonwealth of the Northern Mariana Islands (CNMI) and the rest of the US insular areas; and for other purposes.

Offered by: Rep. William S. Torres and seven others
Referred to: Committee on US and Foreign Affairs

H. J. R. NO. 13-007: A House Joint Resolution to request the Department Secretaries and Division Directors to review and expedite the conversion of those employees hired under trainee status.

Offered by: Rep. Jesus T. Attao and one other

Speaker Hofschneider: Before we proceed, I would like to call for a short recess and have the two bills introduced by Representative Deleon Guerrero duplicated so that we can act on them, because the Senate is waiting for our action. Short recess.

The House recessed at 9:48 a.m.

RECESS

The House reconvened at 10:10 a.m.

Speaker Hofschneider: With the indulgence of the members, we go down to Item 6 of our Calendar, Senate Communications.

MESSAGES FROM THE GOVERNOR

GOV. COMM. 13-83 – January 14, 2002 – Certification for vacant positions at the Office of the Lt. Governor.

GOV. COMM. 13-84 - March 28, 2002 – To the Honorable Daniel K. Inouye re Saipan Lagoon Environmental Restoration for Garapan and the Southwest Coastal Areas of Susupe/Chalan Kanoa.

GOV. COMM. 13-85 – January 14, 2002 – Certification for vacant positions at the Office of the Governor.

GOV. COMM. 13-86 – January 14, 2002 – Certification for vacant positions at the Emergency Management Office.

GOV. COMM. 13-87 – January 14, 2002 – Certification for vacant positions at the Department of Public Works.

GOV. COMM. 13-88 – January 17, 2002 – Certification for vacant position at the Carolinian Affairs Office.

GOV. COMM. 13-89 – January 25, 2002 – Certification for vacant position at the Attorney General's Office.

GOV. COMM. 13-90 – January 25, 2002 – Certification for vacant positions at the Department of Public Safety.

GOV. COMM. 13-91 – January 25, 2002 – Certification for annual salary in excess of Mr. Santiago F. Tudela and Mr. Franklin R. Babauta.

GOV. COMM. 13-92 – January 25, 2002 – Certification for annual salary in excess of Mr. Edward C. Camacho.

GOV. COMM. 13-93 – February 11, 2002 – Certification for vacant position at the Department of Finance.

GOV. COMM. 13-94 – February 11, 2002 – Certification for vacant position at the Department of Lands and Natural Resources.

GOV. COMM. 13-95 – February 14, 2002 – Certification for vacant position at the Division of Environmental Quality.

GOV. COMM. 13-96 – February 18, 2002 – Certification for vacant positions at the Department of Community and Cultural Affairs.

GOV. COMM. 13-97 – February 25, 2002 – Clarification of certification for vacant position at the Department of Public Health.

GOV. COMM. 13-98 – March 26, 2002 – Certification for vacant positions at the Division of Customs, Department of Finance.

GOV. COMM. 13-99 – March 28, 2002 – Certification for vacant position at the Department of Lands and Natural Resources.

GOV. COMM. 13-100 – March 28, 2002 – Certification for annual salary in excess of Mr. Juan I. Tenorio.

GOV. COMM. 13-101 – March 28, 2002 – Certification for vacant position of Special Assistant for Community Affairs, Rota Mayor's Office.

GOV. COMM. 13-102 – April 3, 2002 – Certification for vacant position of Special Assistant for Programs & Legislative Review Office, Office of the Governor.

GOV. COMM. 13-103 – April 3, 2002 – Certification for vacant positions at the Department of Public Works.

SENATE COMMUNICATIONS

The Chair recognized the Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move to accept Senate Communications 13-9, 13-10, 13-11, 13-12, 13-13, 13-14, 13-15, 13-16, 13-17, 13-18, 13-19, 13-20, 13-21, 13-22, and 13-23.

The motion was seconded.

SEN. COMM. 13-9: Return of H. J. R. NO.13-003, HS1, re Block Grant Application, which the Senate adopted on March 22, 2002. [Will go to Governor]

SEN. COMM. 13-10: Return of H. J. R. NO. 13-005, re Reprogramming Authority, which the Senate adopted on March 22, 2002 in the form of H. J. R. NO. 13-005, SD1. [For action on Senate amendment]

SEN. COMM. 13-11: Transmittal of S. B. NO. 13-4, SD1, entitled, "A Bill for an Act to amend 2 CMC §§ 4302(a)(2) and 4308 to create a waiver of the homestead residential dwelling construction requirement for periods when public utilities are not available; to amend 2 CMC § 4303(c) to permit otherwise qualified

off-island students, armed forces members and their accompanying spouses to acquire rights to a homestead; and for other purposes,” which the Senate passed on March 22, 2002. [For action]

SEN. COMM. 13-12: Transmittal of S. B. NO. 13-17, SD1, entitled, “A Bill for an Act to amend 9 CMC § 1304(a) regarding the surrender of a person’s driver’s license when stopped by a police officer; and for other purposes,” which the Senate passed on March 22, 2002. [For action]

SEN. COMM. 13-13: Transmittal of S. B. NO. 13-18, entitled, “A Bill for an Act to amend 1 CMC, § 7401, by adding a new sub-section(s); and for other purposes,” which the Senate passed on March 22, 2002. [For action]

SEN. COMM. 13-14: Transmittal of S. B. NO. 13-21, entitled, “A Bill for an Act to establish uniform guidelines for fifteen year lease extensions of public lands; and for other purposes,” which the Senate passed on March 22, 2002. [For action]

SEN. COMM. 13-15: Transmittal of S. B. NO. 13-22, entitled, “A Bill for an Act to amend 2 CMC, Division 4, § 4144 by adding a new subsection (d) relating to land in the First Senatorial District; and for other purposes,” which the Senate passed on March 22, 2002. [For action]

SEN. COMM. 13-16: Transmittal of S. B. NO. 13-29, CS1, entitled, “A Bill for an Act to preserve and designate Lot No. 683 R p1 at as Nieves on the island of Rota for future cultural development; and for other purposes,” which the Senate passed on March 22, 2002. [For action]

SEN. COMM. 13-17: Transmittal of S. B. NO. 13-32, CS1, entitled, “A Bill for an Act to reserve areas of public lands on the island of Rota that are suitable for village homesteads, specifically the Finafa and Ginalangan areas; and for other purposes,” which the Senate passed on March 22, 2002. [For action]

SEN. COMM. 13-18: Transmittal of S. B. NO. 13-33, SD1, entitled, “A Bill for an Act to require the Commonwealth Development Authority to offer a fixed interest rate to new business dedicated to ecotourism; and for other purposes,” which the Senate passed on March 22, 2002. [For action]

SEN. COMM. 13-19: Transmittal of S. B. NO. 13-39, SD1, entitled, “A Bill for an Act to discourage irresponsible protests against an award of a bid or a request for proposal pursuant to procurement laws of the Commonwealth; and for other purposes,” which the Senate passed on March 22, 2002. [For action]

SEN. COMM. 13-20: Transmittal of S. R. NO. 13-4, entitled, “A Senate Resolution to commend and congratulate Tricia Marie A. Manglona for successfully completing 80 hours of DARE instructor training on February 15, 2002 and her other achievements,” which the Senate adopted on March 22, 2002. [For information]

SEN. COMM. 13-21: Transmittal of S. R. NO. 13-5, entitled, “A Senate Resolution to commend and congratulate Shawnda DLC. Taisacan for successfully completing 80 hours of DARE instructor training on February 15, 2002 and her other achievements,” which the Senate adopted on March 22, 2002. [For information]

SEN. COMM. 13-22: Returning H. B. NO. 13-067 (Appropriation for Street Naming and Property Numbering Project) which the Senate passed on April 9, 2002 in the form of H. B. NO. 13-067, SD1. [For action on SD1]

SEN. COMM. 13-23: Transmittal of S. L. I. NO. 13-1, SD1, entitled, “A Senate Legislative Initiative proposing an amendment to Article IV of the Constitution of the Commonwealth of the Northern Mariana Islands affecting the appointment and retention of judges and justices of Commonwealth courts,” which the Senate passed on April 9, 2002. [For action]

Speaker Hofschneider: Discussion on any of the communications?

Several members voiced, “ready.”

The motion to accept Senate Communications 13-9, 13-10, 13-11, 13-12, 13-13, 13-14, 13-15, 13-16, 13-17, 13-18, 13-19, 13-20, 13-21, 13-22, and 13-23 was carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader?

Floor Leader Attao: Thank you, Mr. Speaker. I now move for the placement of Senate Communications 13-10 and 13-12 on today’s Calendar for action.

The motion was seconded.

Speaker Hofschneider: Discussion on the motion?

Several members voiced, “ready.”

The motion to place Senate Communications 13-10 and 13-12 on today’s Calendar for action was carried by voice vote.

Speaker Hofschneider: Motion carried.

HOUSE COMMUNICATIONS

HSE. COMM. 13-1 – March 28, 2002 – From Chairman Arnold I. Palacios re Extension of time frame for H. B. NO. 13-036.

The Chair recognized Rep. Stanley Torres.

Rep. S. Torres: Thank you, Mr. Speaker. As your Chairman on the Committee on Ways and Means, during the last House Session, you requested your Committee to review the salaries of the following employees in the Executive Branch. On Juan I. Castro, Director of DEQ, the Acting Governor wrote to the Presiding Officers informing them that he has approved Castro’s Fifty-Five Thousand Dollars salary citing as authority 1 CMC 8248 (b) as amended by Public Law 8-6 Section 4 and it reads, “Medical Doctors and Dentists whose primary responsibilities include giving professional medical advise, U. S. or Commonwealth-licensed engineers and architects whose primary responsibilities include practice within their profession, and professionals employed by the Legislative Branch may receive an annual salary in excess of \$50,000.00. For the Executive Branch, such salaries must be certified by the Governor to the Presiding Officers of the Legislature and the Civil Service Commission...” To compensate a medical doctor, dentist, architect or engineer in excess of \$50,000.00, Section 8248 (b) calls for the Governor to simply certify the excess salary to the Presiding Officers. In addition to 8248 (b), Section 526 of Public Law 11-41 provides that all salary classification compensation outside Public Laws 7-31, 8-15, 8-6, 9-25, 10-35 and 10-85 shall be first sanctioned by the Legislature before its implementation. This broad language expressly covers salary certifications under 8248 (b). Reading them together, the two provisions establish a two-step approval compensation process to effectuate the lifting of salary ceiling: 1) certification as required by 8248 (b); and 2) legislative sanction under 526. Assuming Castro meets the criteria, the Acting Governor’s letter is apparently in proper form and it meets 8248 (b) certification requirements. The remaining step is to secure legislative sanction of the Fifty-Five Thousand Dollars salary. On Francisco Taitano, the Governor informed the Presiding Officers that Taitano will receive a Sixty Thousand Dollars salary pursuant to Section 8250 (c) as amended by P.L. 8-6. Section 4, provides that if the Governor certifies to the Presiding Officers of the Legislature and the Chairman of the Civil Service Commission that after a diligent effort the Commonwealth is unable to recruit a professionally or technically qualified person to take an appointed position, he/she may waive the salary ceiling established by law for that position. Under Sections 8248 (b), 8250 (c), certification for appointed position salary exceeding a salary cap requires the Governor to justify the

waiver with particularity on the basis that no qualified person was willing to take the appointed position within the salary limit. Not only is Section 8250 (c)'s certification necessary, legislative sanction is mandated in accordance with Section 526 of P.L. 11-41. As explained, Section 526 dictates a legislative sanction for all salaries falling outside the statutory caps. Its expansive language includes those caps subject to certification under Section 8250 (c). These two statutes does provide that a salary cap may be lifted on an appointed position provided that it shall meet the following conditions: 1) certification by the Governor under Section 8250 (c); and, 2) legislative sanction as set forth in Section 526 of P.L. 11-41. In Taitano's case, the Governor's letter is apparently deficient because if it is devoid in any mention of the particularize justification required by 8250 (c). As to the second step, the Legislature has not sanctioned the Sixty Thousand Dollars salary. On Celina Babauta, the Governor informed the Presiding Officers that Babauta would receive a Forty-Five Thousand Dollars salary. As authority the Governor also cites Section 8250 (c) as amended by P.L. 8-6, Section 4. The discussions on Taitano's salary is equally relevant to Babauta's situation applying the two steps procedure for Section 8250 (c) certifications. A review of the Governor's letter discloses the absence of the requisite Section 8250 (c) language to certify the need to pay Mrs. Babauta beyond the cap. Secondly, no legislative sanction has been given under Section 526 to approve the Forty-Five Thousand Dollars salary. On Robert Schwalbach, the Governor wrote to the Presiding Officers that Schwalbach will receive a salary of Sixty-Five Thousand Dollars. As the basis for this authority, he also cites Section 8250 (c) as amended by P.L. 8-6, Section 4. The analysis on this salary is identical to that in discussion on Taitano and Babauta. Similarly, the Governor's letter falls short in complying with Section 8250 (c) certification. As is the case of Taitano and Babauta, Schwalbach's salary has not been sanctioned by the Legislature. Lastly, on Robert Torres and Frank Villanueva, I refer to P.L. 11-41, Section 525, and reads, "Notwithstanding Section 513 and Section 524 of this Act or 1 CMC, Section 8248 (a) and Section 8245, a department secretary or activity head, including the Commission of Education, who holds a Ph.D. or a JD degree or is a US certified public accountant may receive an annual salary in excess of Fifty Thousand Dollars but not more than Eighty Thousand Dollars. Pursuant to Section 525, Torres as the head of the Attorney General's Office and Villanueva as the Secretary of Finance may each earn up to Eighty Thousand Dollars. Because their salaries comport with Section 525 and because Section 525 remains in full force pursuant to 1 CMC, Section 7204 (d) neither the Governor's certification or legislative sanction is necessary. That is my report to you, Mr. Speaker, and a copy will be provided.

Speaker Hofschneider: Thank you, Mr. Chairman. Can you submit your written report? Short recess.

The House recessed at 10:20 a.m.

RECESS

The House reconvened at 1025 a.m.

Speaker Hofschneider: We are back to our session. Again with the indulgence of the members, we go down to Item 12, Reports of Standing Committees.

COMMUNICATIONS FROM THE JUDICIAL BRANCH

JUD. BR. COMM. 13-3 – March 4, 2002 – From Chief Justice Miguel S. Demapan certifying to a vacant position at the Commonwealth Supreme Court.

COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE

None

COMMUNICATIONS FROM DEPARTMENTS & AGENCIES

DEPT. & AGENCY COMM. 13-19 – March 19, 2002 – From Acting Special Assistant, Nace N. Soalablai, Special Assistant for Programs & Legislative Review, acknowledging receipt of H. R. NO. 13-28.

OTHER COMMUNICATIONS

Misc. Comm. 13-22 – March 28, 2002 – From Administrative Officer Frances C. Muna transmitting certified copies of the Seventh Saipan and Northern Islands Municipal Council Resolutions.

Misc. Comm. 13- 23 – April 5, 2002 – From Mayor Juan B. Tudela enclosing a copy of the Saipan Mayor's Office FY 2003 Budget Request.

Misc. Comm. 13-24 – March 28, 2002 – From Chairperson Estrellita S. Ada submitting a report on the findings and recommendations of the Business License Application Task Force.

REPORTS OF STANDING COMMITTEES

The Chair recognized the Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. Mr. Speaker, I move for the suspension of Rule VII, Section 10 for the adoption of Standing Committee Report Nos. 13-14 and 13-15 relative to H. B. NO. 13-063, Committee Draft 1, and Senate Bill No. 13-12, Committee Substitute 1, respectively, on First and Final Reading.

The motion was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader?

Floor Leader Attao: Thank you, Mr. Speaker. I now move for the adoption of Standing Committee Report Nos. 13-11 reference to H. B. NO. 13-014; 13-12 reference to H. B. NO. 13-054; 13-13 reference to H. B. NO. 13-069, 13-14 reference to H. B. NO. 13-063, and 13-15 reference to S. B. No. 13-12, CS1.

The motion was seconded.

S. C. R. NO. 13-011: Reporting on H. B. NO. 13-014, entitled, "To establish a law violator reporting reward program; and for other purposes." Your Committee on Judiciary and Government Operations recommends that the House file H. B. NO. 13-014.

S. C. R. NO. 13-012: Reporting on H. B. NO. 13-054, entitled, "To amend 1 CMC Section 8248 (b) to include psychologists and professionals with a Phd or other doctorate degree; and for other purposes." Your Committee on Ways and Means recommends passage in the form of H. B. NO. 13-054, as amended.

S. C. R. NO. 13-013: Reporting on H. B. NO. 13-069, entitled, "To appropriate funds for various road pavings in Precinct IV; and for other purposes." Your Committee on Ways and Means recommends passage in the form of H. B. NO. 13-069, amended.

S. C. R. NO. 13-014: Reporting on H. B. NO. 13-063, entitled, "To amend 4 CMC Section 50152 to appropriate the sum of Five Hundred Six Thousand One Hundred Three Dollars and Eighty Three Cents (\$506,103.83) from the Master Settlement Agreement Trust Fund for the purpose of developing and implementing a CNMI Comprehensive Tobacco Prevention and Control Strategic Plan of Action; and for other

purposes.” Your Committee on Health and Welfare recommends passage in the form of H. B. NO. 13-063, as amended

S. C. R. NO. 13-015: Reporting on H. B. NO. 13-012, entitled, “To amend 4 CMC § 8131(a) regarding the qualifications of the board of directors of the Commonwealth Utilities Corporation; and for other purposes.” Your Committee on Public Utilities, Transportation and Communications recommends passage in the form of H. B. NO. 13-012, as amended.

Speaker Hofschneider: Discussion? Representative Cabrera?

Rep. Cabrera: Thank you, Mr. Speaker. I would like to offer a floor amendment to H. B. NO. 13-063, Committee Draft 1. H. B. NO. 13-063, CD1, is amended to add the following new Section 10 and to renumber effective sections.

Speaker Hofschneider: Short recess.

The House recessed at 10:27 a.m.

RECESS

The House reconvened at 10:28 a.m.

Speaker Hofschneider: We are back to our session. For clarification purpose, I recognize Representative Cabrera.

Rep. Cabrera: Thank you, Mr. Speaker. With regards to Standing Committee Report No. 13-14, I would like to further clarify under Section (D) of the Cost Benefit, that the Youth Advisory Council is meant to state Office of Youth Affairs as well as the subsequent sections.

Speaker Hofschneider: Is that clear? – It is just a misnomer.

Rep. Babauta: Ready.

The motion to adopt Standing Committee Report Nos. 13-11, 13-12, 13-13, 13-14, and 13-15 was carried by voice vote.

Speaker Hofschneider: All the Standing Committee Reports are adopted.

REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

None

UNFINISHED BUSINESS

None

RESOLUTION CALENDAR

The Chair recognized the Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. Mr. Speaker, I now move for the suspension of Rule VII, Section 10 for the adoption of the following H. R. NO. 13-037, H. R. NO. 13-038, H. R. NO. 13-039, and H. R. NO. 13-040, and H. J. R. NO. 13-007, and H. J. R. NO. 13-005, SD1.

The motion was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader, before you move for adoption, what is the resolution number for Representative William Torres, or did we take that out?

Floor Leader Attao: It is not in here.

Speaker Hofschneider: Fine. Floor Leader?

Floor Leader Attao: Thank you, Mr. Speaker. I now move for the adoption of H. R. NO. 13-037, H. R. NO. 13-038, H. R. NO. 13-039, and H. R. NO. 13-040, and H. J. R. No. 13-007, and H. J. R. No. 13-005, SD1.

The motion was seconded.

H. R. NO. 13-037: A HOUSE RESOLUTION TO EXTEND A SINCERE AND HEARTFELT RECOGNITION AND CONGRATULATION TO MR. JUAN L. BABAUTA UPON HIS SUCCESSFUL SENATE CONFIRMATION TO THE POSITION OF SECRETARY, FOR THE DEPARTMENT OF THE COMMUNITY AND CULTURAL AFFAIRS.

H. R. NO. 13-038: A HOUSE RESOLUTION TO EXTEND A SINCERE AND HEARTFELT RECOGNITION AND CONGRATULATION TO MR. THOMAS B. PANGELINAN UPON HIS SUCCESSFUL SENATE CONFIRMATION TO THE POSITION OF SECRETARY, FOR THE DEPARTMENT OF THE LANDS AND NATURAL RESOURCES.

H. R. NO. 13-039: A HOUSE RESOLUTION TO EXTEND A SINCERE AND HEARTFELT RECOGNITION AND CONGRATULATION TO MR. JUAN S. REYES UPON HIS SUCCESSFUL SENATE CONFIRMATION TO THE POSITION OF SECRETARY, FOR THE DEPARTMENT OF PUBLIC WORKS.

H. R. NO. 13-040: A HOUSE RESOLUTION COMMEND AND CONGRATULATE MOUNT CARMEL SCHOOL IN THEIR CELEBRATION OF THEIR 50TH GOLDEN JUBILEE, CELEBRATING THE FIFTY YEAR TRADITION OF FAITH, EXCELLENCE, AND SUCCESS IN THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.

H. J. R. NO. 13-007: A HOUSE JOINT RESOLUTION TO REQUEST THE DEPARTMENT SECRETARIES AND DIVISION DIRECTORS TO REVIEW AND EXPEDITE THE CONVERSION OF THOSE EMPLOYEES HIRED UNDER TRAINEE STATUS.

H. J. R. NO. 13-005, SD1: A HOUSE JOINT RESOLUTION AUTHORIZING REPROGRAMMING AUTHORITY FOR THE GOVERNOR IN EXCESS OF THE LIMITS OF 1 CMC 7401 AND 7402.

Speaker Hofschneider: Discussion?

Several members voiced, “ready.”

Speaker Hofschneider: Representative Seman, do you care to make a motion for a Committee as a Whole on the resolution?

Rep. Seman: Thank you, Mr. Speaker. I would like to make a motion for H. R. NO. 13-040 to be introduced by the Committee of the Whole.

The motion was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Ready for the main motion?

Several members voiced, “ready.”

The motion to adopt H. R. NO. 13-037, H. R. NO. 13-038, H. R. NO. 13-039, H. R. NO. 13-040 and H. J. R. NO. 13-007 and H. J. R. NO. 13-005, SD1, was carried by voice vote.

Speaker Hofschneider: Motion carried.

BILL CALENDAR

The Chair recognized the Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. Mr. Speaker, I now move for the suspension of Rule IX, Sections 9, 10 and 11, for the passage of H. B. NO. 13-106, H. B. NO. 13-107, H. B. NO. 13-063, and S. B. NO. 13-12, HS1, on First and Final Reading.

The motion was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader?

Floor Leader Attao: Thank you, Mr. Speaker. I now move for the passage of H. B. NO. 13-106 on First and Final Reading.

The motion was seconded.

H. B. NO. 13-106: A BILL FOR AN ACT TO EFFECTUATE THE TERMS OF THE SETTLEMENT AGREEMENT BETWEEN THE COMMONWEALTH DEVELOPMENT AUTHORITY AND THE COMMONWEALTH UTILITIES CORPORATION BY AUTHORIZING THE AUTHORITY TO WAIVE CERTAIN LOAN AND INTEREST PAYMENTS; AND FOR OTHER PURPOSES.

Speaker Hofschneider: Discussion? Representative Quitugua?

Rep. Quitugua: Mr. Speaker, just for information, I suspect that this was consummated between the parties?

Speaker Hofschneider: Briefly for the benefit of the members who are not members of the PUTC Committee, over the past month an a half the Administration requested the participation of the House to mediate on the lawsuit that was filed between CDA and CUC for the outstanding loan of little over One Hundred Million Dollars, both principal and accrued interest over time. And as a result the parties appeared before the court and presented their case to have the case suspended and not proceed while attempting to resolve this through a round table discussion. For the last month an a half it was evolved into an agreement that it comes in a form of an MOU that requires both parties to sign-off which will be written up in the final settlement agreement. But before any of those things proceed, both entities, CUC and CDA, must be authorized by the law to get into such an agreement, particularly waiving of the interest accrued over time and the conversion to equity, preferred stock. So the two entities, the CDA and CUC, were not comfortable without the two legislations before us. So this is the first step in moving forward with the MOU and the final settlement agreement thereafter. Representative Quitugua, you still have the floor.

Rep. Quitugua: I incline to support, Mr. Speaker, two House bills. Just couple of question before I cast my vote, I realize that the Memorandum Of Understanding (MOU) was prepared. But listening to your explanation, Mr. Speaker, if in the event for whatever reason, Mr. Speaker, we pass the two bills and then whatever the

circumstances may be thereafter, they decided that they don't want to live up to the spirit of the MOU, then what happens?

Speaker Hofschneider: Then the lawsuit begins in court, because it is not taken out of court yet. I don't know what is the correct term in the court, take out off the calendar, but the lawsuit is still active. So if the negotiation breaks down, then the court proceedings will ensue.

Rep. Quitugua: In other words, the two bills won't do them any good unless they sign a Memorandum Of Understanding.

Speaker Hofschneider: Exactly. It is base on trust and base on faith and decency in both entities to live up to those conditions.

Rep. Quitugua: Thank you, Mr. Speaker.

Speaker Hofschneider: Thank you. Representative Babauta?

Rep. Babauta: Thank you, Mr. Speaker. I must applaud the Speaker for this diligent effort in consummating the long overdue legal battle between both agencies. However, Mr. Speaker, before I cast my vote on the bill, I want to clarify if someone from this Body or from the Chair, I was reading the draft MOU or MOA, there are few provisions that mention about a final agreement. I guess this is not a final MOA. My only concern is to what extent both legislation and the MOA impact the future with respect to utility rates as it applies to consumers in the Northern Marianas. I hope that the Chair would have the opportunity to sit with both parties at the consummation of the final agreement and see if these issues can be taken up in terms of having one agency responsible in implementing the utility rates, whether higher rates or lower rates.

Speaker Hofschneider: May I call on the Vice Speaker to come up please?

The Chair stepped down the podium.

Rep. Babauta: Mr. Speaker, if there is no objection from the members, it is just a clarification from...

Speaker Hofschneider: I know, but it is important point to be made. For the record, it is important to state the position of the Legislature, particularly the House. As you know, CUC without clearing the books on existing obligations such as the loan agreement would not be in a better financial position. And on top of that, the operation is impacted to the extent that rates will be of the most important argument for the consumers, to the entire Commonwealth. If you look at the recitals of the propose Memorandum Of Agreement, even the Commonwealth government which owes over Ten Million Dollars of outstanding utility bills will be a part of the settlement. Almost fifty percent of the existing government utilities owed to CUC will be credited towards the principal amount and as well as other applications of the capital itself or the principal itself. These having been put in the recitals would remove the potential for CUC to raise rates to recover in the event that it goes to the court and the court decides one way or the other. The inevitable is CUC must find ways if the court dictates and instruct CUC to start making payments on the loan, in the amount of the principal owed as oppose to the principal now being proposed, divided up into smaller portion and the majority of the principal amount is to be converted in to equity with limited dividends up to two percent to be set aside for future CUC needs, such as matching CIP projects. It is important to realize that if CUC is in a position to refurbish the existing power generation capacity or in a position to invite power generation providers to IBP, they would not be in a better position to contain cost on utility rates if this still lingers. More so important, is if it is dictate by the court to start making payments on full principal as oppose to reducing the principal roughly above five million, ten million dollars, of the top of my head, which will be in the form of payment. The forty-five million dollars would be converted into stocks which has a value and will be earning dividends in the amount not to exceed two percent, and the interest that they will be paying into for the forty-five million dollars equity conversion would be set aside for future projects, either matching or other purposes that so is deserved by CUC to be necessary. So it is important to put into context the question posed by Representative Babauta. In the end, in the final analysis whether this is consummated or not or executed what does it tell the people, the consumers? What does

it mean? Do we see an increase in rates? With this proposal the potential is to say, “no”, there will be no rate increase. With the exception that something we don’t control and that is the fuel cost. If fuel continues to escalate beyond our control because of the war in the region or war in the region where refineries where we buy our fuel is impacted, then we go back to the Desert Storm era where nobody controls the fuel price. That is the exception. But in essence, we need to assist and allow the two agencies to work out what is within practical limitations of CUC to meet the obligations and settle this once and for all.

Floor Leader Attao: Mr. Speaker?

Vice Speaker Tenorio: Go ahead.

Floor Leader Attao: Can you enlighten us on page 2, as to why the power was not included in the waiver?

Speaker Hofschneider: Because power is a revenue generation. You can’t waive a component whereby it is generating revenue for the entity and you’re absolving them in an outstanding obligation. It is a decision made on the basis of principal policy, that on the power generation it is a profitable section or division of CUC. On water and sewer, it is arguably decided that it is not as potential in terms of recovering the investment through the loan. We spent millions of dollars on water and sewer, but the income derived from consumers comes nowhere near the power generation that is invested through the loan. It is easier to recover profits and operational costs on the power generation side. So, it is assumed and decided that the power division or component of CUC can pay for itself as opposed to water and sewer, a very nominal fee and the operational cost is not justified for the revenue generated from the component of water and sewer.

Floor Leader Attao: Mr. Speaker, on the same line, on line 4 page 2, CDA is further authorized to waive all accrued interest owned by CUC on all outstanding loans including the terms and conditions of the settlement agreement. Does this include power? That is why raise the waiver on the power.

Speaker Hofschneider: Yes, on the interest, but not on the principal.

Floor Leader Attao: So what is the total interest of this loan?

Speaker Hofschneider: It is a little over forty million dollars.

Floor Leader Attao: Thank you.

Vice Speaker Tenorio: Recognized, Representative Quitugua.

Rep. Quitugua: Thank you, Mr. Speaker. Last question, how in the name of peace did we ever get to this?

Speaker Hofschneider: I think that is it. People have realized that there has to be a peaceful solution to the argument and both entities are composed of very capable people, CUC Board and its personnel are quite and very capable in seeing the middle ground and CDA is likewise composed of people that are reasonable and not heavy-handed in its obligation and fiduciary to insist that a deal is a deal. A deal is a deal on the basis of principals on the loan agreement, but this is one government and I think that is the essence of that, what in the name of peace happen to bring us to this. I think that is it, that both CDA and CUC realize that this is one government, we serve one people. And in the interest of the CNMI government and the interest of the people that we serve, they come to conclude that it is workable agreement.

Rep. Babauta: It’s just a clarification, Mr. Speaker.

Vice Speaker Tenorio: Recognize, Representative Babauta.

Rep. Babauta: Since we will be voting on the two bills this morning, Mr. Speaker, since the MOA is not final, do we need to memorialize again a final MOA, Mr. Speaker?

Speaker Hofschneider: No.

Rep. Babauta: Thank you.

Vice Speaker Tenorio: Representative Arnold Palacios?

Rep. A. Palacios: As a member of PUTC Committee, we had the privilege and the opportunity to review some of the documents that were available. In that, Mr. Speaker, we have this draft MOA. Some of the questions were really specific to some of the provisions of this draft MOA. I wonder if it is in order that we express that there are some concerns to some of these provisions that are in the MOA. The point in fact here as I'm looking, the MOA draft in most respect to no. 11. That provision says, "that the continued waiver of fuel tax for debtor, which is "CUC", must be made an integral part of the legislation..." I wonder if they could impede that in the Memorandum Of Agreement and that the Legislature is the one that gives the CUC this...

Speaker Hofschneider: You don't even have to do that because it is under the existing law.

Rep. A. Palacios: Right. But what I'm saying is that, this is going to be a long-term agreement. I'm wondering if that existing fuel surcharge waiver will go beyond the period of this agreement?

Speaker Hofschneider: The onus is on the Legislature to live up to whatever it meant to put in the Commonwealth law. If we renege on those commitments then in essence we are violating reaching the interest of the people in allowing CUC to get into such an agreement. The consequences are far more impacting than the argument of what if four years from today fuel tax is not waived for CUC. For all intents and purposes there may be a situation where the priority of the Commonwealth rises to a significant importance to amend the fuel tax and take it away from CUC calamity under the Constitution, the civil disobedience. So, those rises above the need to resolve a financial concern of government entity. So, what I am saying is that we have to be very careful from here on what priority do we base the waiver of the fuel tax? Do we indiscriminately transfer the burden on CUC, which will inevitably transfer the cost to the consumers? We pay the price for the hastily making those decisions to change the waiver condition.

Rep. A. Palacios: Just from that point, Mr. Speaker, would it be better then if we recommend that if the parties do not include this on the draft, it is the Legislature's agreement.

Speaker Hofschneider: It is a significant component of the ability of CUC to meet the stipulated repayment schedule. So, if you try and take it out or urge the two parties to take it out in reference, then the potential is that future legislators and future managers of CDA and CUC not being privy to the agreement and the history of why is it important to reference the continued privilege of CUC to be waived on the fuel tax may in fact take a different direction and thereby impacting the operations of CUC and not being able to meet the stipulated agreement for repayment on the remaining portion of the principal. So, it is a decision that you cannot govern the future legislators, but we must put references as to the whole picture of why this particular component of the MOA was suggested. You can't take it out and allow the possibility of other legislators and other managers of CUC and CDA to think otherwise.

Rep. A. Palacios: Thank you.

Vice Speaker Tenorio: Thank you, Representative Hofschneider. If there is no objection, the Chair recognized the suspension of the Rule regarding the five minutes debate rule. Thank you.

Speaker Hofschneider: Ready for the question?

Several members voice, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-106, on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Francisco DLG. Aldan	yes
Rep. Jesus T. Attao	yes
Rep. Oscar M. Babauta	yes
Rep. Gloria DLC. Cabrera	yes
Rep. Pedro P. Castro	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Arnold I. Palacios	yes
Rep. Herman T. Palacios	excused
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	yes
Rep. Andrew S. Salas	yes
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	yes
Speaker Heinz S. Hofschneider	yes

Speaker Hofschneider: H. B. NO. 13-106, is hereby passed the House. Floor Leader?

Floor Leader Attao: Thank you, Mr. Speaker. This is the partner of H. B. NO. 13-106. I now move for the passage H. B. NO. 13-107 on First and Final Reading.

The motion was seconded.

H. B. NO. 13-107: A BILL FOR AN ACT TO EFFECTUATE THE TERMS OF THE SETTLEMENT AGREEMENT BETWEEN THE COMMONWEALTH DEVELOPMENT AUTHORITY AND THE COMMONWEALTH UTILITIES CORPORATION BY AUTHORIZING THE CORPORATION TO ISSUE SHARES OF CUMULATIVE, NON-CONVERTIBLE PREFERRED STOCK VALUED TO THE AUTHORITY AND TO PROVIDE FOR THE REPAYMENT OF DEBT FOR USERS FEES FOR ELECTRICAL CONSUMPTION BY THE CNMI GOVERNMENT ACCORDING TO THE TERMS OF THE SETTLEMENT AGREEMENT; AND FOR OTHER PURPOSES.

Speaker Hofschneider: Discussion?

Several members voice, “ready.”

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-107, on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Francisco DLG. Aldan	yes
Rep. Jesus T. Attao	yes
Rep. Oscar M. Babauta	yes
Rep. Gloria DLC. Cabrera	yes
Rep. Pedro P. Castro	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Arnold I. Palacios	yes
Rep. Herman T. Palacios	excused
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	yes
Rep. Andrew S. Salas	yes

Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	yes
Speaker Heinz S. Hofschneider	yes

Speaker Hofschneider: H. B. NO. 13-107, is hereby passed the House. Let us take a short recess and allow the Clerk to transmit the bills to the Senate with the instruction for the Clerk to attach the proposed MOA to the Senate's copy. Short recess.

The House recessed at 11:00 a.m.

RECESS

The House reconvened at 11:15 a.m.

Speaker Hofschneider: We are back to our session. I recognize the Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I would like to make a motion to include on today's Calendar Standing Committee Report No. 13-12 reference to H. B. NO. 13-064 and Standing Committee Report No. 13-13 reference to H. B. NO. 13-069.

The motion was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader?

Floor Leader Attao: Thank you, Mr. Speaker. I now move for the passage on First and Final Reading S. B. NO. 13-17, SD1.

The motion was seconded.

S. B. NO. 13-17, SD1: A BILL FOR AN ACT TO AMEND 9 CMC § 1304(a) REGARDING THE SURRENDER OF A PERSON'S DRIVER'S LICENSE WHEN STOPPED BY A POLICE OFFICER; AND FOR OTHER PURPOSES.

Speaker Hofschneider: Discussion?

Several members voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass S. B. NO. 13-17, SD1, on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Francisco DLG. Aldan	yes
Rep. Jesus T. Attao	yes
Rep. Oscar M. Babauta	yes
Rep. Gloria DLC. Cabrera	yes
Rep. Pedro P. Castro	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Arnold I. Palacios	yes
Rep. Herman T. Palacios	excused
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	yes

Rep. Andrew S. Salas	yes
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	yes
Speaker Heinz S. Hofschneider	yes

Speaker Hofschneider: Senate Bill No. 13-17, SD1, is hereby passed the House. Floor Leader?

Floor Leader Attao: Thank you, Mr. Speaker. I now move for the passage on First and Final Reading S. B. NO. 13-12, HS1, reference Standing Committee Report No. 13-015.

The motion was seconded.

S. B. NO. 13-12, HS1: A BILL FOR AN ACT TO AMEND 4 CMC § 8131(a) REGARDING QUALIFICATIONS OF THE BOARD OF DIRECTORS OF THE COMMONWEALTH UTILITIES CORPORATION; AND FOR OTHER PURPOSES.

Speaker Hofschneider: Discussion? Representative Stanley Torres?

Rep. S. Torres: Can the Floor Leader read the title of that bill, please?

Floor Leader Attao: He has a copy, Mr. Speaker. Ready?

Speaker Hofschneider: Ready?

Several members voiced, “ready.”

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass S. B. NO. 13-12, HS1, on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Francisco DLG. Aldan	yes
Rep. Jesus T. Attao	yes
Rep. Oscar M. Babauta	yes
Rep. Gloria DLC. Cabrera	yes
Rep. Pedro P. Castro	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Arnold I. Palacios	yes
Rep. Herman T. Palacios	excused
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	yes
Rep. Andrew S. Salas	yes
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	yes
Speaker Heinz S. Hofschneider	yes

Speaker Hofschneider: Senate Bill No. 13-12, HS1, is hereby passed the House. Floor Leader?

Floor Leader Attao: Thank you, Mr. Speaker. I now move for the passage of H. B. NO. 13-069, HD1, on First and Final Reading.

The motion was seconded.

H. B. NO. 13-069, HD1: A BILL FOR AN ACT TO APPROPRIATE FUNDS FOR VARIOUS ROAD PAVINGS IN PRECINCT IV; AND FOR OTHER PURPOSES.

Speaker Hofschneider: Discussion?

Several members voiced, “ready.”

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-069, HD1, on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Francisco DLG. Aldan	yes
Rep. Jesus T. Attao	yes
Rep. Oscar M. Babauta	yes
Rep. Gloria DLC. Cabrera	yes
Rep. Pedro P. Castro	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Arnold I. Palacios	yes
Rep. Herman T. Palacios	excused
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	yes
Rep. Andrew S. Salas	yes
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	yes
Speaker Heinz S. Hofschneider	yes

Speaker Hofschneider: H. B. NO. 13-069, HD1, is hereby passed the House on First and Final Reading. Floor Leader?

Floor Leader Attao: Thank you, Mr. Speaker. I now move for the passage of H. B. NO. 13-054, HD1, on First and Final Reading.

The motion was seconded.

H. B. NO. 13-054, HD1: A BILL FOR AN ACT TO AMEND 1 CMC SECTION 8248 (b) TO INCLUDE PSYCHOLOGISTS AND PROFESSIONALS WITH A Ph.D. OR OTHER DOCTORATE DEGREE; AND FOR OTHER PURPOSES.

Speaker Hofschneider: Discussion?

Several members voiced, “ready.”

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-054, HD1, on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Francisco DLG. Aldan	yes
Rep. Jesus T. Attao	yes
Rep. Oscar M. Babauta	yes
Rep. Gloria DLC. Cabrera	yes
Rep. Pedro P. Castro	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Arnold I. Palacios	yes
Rep. Herman T. Palacios	excused
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	yes
Rep. Andrew S. Salas	yes
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	yes
Speaker Heinz S. Hofschneider	yes

Speaker Hofschneider: H. B. NO. 13-054, HD1, is hereby passed the House. Floor Leader?

Floor Leader Attao: Thank you, Mr. Speaker. I move to recess until April 16, at 10:00 a.m. Thank you.

MISCELANEOUS BUSINESS

Speaker Hofschneider: Before I recognize the recess motion, Representative Stanley Torres.

Rep. S. Torres: Just to make a simple correction on my statement earlier on the House Communication, there is a typo there that needs to be corrected, on page 3, fourth paragraph, where its showing “Section 8950 (c)” should be corrected to “8250 (c).” That is for the record. Thank you.

Speaker Hofschneider: The copies passed out have already reflected the changes. Representative Quitugua, under Miscellaneous.

Rep. Quitugua: Thank you, Mr. Speaker. I was going through the Governor’s Communication that was passed out this morning and I wish to bring the attention of the members to Governor’s Communication 13-90. Among the many communications relative to the same content, Mr. Speaker, I draw my attention to 13-90 simply because I realize that the Commissioner of Public Safety issued out a memorandum restricting the use of overtime for its employees. I guess he should be commended for consciously taking into serious consideration the financial condition of the CNMI government. However, Mr. Speaker, if you look at the pay scale of our enforcement officers it is one of the lowest in our government department. I wonder, Mr. Speaker, if we can somehow sit down and prioritize our distribution of financial resources, Department of Public Safety, Department of Public Health and Public School System, these are the three critical areas within the structure of our government. One of the reason I introduced a House Joint Resolution earlier in the year is to allow the Executive Branch to take the lead in looking at our overall operations and prioritize our resources as well as the manpower for our financial resources. I cannot help, Mr. Speaker, but to sympathize the many hard working government employees who are struggling and not only those who are currently employed, but those who are seeking employment. I realize that what I am going to say today will just be another remark to have been expressed in this hall of Congress. But for whatever is worth, Mr. Speaker, I would like to re-emphasize, let us sit down, Mr. Speaker, and seriously look at our overall government operation so that we can correct or whatever we can do, but at least to do some parity to the many disparity in distribution of our funds. I am appealing to the members to seriously consider coming up with a unique bill so that we can address this. That is why, Mr. Speaker, I made an inventory of the bills that I have introduced and I am not introducing any further unique bills simply because I am waiting for instruction or direction from the Executive Branch so we can sit

down and do prioritize on our legislation because realize the critical funding situation, the revenue that we are generating is limited. One of the reasons also, Mr. Speaker, that the island of Rota is seeking ways and means in which to contribute into the coffer of the CNMI and we shall no longer be dependent on the subsidy of this central government is providing, is to assist the central government in taking the fifteen million dollars that is appropriated to the island of Rota so that it can be distributed over to the other departments that are highly critical. If the fifteen million dollars, Mr. Speaker, is given back to the general funds for the island of Rota, in the First Senatorial District, it will help tremendously in alleviating the many critical needs in the health area, safety area and education area. Just yesterday, Mr. Speaker, the Rota Legislative Delegation in consultation with the Rota Mayor, we painfully decided not to entertain the offer that was made by the Global Peace. It was a very tempting offer, Mr. Speaker, and I hardly slept last night thinking about it. But because of our desire to be united as one Commonwealth, we opted to stay put with the Commonwealth of the Northern Mariana Islands rather than enrich ourselves to the offer that was presented to the Rota Delegation. I say this simply because, Mr. Speaker, during the short time that I spend in the House Chamber, I sense that when it comes to the need of the First and Second Senatorial Districts often times it creates a split of members in both houses. I do not wish to be a party to that, Mr. Speaker, as I have mentioned during our earlier meetings. I would like, Mr. Speaker, to emphasize to the members what the First Senatorial District decided to lose as a result of our decision not to entertain the Global Peace. As you can see, the island of Rota lost this investment because of our decision last night. We pondered the decision that we decided last night. And we decided, Mr. Speaker and members of the Thirteenth Legislature that we will forego those benefits and stick with the Commonwealth. But I want to emphasize, Mr. Speaker, that fifteen million dollars that the island of Rota is receiving for its municipal operation is not enough. I have heard in the past and probably will continue to hear in the future that the island of Rota is being subsidized continuously and that is the reason I want to be able to be a party in making contribution to our coffer. The whole investment on the island of Rota is in a billion of dollars, but we gave that up. I hope, Mr. Speaker, that the bill that I introduced today, H. B. NO. 13-111, will be seriously considered by the members of this Legislature. The one million dollars for the First and Second Senatorial Districts was item-vetoed in H. B. NO. 12-374, which became Public Law 12-64. I would like to appeal for the assistance of the Legislature to please consider the one million dollars for the First and Second Senatorial Districts for an establishment of a dialysis center on both islands. I could not understand why it was selectively vetoed when the need of the people of Rota is so critical in terms of health. I also understand, Mr. Speaker, that the new dialysis facility will be constructed pretty soon pursuant to Public Law 12-64. I wonder what was the rationale behind vetoing the one million dollars back then. But whatever the reason, Mr. Speaker, I am appealing once again, to please consider the one million dollars for the First and Second Senatorial Districts for the establishment of a dialysis center on the islands of Rota and Tinian. We like our people who are currently being serviced here on Saipan to go back home and be united with their families because emotional well-being is also an element of healing. And again, Mr. Speaker, I ask that H. B. NO. 13-111 be considered on our next regular meeting. Thank you, Mr. Speaker.

Speaker Hofschneider: Thank you, Representative Quitugua. And on behalf of the people of the Commonwealth, I applaud the sound decision made by the Delegation of Rota for seeing the greater good than the individual good of each senatorial district. Simply because the future consequences, future ramification, the implication of the proposal and the entity itself being ambiguous in nature from the very beginning and now it is shocking to see that the entire island of Rota has been master planned, which only leaves to assume that the final analysis request is simply to segregate Rota from the Covenant as an independent island away from the Commonwealth. And on behalf of this good Commonwealth, the people, the decency that all of us desire to work together and dispel the notion of senatorial concern, particularly in endeavor of the Global Peace proposal for the island of Rota, I applaud the decision made and I continue to have faith and I continue to trust the good senses and the decency of the Delegation of Rota. Thank you. Short recess.

The House recessed at 11:40 a.m.

RECESS

The House reconvened at 11:40 a.m.

BILL CALENDAR

Speaker Hofschneider: We are back to our session. I recognize the Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. Mr. Speaker, I would like to place H. B. NO. 13-067 reference to Senate Communication 13-22 on today's Calendar for action.

The motion was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader?

Floor Leader Attao: I now move for the passage of H. B. NO. 13-067, SD1.

The motion was seconded.

H. B. NO. 13-067, SD1: A BILL FOR AN ACT TO RE-APPROPRIATE FUND BALANCES FROM PUBLIC LAW 11-83; AND FOR OTHER PURPOSES.

Speaker Hofschneider: Discussion?

Several members voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-067, SD1, on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Francisco DLG. Aldan	yes
Rep. Jesus T. Attao	yes
Rep. Oscar M. Babauta	yes
Rep. Gloria DLC. Cabrera	yes
Rep. Pedro P. Castro	yes
Rep. Joseph P. Deleon Guerrero	yes
Rep. Arnold I. Palacios	yes
Rep. Herman T. Palacios	excused
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	yes
Rep. Andrew S. Salas	yes
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	yes
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	yes
Speaker Heinz S. Hofschneider	yes

Speaker Hofschneider: H. B. NO. 13-67, SD1, is hereby passed the House. Floor Leader?

Floor Leader Attao: I move to recess until April 17, 2002 at 10:00 a.m.

The motion was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Recess.

The House recessed at 11:45 a.m.

Respectfully submitted,

Joan K. Ongrung, Journal Clerk
House of Representatives

APPEARANCE OF LOCAL BILLS

H. L. B. NO. 13-019: To repeal Saipan Local Law 12-6, and to designate the Presiding Officer of the Saipan and Northern Islands Municipal Council as Acting Mayor for the island of Saipan and Northern Islands. [3rd Appearance]

H. L. B. NO. 13-020: To appropriate the sum of One Hundred Thousand (\$100,000.00) from fees collected from Saipan Local Law 11-2; and for other purposes. [2nd Appearance]

H. L. B. NO. 13-021: To designate land parcel 013-D-39, Garapan Fisheries Complex as a public park; and for other purposes. [2nd Appearance]