

HOUSE OF REPRESENTATIVES
THIRTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
FOURTH SPECIAL SESSION, 2002

SECOND DAY

June 13, 2002

The House of Representatives of the Thirteenth Northern Marianas Commonwealth Legislature convened in its Second Day, Fourth Special Session, on Thursday, June 13, 2002, at 8:35 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), eleven members were recorded present; Representatives Francisco DLG. Aldan, Pedro P. Castro, Arnold I. Palacios, Herman T. Palacios, Benjamin B. Seman, Ramon A. Tebuteb and Manuel A. Tenorio were excused.

PREFILED AND INTRODUCTION OF BILLS

H. B. NO. 13-137: A Bill for an Act to amend certain provisions of Public Law 9-33; and for other purposes.

Offered by: Rep. William S. Torres
Referred to: Committee on Commerce

H. B. NO. 13-138: A Bill for an Act to appropriate \$2.6 million from the fees generated under Public Law 11-64 to the Marianas Visitors Authority.

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

H. L. B. NO. 13-031: A Local Bill for an Act to establish local license fees for pachinko slot machines and poker machines in the Second Senatorial District; and for other purposes.

Offered by: Rep. Norman S. Palacios
[First Appearance]

The Chair declared a short recess at 8:38 a.m.

RECESS

The House reconvened at 8:45 a.m.

Speaker Hofschneider: We are back to our session and, with no objection, we move down to Bill Calendar.

There was no objection; the House went down to Bill Calendar.

BILL CALENDAR

The Chair recognized Floor Leader Attao.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the suspension of Rule VII, Section 10, Rule IX, Sections 9, 10 and 11 for the passage of H. B. NO. 13-138.

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. 13-138 on First and Final Reading.

The motion was seconded.

H. B. NO. 13-138: A BILL FOR AN ACT TO APPROPRIATE \$2.6 MILLION FROM THE FEES GENERATED UNDER PUBLIC LAW 11-64 TO THE MARIANAS VISITORS AUTHORITY.

Speaker Hofschneider: Any discussion on the bill? Representative Babauta?

Rep. Babauta: Thank you, Mr. Speaker. Just a clarification on a certain provision H. B. NO. 13-138. I understand that a variety of programs are funded from the generated funds by Public Law 11-64 and my concern is whether or not these will be hampered by the one-time appropriation. Should this bill become law, would that provision retract back to the original form that would otherwise fund the various programs under Public Law 11-64?

Speaker Hofschneider: With no objection, may I discuss the bill?

There was no objection raised.

Speaker Hofschneider: The original beneficiaries of Public Law 11-64, as authored by the Floor Leader in the Eleventh Legislature, stipulated to distribute the funds generated from the

Managaha landing fee to our respective programs and agencies such as, the Commonwealth Museum and several other programs. This bill, H. B. NO. 13-138, would suspend a one-time application of those beneficiaries under Public Law 11-64 specifically for a single appropriation to fund for this year's Marianas Visitors Authority needs, which we are in dire need. So, it is clear that the intention of the bill as written is a single appropriation and it would not carry in perpetuity, therefore, \$2.6 would be a single appropriation.

Rep. Babauta: Thank you, Mr. Speaker.

Floor Leader Attao: Mr. Speaker, can you just enlighten us how much the Marianas Public Lands Authority has collected in landing fee since Public Law 11-64 became effective?

Speaker Hofschneider: I don't have the actual printout from Marianas Visitors Authority but I believe that the last record I saw was a little less than three million dollars. However, the old concession rights, the lease agreement for concession businesses out in Managaha, stipulates that portion of the money should be used to defray the cost of maintaining the facility and cleaning up the island of Managaha for everyone's concern. So it is the policy of Marianas Public Lands Authority to set aside a portion of the total first to accomplish the management of Managaha as originally stipulated in the old concession rights. \$2.6 is a figure that we're comfortable appropriating and leaving roughly about \$200,000.00 for the purposes of maintaining the facilities and cleaning up the island. There are expenditures stipulated in the management of Managaha such as a security, the garbage collection, and maintenance of the facility. For the record also, the reason why Public Law 11-64 accumulated so much money since its enactment is on the argument of the Legislature appropriating that fund. Particularly, anything that is generated under the umbrella of public land then is argued, or the Marianas Public Lands Authority before is in the opinion of the Legislature usurping the constitutional boundaries. As you know, the Marianas Public Lands Authority before was under Marianas Public Lands Corporation, which was created by the constitution. But since the dissolution of the Marianas Public Lands Corporation and the enabling law that created back Marianas Public Lands Authority, it is the position of the Legislature that we have the authority to appropriate specific funds. For clarity, the argument in the constitution for the position of the House is that no one is allowed to impose tax or taxes but the Legislature, no one. Land leases are different. That is a purview of the Marianas Public Lands Authority. But as far as imposition, creation and mandating of taxes it's clearly the responsibility and the authority of the Legislature. Ready?

Several members voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-138 on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Francisco DLG. Aldan	excused

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

Speaker Hofschneider: House Bill No. 13-138 is hereby passed by the House. Representative Stanley Torres?

Rep. S. Torres: Can we go back to House Communications, please?

Speaker Hofschneider: With no objection on the floor, we move back to Item 7, House Communications and I recognize Representative Stanley Torres.

There being no objection, the House went back to House Communications.

HOUSE COMMUNICATIONS

Rep. S. Torres: Thank you, Mr. Speaker. In relation to the last session House matters that I stated, I am presenting a supplemental statement and this is focused toward the Judicial Branch. Mr. Speaker and members, I am disturbed of Justice Castro of the CNMI Supreme Court to appoint Judge Lamorena from Guam to sit in the Bank of Saipan case in reference to the removal of Randy Fennell as a Receiver of Bank of Saipan. I know that Attorney David J. Lujan's sister is the Chamber Clerk for Presiding Judge Lamorena's court. That is unethical conduct of the Judge and in conflict of Lamorena to sit on the Bank of Saipan case. In December of 1999, in the middle of the ongoing Hillblom Estate litigation, Justice Alex Castro accepted a donation from Attorney David Lujan to establish a Hillblom Memorial Foundation. This donation was in the amount of \$250,000.00 and was paid out of Mr. Lujan's minor client Junior Hillbrom's fund, on who's alleged "behalf" the donation was made. The original plan was that Justice Castro have control over at least \$100,000.00 of this money to spend for the law library, at the direction of Castro. To take this money from a minor child who does not live on Saipan, and to take it from a lawyer during the ongoing

litigation is improper. It also shows that Justice Castro cannot sit in an unbiased matter on any Lujan case. Justice Castro also had lunch with Lujan (letter & photo attached) and those involved with the “donation” of a minor child’s money during a case involving Lujan. Justice Castro is conflicted on any case involving Lujan, involving the Bank of Saipan. Mr. Speaker and colleagues, thank you for your attention.

Speaker Hofschneider: Floor Leader, back to Bill Calendar?

BILL CALENDAR

Floor Leader Attao: Mr. Speaker, after discussing with our legal counsel the Senate bill to be passed by the House, it appears that we need to really review it because there is not only typo, but major amendments and some of the amendments did not address the concern. They amended the necessary portion of that existing statute. So, I ask for patience and probably we can address it on the next session.

Speaker Hofschneider: Motion to recess subject to the call of the Chair.

Floor Leader Attao: I move to recess until Tuesday, June 18, 2002 at 9:00 a.m.

The motion to recess until Tuesday, June 18, 2002 at 9:00 a.m. was seconded, and carried by voice vote.

The House recessed at 8:58 a.m.

Respectfully submitted,

Lavida S. Palacios, Acting Journal Clerk
House of Representatives

APPEARANCE OF LOCAL BILLS

H. L. B. NO. 13-030: To appropriate \$325,000.00 from the fees collected under Saipan Local Law 11-2; and for other purposes. [3rd Appearance]