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**HOUSE OF REPRESENTATIVES • THIRTEENTH LEGISLATURE • COMMONWEALTH OF THE NORTHERN
MARIANA ISLANDS**



House Journal

FOURTH REGULAR SESSION, 2003

First Day

September 19, 2003

The House of Representatives of the Thirteenth Northern Marianas Commonwealth Legislature convened in its **First Day, Fourth Regular** Session, on **Friday, September 19, 2003**, at **10:15 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.

The Clerk called the roll. Fifteen members were recorded present; Representatives Oscar M. Babauta and Daniel O. Quitugua were excused and Representative Andrew S. Salas was absent.

Speaker Hofschneider: Representatives Babauta and Quitugua are hereby excused.

ADOPTION OF JOURNALS

Floor Leader Attao moved for the adoption of the Journals for the 4th Day, Third Special Session (05/20/03), 1st Day, Fourth Special Session (05/22/03), 1st Day, Fifth Special Session (6/2/03), 1st Day, Sixth Special Session (7/15/03), 2nd Day, Sixth Special Session (7/18/03), 3rd Day, Sixth Special Session (7/22/03), 4th Day, Sixth Special Session (7/24/03) and 1st Day, Seventh Special Session (7/28/03), was seconded by Rep. Stanley Torres and carried by voice vote.

Speaker Hofschneider: The 4th Day, Third Special Session, 1st Day, Fourth Special Session, 1st Day, Fifth Special Session, 1st Day, Sixth Special Session, 2nd Day, Sixth Special Session, 3rd Day, Sixth Special Session, 4th Day, Sixth Special Session and 1st Day, Seventh Special Session Journals are hereby adopted by the House.

PREFILED AND INTRODUCTION OF BILLS

H. B. NO. 13-323: A Bill for An Act to create and establish the Office of Homeland Security in the Governor's Office; and for other purposes.

Offered by: Rep. Martin B. Ada
Referred to: Committee on Judiciary & Governmental Operations

H. B. NO. 13-324: A Bill for An Act to amend Public Law No. 11-63, to allow the removal of seaweed, and sea grass on the hotel beach fronts of Saipan; and for other purposes.

Offered by: Rep. Arnold I. Palacios

H. B. NO. 13-325: A Bill for An Act to enact a Comprehensive Readiness and Response System for emergency health threats, including those caused by Bio-Terrorism; and for other purposes.

Offered by: Rep. Manuel A. Tenorio and one other

The Chair recognized Representative Stanley Torres.

Rep. S. Torres: Mr. Speaker, may I be allowed to pass on the introduction of the bills I have prefiled? I may have to withdraw the bills but I'll do that later on, please.

There was no objection.

Speaker Hofschneider: You may continue. You have another one. You have H. B. NO. 13-326 and H. B. NO. 13-327.

Rep. S. Torres: Both.

Speaker Hofschneider: Both?

Rep. S. Torres: Yes, sir.

Speaker Hofschneider: Clerk, take note. Representative Castro.

H. B. NO. 13-328: A Bill for An Act to require all income tax remitted to or withheld by the government to be deposited into a special account and to be disbursed only for payment of tax refund and tax rebate; and for other purposes.

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

H. B. NO. 13-329: A Bill for An Act to mandate the CNMI Government to compensate locally registered and licensed business establishments, taxpayers and contractors, etc., interest and penalty for late payment of billing, tax refund and rebate; and for other purposes.

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

H. B. NO. 13-330: A Bill for An Act to establish a Saipan and Northern Islands Liberation Day Association; and for other purposes.

Offered by: Rep. Pedro P. Castro and six others
Referred to: Committee on Judiciary & Governmental Operations

H. B. NO. 13-331: A Bill for An Act to authorize the establishment of the Park Rangers under the Division of Parks and Recreation and to designate the Department of Lands and Natural Resources as the administering authority for Commonwealth parks, recreational areas and tourist sites; and for other purposes.

Offered by: Rep. Ramon A. Tebuteb and two others
Referred to: Committee on Natural Resources

H. B. NO. 13-332: A Bill for An Act to strengthen penalties for certain Ethics Code violations.

Offered by: Rep. Herman T. Palacios and four others
Referred to: Committee on Judiciary & Governmental Operations

H. B. NO. 13-333: A Bill for An Act to amend Section 2 of Public Law 11-6; and for other purposes.

Offered by: Rep. Herman T. Palacios and two others
Referred to: Sub-committee on Labor Immigration

The Chair recognized the Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker, I am introducing an unnumbered bill by request from the Secretary of the Department of Public Works.

H. B. NO. 13-334: A Bill for An Act to amend 3 CMC § 4434(i)(1)(B) as amended by Public Law 13-20 to allow the Department of Public Works to hire nonresident professionals for technical and professional positions until September 30, 2005.

Offered by: Rep. Jesus T. Attao (By request)

Speaker Hofschneider: Any other bills? None. We move to Prefiled and Introduction of Resolutions.

PREFILED AND INTRODUCTION OF RESOLUTIONS

H. R. NO. 13-167: A House Resolution to reaffirm the House of Representatives' commitment to the Submerged Lands Case and the assertion of the CNMI's claim to the submerged lands of the Mariana Islands including ownership of a twelve-mile territorial sea and jurisdiction and control over the 200-mile exclusive economic zone.

Offered by: Rep. Arnold I. Palacios and one other

H. R. NO. 13-168: A House Resolution urging and requesting Governor Juan N. Babauta to declare a state of water emergency for the island of Saipan.

Offered by: Rep. Manuel A. Tenorio and two others

H. R. NO. 13-169: A House Resolution to pay special tribute to Juan Sablan Tenorio for his outstanding service and contributions to the people of the Commonwealth in the various roles of responsibility he has performed over the past two decades.

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

Rep. H. Palacios: Introduced by the Committee of the Whole.

The Chair recognized Representative Castro.

Rep. Castro: Thank you, Mr. Speaker. First of all, I am withdrawing H. R. NO. 13-170 on the day's calendar and introducing H. R. NO. 13-171.

H. R. NO. 13-170: A House Resolution respectfully urging the management of Hotel Nikko Saipan, Hyatt Regency Hotel, Dai-Chi Hotel, Hafa Adai Hotel, World Resort Saipan, Saipan Grand Hotel and other hotels to assist locally owned marine sports vendors operators share the tourists marine sports activities reserved funds operating within their areas. [Withdrawn]

H. B. NO. 13-171: A House Resolution to extend a sincere and heartfelt recognition and congratulation to Mrs. Dora Agulto Inos Deleon Guerrero upon passing the Certified Public Accountants Examination on August 8, 2003.

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

H. R. NO. 13-172: A House Resolution to extend a sincere and heartfelt congratulation to the Saipan Marianas Racing Association (MRA) under the leadership of Mr. Eric A. Cruz, President; Mrs. Cathy S. Cepeda, Vice President; Ms. Charlotte P. Reyes, Secretary; Mr. Dave Burger, Treasurer; Mr. Cuki Alvarez, Board Member; Mr. Henry A. Camacho, Sr., Board Member; Mr. Joe S. Salas, Board Member;

and Mr. Patrick C. Togawa, Board Member; upon the successful completion and grand opening of the MRA Saipan's first motocross facility at the Cowtown Raceway Park in Marpi on Saturday, August 30, 2003.

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

Speaker Hofschneider: Clerk, note the withdrawal of H. R. NO. 13-170.

H. R. NO. 13-173: A House Resolution to urgently request the Honorable Juan N. Babauta and the Secretary of the Department of Public Works, Mr. Juan S. Reyes to allocate \$2.83 million from the FY 2005 Federal Highway Fund for the Cross Island Road improvements also known as Route 31.

Offered by: Rep. Manuel A. Tenorio and four others

H. R. NO. 13-174: A House Resolution to adopt the Comprehensive Economic Development Strategy (CEDS) for the Commonwealth of the Northern Mariana Islands; and for other purposes.

Offered by: Rep. Manuel A. Tenorio and four others

Rep. S. Torres: Mr. Speaker.

The Chair recognized Representative Stanley Torres.

Rep. S. Torres: Mr. Speaker, I move to withdraw my prefiled Bills, H. B. NO. 13-326 and H. B. NO. 13-327. I just confirmed that similar bills have been introduced and passed by the Senate so it should be under Senate Communications on the agenda. Thank you.

Speaker Hofschneider: May we dispense of the resolutions then we'll go back to Item 3 and allow you to withdraw?

Rep. S. Torres: I apologize.

H. R. NO. 13-175: A House Resolution to commend Mr. Felipe Ruak and Joseph Ruak, founders and instructors of the Talabwog Men Stick Dancers for their outstanding work and achievement in receipt of the nations highest folk and traditional arts award, the National Heritage Fellowship.

Offered by: Rep. Ramon A. Tebuteb and seventeen others

Rep. Tebuteb: And if there's no objection, introduced by the Committee of the Whole.

There was no objection.

Speaker Hofschneider: Any other resolutions? None. If there's no objection, we'll move back to Prefiled and Introduction of Bills and allow the good Representative to withdraw his bills.

There being no objection; the House went back to Prefiled and Introduction of Bills.

PREFILED AND INTRODUCTION OF BILLS

The Chair recognized Representative Stanley Torres.

Rep. S. Torres: Mr. Speaker and members, I move to withdraw my Prefiled Bills, H. B. NO. 13-326 and H. B. NO. 13-327. Thank you.

The motion to withdraw H. B. NO. 13-326 and H. B. NO. 13-327 was seconded and carried by voice vote.

H. B. NO. 13-326: A Bill for An Act to amend Public Law 13-18 to restrict elected officials from participating in the election process on election day other than to exercise their right to vote; and for other purposes.

H. B. NO. 13-327: A Bill for An Act to amend 1 CMC §1316(n); and for other purposes.

Speaker Hofschneider: H. B. NO. 13-326 and H. B. NO. 13-327 are hereby withdrawn. We move back to Prefiled and Introduction of Resolutions.

PREFILED AND INTRODUCTION OF RESOLUTIONS

The Chair recognized Representative Deleon Guerrero.

H. J. R. NO. 13-034: A House Joint Resolution respectfully requesting and urging the Administration to include in the CNMI Covenant Section 702 negotiation the appropriation of nine million dollars (\$9,000,000.00) for the design and construction of the Dandan Sewer System in Precinct I.

Offered by: Rep. Joseph P. Deleon Guerrero

H. J. R. NO. 13-035: A House Joint Resolution respectfully requesting the PSS to allocate and make payment in the amount of \$130,000 for the compensation of the sixteen PSS employees who did not receive the entire 14% pay increase as mandated by Public Law 7-31; and for other purposes.

Offered by: Rep. Jesus T. Attao and two others

Speaker Hofschneider: Any other joint resolution for introduction? None. We move to Messages from the Governor.

MESSAGES FROM THE GOVERNOR

Gov. COMM. 13-562 – July 29, 2003 – Informing the Legislature that he signed H. B. NO. 13-309 (Election Law Amendment) into **Public Law No. 13-57**.

Gov. COMM. 13-563 – August 4, 2003 – Directive No. 229, Reinforcement of Expenditure Controls.

Gov. COMM. 13-564 – August 8, 2003 – Declaration of Emergency for the Island of Anatahan.

Gov. COMM. 13-565 – August 14, 2003 – Informing the Legislature that he signed in part H. B. NO. 13-295, HD3 (Tobacco Control Fund Appropriation) into **Public Law No. 13-58**.

Gov. COMM. 13-566 – August 15, 2003 – Certification of annual salary in excess of \$50,000 for Dr. Vanessa Jane Ince.

Gov. COMM. 13-567 – August 27, 2003 – PL 11-6 Summary of Exemptions for the months of June and July 2003.

Gov. COMM. 13-568 – September 3, 2003 – Memo regarding Restrictions on Campaign Activities.

Gov. COMM. 13-569 – September 5, 2003 – PL 11-6 Summary of Exemptions for the month of August 2003.

Gov. COMM. 13-570 – September 11, 2003 – Requesting that all flags be flown at Half-mast in observance of 9-11.

Gov. COMM. 13-571 – September 12, 2003 – Letter to Rep. Stanley Torres relative to the Pacific Gateway Project.

Gov. COMM. 13-572 – September 15, 2003 – Informing the Legislature that he signed H. B. NO. 13-284, HD1 (Environmental Tax Act Amendment) into **Public Law No. 13-59**.

Speaker Hofschneider: Any comments under Messages from the Governor? Under Gov. COMM. 13-562, Gov. COMM. 13-565 and Gov. COMM. 13-572 these respective House Bills, H. B. NO. 13-309, H. B. NO. 13-295, HD3 and H. B. NO. 13-284, HD1 became law. Public Law 13-57 is the Election Law Amendment. Public Law 13-58 is the Tobacco Control Fund Appropriation and Public Law 13-59 is the Environmental Tax Amendment.

SENATE COMMUNICATIONS

The Chair recognized the Floor Leader.

Floor Leader Attao moved for the acceptance of SEN. COMM. 13-207 thru SEN. COMM. 13-285 and the motion was seconded.

SEN. COMM. 13-207: Return of H. B. NO. 13-232 (Crimes Stoppers confidential information), which the Senate passed without amendment on July 22, 2003. [Will go to Governor]

SEN. COMM. 13-208: Return of H. B. NO. 13-284, HD1 (Exempt PSS from Environmental Tax), which the Senate passed without amendment on July 22, 2003. {Became PL 13-59}

SEN. COMM. 13-209: Return of H. B. NO. 13-309, Election Reform Act Amendment, which the Senate passed on July 22, 2003. {Became PL 13-57}

SEN. COMM. 13-210: Return of H. B. NO. 13-021, HS1 (Public Education Initiatives Act of 2002), which the Senate passed on July 22, 2003 in the form of H. B. NO. 13-021, HS1, SD1. [*For action on the Senate amendments*]

SEN. COMM. 13-211: Return of H. B. NO. 13-042 (Nurse Practice Act of 2002), which the Senate passed on July 22, 2003 in the form of H. B. NO. 13-42, SD1. [*For action on the Senate amendments*]

SEN. COMM. 13-212: Transmittal of S R. NO. 13-57, entitled, “Conveying the condolences of the Senate to the Family of the Late Honorable (or Awóólingil) Jose Mettao Taitano,” which the Senate adopted on July 22, 2003. [Info - certified copy]

SEN. COMM. 13-213: Transmittal of S R. NO. 13-61, entitled, “To formally reflect in the Senate Journal that the absence of Senator Pete P. Reyes, Senator Ramon S. Guerrero, and Senator David M. Cing from the attempts to convene the Sixth Special Session, Second Day, is hereby deemed excused due to the absence of a quorum and the fact that no formal Senate Session, as contemplated by the Commonwealth Constitution, was formally convened,” which the Senate adopted on July 22, 2003. [Info – certified copy]

SEN. COMM. 13-214: Return of H. B. NO. 13-157, HD1 (Taxpayers Emergency Waiver), which the Senate passed without amendment on September 9, 2003. [Will go to Governor]

SEN. COMM. 13-215: Return of H. B. NO. 13-179, HS1 (Alcoholic Beverages), which the Senate passed without amendment on September 9, 2003. [Will go to Governor]

SEN. COMM. 13-216: Return of H. B. NO. 13-207 (Senatorial Districts Local Funds), which the Senate passed without amendment on September 9, 2003. [Will go to Governor]

SEN. COMM. 13-217: Return of H. B. NO. 13-264 (\$20,671 CIP Appropriation), which the Senate passed without amendment on September 9, 2003. [Will go to Governor]

SEN. COMM. 13-218: Return of H. B. NO. 13-265, HS1, HD1 (Retirement Integrity Assurance Act), which the Senate passed without amendment on September 9, 2003. [Will go to Governor]

SEN. COMM. 13-219: Return of H. B. NO. 13-267, HD1 (CNMI-Marine Revitalization CORP. Settlement), which the Senate passed without amendment on September 9, 2003. [Will go to Governor]

SEN. COMM. 13-220: Return of H. B. NO. 13-273 (Procurement Amendment), which the Senate passed without amendment on September 9, 2003. [Will go to Governor]

SEN. COMM. 13-221: Return of H. B. NO. 13-280, HD4 (CIP Appropriation Act of 2003), which the Senate passed on September 9, 2003 in the form of H. B. NO. 13-280, HD4, SD1. [*For action on the Senate amendments*]

SEN. COMM. 13-222: Return of H. B. NO. 13-286, HD1 (Lower Navy Hill Sports Facilities & Chalan Laulau Rd. Paving), which the Senate passed without amendment on September 9, 2003. [Will go to Governor]

SEN. COMM. 13-223: Transmittal of S B. NO. 13-149, entitled, "To amend PL 13-18 to restrict elected officials from participating in the election process on election day other than to exercise their right to vote; and for other purposes," which the Senate passed on September 9, 2003. [For action]

SEN. COMM. 13-224: Letter from President Pete P. Reyes informing the Speaker that the Senate held its 9th Special Session on September 9, 2003, wherein the members present voted to re-organize the Senate Leadership by adopting S. R. No. 13-68. [For info.]

SEN. COMM. 13-225: Return of H. B. NO. 13-086, HS1 (Commonwealth Hospital Corporation Act of 2002), which the Senate passed without amendment on September 12, 2003. [Will go to Governor]

SEN. COMM. 13-226: Return of H. B. NO. 13-087 (Uniform Partnership Act), which the Senate passed without amendment on September 12, 2003. [Will go to Governor]

SEN. COMM. 13-227: Return of H. B. NO. 13-108, HS1 (Commonwealth Anti-stalking Act of 2002), which the Senate passed without amendment on September 12, 2003. [Will go to Governor]

SEN. COMM. 13-228: Return of H. B. NO. 13-121 (Unlawful Transactions with Minors Act of 2003), which the Senate passed without amendment on September 12, 2003. [Will go to Governor]

SEN. COMM. 13-229: Return of H. B. NO. 13-206, HS1 (Amending the Planning and Budgeting Act), which the Senate passed on September 12, 2003. [Will go to Governor]

SEN. COMM. 13-230: Return of H. B. NO. 13-249 (Increase Tax Exemption for Agricultural products or fishery), which the Senate passed without amendment on September 12, 2003. [Will go to Governor]

SEN. COMM. 13-231: Return of H. B. NO. 13-269, HS1 (Private Labels Protection Act of 2003), which the Senate passed without amendment on September 12, 2003. [Will go to Governor]

SEN. COMM. 13-232: Return of H. B. NO. 13-149, HD1 (Appropriation for Tinian Museum and Nuestra Senora de la Concepcion artifacts), which the Senate passed on September 12, 2003, in the form of H. B. NO. 13-149, HD1, SD1. [*For action on Senate amendments*]

SEN. COMM. 13-233: Transmittal of S. B. NO. 13-3, entitled, "A Bill for an Act to give members of the judiciary the right to waive their salary and instead receive their retirement benefits; and for other purposes," which the Senate passed September 12, 2003. [For action]

SEN. COMM. 13-234: Transmittal of S. B. NO. 13-6, entitled, "A Bill for an Act to forgive educational financial assistance liability of returning college students who cannot find employment with the Commonwealth due to budgetary limitations; and for other purposes," which the Senate passed on September 12, 2003. [For action]

SEN. COMM. 13-235: Transmittal of S. B. NO. 13-54, entitled, "A Bill for an Act to amend 1 CMC § 7723 of the Government Safety Deposit Act to require that all government monies, funds, and revenues be deposited with financial institutions whose deposits are insured by the Federal Insurance Deposit Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC)," which the Senate passed on September 12, 2003. [For action]

SEN. COMM. 13-236: Transmittal of S. B. NO. 13-55, entitled, "A Bill for an Act to amend 4 CMC §§ 3302 and 307 of the Investment Incentive Act of 2002, to mandate that certain enumerated private medical service providers are eligible to apply for a Qualifying Certificate to defray certain tax burdens incurred as a direct result of the failure of Government Health and Life Insurance and Hawaii Pacific Medical Referrals to process and pay legitimate claims in a timely manner," which the Senate passed on September 12, 2003. [For action]

SEN. COMM. 13-237: Transmittal of S. B. NO. 13-58, entitled, "A Bill for an Act to amend Public Law 9-2 to require that the Legislature give notice of all meetings and the agenda to be discussed at such meetings in compliance with the Open Government Act's notice requirements set forth at 1 CMC § 9910," which the Senate passed on September 12, 2003. [For action]

SEN. COMM. 13-238: Transmittal of S. B. NO. 13-75, entitled, "A Bill for an Act to provide requirements and conditions for tax credit for contribution to the Commonwealth of the Northern Mariana Islands Scholarship Office; and for other purposes," which the Senate passed on September 12, 2003. [For action]

SEN. COMM. 13-239: Transmittal of S. B. NO. 13-131, entitled, "A Bill for an Act to amend 6 CMC to provide stricter penalties for those involved in the robbery of poker arcades; and for other purposes," which the Senate passed on September 12, 2003. [For action]

SEN. COMM. 13-240: Transmittal of S. B. NO. 13-136, entitled, "A Bill for an Act to amend 3 CMC § 4301 to lower the amount of requirement investment for the foreign retiree investment certificate; to amend 3 CMC § 4331 to extend the duration of entry permits for non-resident senior citizens; and for other purposes," which the Senate passed on September 12, 2003. [For action]

SEN. COMM. 13-241: Transmittal of S. B. NO. 13-137, entitled, "A Bill for an Act to amend 3 CMC § 2225 and 3 CMC § 2227 to allow physicians licensed in Japan to practice in the Commonwealth of the Northern Mariana Islands; and for other purposes," which the Senate passed on September 12, 2003. [For action]

SEN. COMM. 13-242: From Senators Pete Reyes, David Cing and Ramon Guerrero regarding suspending Rep. Dela Cruz.

SEN. COMM. 13-243: From Sen. Ramon S. Guerrero, Sen. President Pro Tem, calling the Senate into session.

SEN. COMM. 13-244: Change of Chairmanship of Senate Standing Committees.

SEN. COMM. 13-245: From Sen. President Paul Manglona requesting the Secretary of Finance to suspend any transaction in regards to the Senate Committees accounts.

SEN. COMM. 13-246: From Sen. Cing regarding US Navy preposition ships.

SEN. COMM. 13-247: From Sen. President Paul Manglona calling for a continuation of the Senate recess of August 27, 2003.

SEN. COMM. 13-248: From Senators Guerrero, Reyes, Cing and Villagomez requesting President Manglona to convene the Senate into Special Session on September 9, 2003.

SEN. COMM. 13-249: From Sen. President Manglona responding the request for a Senate session on September 9, 2003.

SEN. COMM. 13-250: From Sen. President Reyes calling the Senate into special session.

SEN. COMM. 13-251: From Sen. President Manglona informing Acting Governor Benavente that a complaint has been filed to have the court resolve several matters of the Senate.

SEN. COMM. 13-252: Appointment of Chairmanship for Senate Standing Committees.

SEN. COMM. 13-253: Transmittal of S R. NO. 13-68 entitled, "A Senate Resolution acting in a bipartisan spirit to create the most effective m possible in the most challenging times – reorganize the leadership of the Senate by identifying the officers and committee leaders of the Senate of the Thirteenth Commonwealth Legislature." [Certified copy]

SEN. COMM. 13-254: From Sen. President Reyes calling the Senate to meet in special session on Tuesday, September 16, 2003.

SEN. COMM. 13-255: Return of H. J. R. NO. 13-020 (Fight against Terrorism), which was adopted on September 17, 2003. [Will go to Governor]

SEN. COMM. 13-256: Return of H. J. R. NO. 13-023 (Mariana Islands Legislatures Assn.), which was adopted on September 17, 2003. [Will go to Governor]

SEN. COMM. 13-257: Return of H. J. R. NO. 13-027 (re. Medicaid statutory matching rate), which was adopted without amendment on September 17, 2003. [Will go to Governor]

SEN. COMM. 13-258: Return of H. J. R. NO. 13-033 (Museum FTEs), which was adopted without amendment on September 17, 2003. [Will go to Governor]

SEN. COMM. 13-259: Return of H. B. NO. 13-199 (Security Deposit refund), which was passed without amendment on September 17, 2003. [Will go to Governor]

SEN. COMM. 13-260: Return of H. B. NO. 13-235, HD2 (MVA Field Operations transfer), which was passed without amendment on September 27, 2003. [Will go to Governor]

SEN. COMM. 13-261: Return of H. B. NO. 13-294 (PSS exemption for hiring nonresident workers for critical services), which was passed without amendment on September 17, 2003. [Will go to Governor]

SEN. COMM. 13-262: Transmittal of S. B. NO. 13-61, entitled, "A Bill for an Act to mandate General Education Development (GED) a statutory mandate in the educational system of the Commonwealth of the Northern Mariana Islands, and for other purposes," which was passed on September 17, 2003. [For action]

SEN. COMM. 13-263: Transmittal of S. B. NO. 13-80, entitled, "A Bill for an Act to amend the Commonwealth Weapons Control Act to provide requirements and conditions for temporary use of

firearms for hunting under the supervision of a licensed vendor; and for other purposes,” which was passed on September 17, 2003. [For action]

SEN. COMM. 13-264: Transmittal of S. B. NO. 13-92, entitled, “A Bill for an Act to grant mayors greater autonomy in the exercise of their constitutional and statutory responsibilities; and for other purposes,” which was passed on September 17, 2003. [For action]

SEN. COMM. 13-265: Transmittal of S. B. NO. 13-121, entitled, “A Bill for an Act to amend 4 CMC § 5554 and 4 CMC § 5557 to allow the sale of alcoholic beverages by on-sale licensees operating within the Sterile Passenger holding areas at Commercial Airports of the Commonwealth of the Northern Mariana Islands, without restriction as to the hours or day of sale; and for other purposes,” which was passed on September 17, 2003. [For action]

SEN. COMM. 13-266: Transmittal of S. B. NO. 13-144, entitled, “A Bill for an Act to amend 2 CMC § 4323; to require the Marianas Public Lands Authority to grant title to public land for qualified individuals who demonstrated fifteen (15) years of continuous and actual occupancy of public land, but did not receive such title despite being qualified because of their exclusion from the list of qualified persons established by MPLA; to mandate that MPLA review all past and pending claims and grant such title to qualified individuals; to amend 2 CMC § 4324 to extend the time limitation for new claims made pursuant to 2 CMC § 4323 from twelve (12) to twenty-five (25) years; and for other purposes,” which was passed on September 17, 2003. [For action]

SEN. COMM. 13-267: Transmittal of S. B. NO. 13-153, entitled, “A Bill for an Act to amend 2 CMC Section 5106; and for other purposes,” which was passed on September 17, 2003. [For action]

SEN. COMM. 13-268: Transmittal of S. B. NO. 13-152, entitled, “A Bill for an Act to allow the garment industry to make appropriate adjustments to the quota elimination in 2004 and for other purposes,” which was passed on September 17, 2003. [For action]

SEN. COMM. 13-269: Transmittal of S. B. NO. 13-154, entitled, “A Bill for an Act to amend 2 CMC § 1316(n); and for other purposes,” which was passed on September 17, 2003. [For action]

SEN. COMM. 13-270: Return of H. B. NO. 13-120 (Federal Assistance Programs Office Establishment), which was passed without amendment on August 27, 2003. [Will go to Governor]

SEN. COMM. 13-271: Return of H. B. NO. 13-130, HS1 (Youth Congress Revision Act), which was passed on August 27, 2003 in the form of H. B. NO. 13-130, HS1, SD1. [*For action on Senate amendments*]

SEN. COMM. 13-272: Return of H. B. NO. 13-165 (Include DPS Commission as nonvoting MVA Board member), which was passed by the Senate without amendment on August 27, 2003. [Will go to Governor]

SEN. COMM. 13-273: Return of H. B. NO. 13-183, HD1 (DLNR administering authority), which was passed without amendment on August 27, 2003. [For action]

SEN. COMM. 13-274: Return of H. B. NO. 13-197, HD1, (\$1M Reappropriation for Francisco M. Palacios Baseball Field and track and field), which was passed by the Senate without amendment on August 27, 2003. [Will go to Governor]

SEN. COMM. 13-275: Return of H. B. NO. 13-271, HD1, (\$38,852.00 Reappropriation for Lower Dandan anti-skid project) which was passed without amendment on August 27, 2003. [Will go to Governor]

SEN. COMM. 13-276: Return of H. B. NO. 13-277, HD2 (Appropriation for Headstart centers) which was passed on August 27, 2003 in the form of H. B. NO. 13-277, HD2, SD1. [*For action on Senate amendments*]

SEN. COMM. 13-277: Return of H. B. NO. 13-290 (Reappropriation for construction of pavilions in Tanapag), which was passed on August 27, 2003. [Will go to Governor]

SEN. COMM. 13-278: Return of H. B. NO. 13-291 (Appropriation for various projects in Precinct IV: As Matuis power upgrade, lighting, Capitol Hill park facilities, Capitol Hill & Tanapag resurfacing of basketball/tennis courts), which was passed on August 27, 2003. [Will go to Governor]

SEN. COMM. 13-279: Return of H. B. NO. 13-319 (Regulate Land Exchange), which was passed without amendment on August 27, 2003. [Will go to Governor]

SEN. COMM. 13-280: Return of H. B. NO. 13-321 (CDA Development Banking Asset Account Appropriation), which was passed on August 27, 2003 in the form of H. B. NO. 13-321, SD1. [*For action on Senate amendments*]

SEN. COMM. 13-281: Transmittal of S. B. NO. 13-146, "A Bill for an Act to reserve the areas of public lands on the island of Tinian that are suitable for village and/or agricultural homesteads, specifically the Kastiyu and Carolinas areas; and for other purposes," which was passed on August 27, 2003. [For action]

SEN. COMM. 13-282: Transmittal of S. B. NO. 13-147, SD1, entitled, "A Bill for an Act to provide stricter penalties for violations of the CNMI Ethics Code, and for other purposes," which was passed on August 27, 2003. [For action]

SEN. COMM. 13-283: Transmittal of S. B. NO. 13-148, entitled, "A Bill for an Act to amend the Selective Service Compliance Act of 1999 to provide that a person who has received a dishonorable discharge from the United States Armed Forces shall not be eligible to be employed by the Commonwealth Government; and for other purposes," which was passed on August 27, 2003. [For action]

SEN. COMM. 13-284: Transmittal of S. R. NO. 13-63, entitled, "A Senate Resolution acting in a bipartisan spirit to create the most effective government possible in these challenging times by appointing Senator Ramon S. "Kumoi" Guerrero to be the Vice President of the Senate of the Thirteenth Northern Marianas Commonwealth Legislature to fill the vacant position created by the resignation and suspension of Senator Jose M. Dela Cruz," which was adopted on August 27, 2003.

SEN. COMM. 13-285: Transmittal of S. R. NO. 13-64, entitled, "A Senate Resolution to clarify the intention that the resignation of Senator Atalig is effective of the date that he is sentenced rather than the date he begins serving his sentence, thereby superceding the relevant provisions set forth in Senate Resolution 13-54," which was adopted on August 27, 2003.

There was no discussion on the Senate Communications and the motion was carried by voice vote.

Speaker Hofschneider: SEN. COMM. 13-207 thru SEN. COMM. 13-285 are hereby accepted by the House.

HOUSE COMMUNICATIONS

HSE. COMM. 13-74: From Rep. Stanley Torres to the Speaker regarding Boards, Commissions and Authorities with respect to the CNMI laws.

HSE. COMM. 13-75: From Rep. Stanley Torres to the US Secretary of Education regarding WASC.

HSE. COMM. 13-76: From Rep. Stanley Torres to Acting AG Lemons regarding selected non-issuance of AFE's for Chinese Garment Factory Workers.

HSE. COMM. 13-77: From Rep. Gloria Cabrera to DPH Secretary James Hofschneider regarding the resignation of seven ER physicians.

HSE. COMM. 13-78: From Rep. Stanley Torres to Regent Chair Vincent Seman regarding Ms. Lenice Kapileo's termination.

HSE. COMM. 13-79: Vice Speaker Tenorio's and Rep. Aldan's trip report of July 16-8, 2003.

HSE. COMM. 13-80: From Rep. Stanley Torres to DPL Commissioner Henry Hofschneider requesting for inspection of documents pertaining to the heirs of Josepha Fausto.

HSE. COMM. 13-81: From Rep. Stanley Torres to DPL Commissioner Henry Hofschneider with concerns on the first inspection of the documents pertaining to the heirs of Josepha Fausto and requests for additional documents for inspection.

HSE. COMM. 13-82: From Rep. Stanley Torres regarding the confirmation of Ms. Pam Brown as Attorney General.

HSE. COMM. 13-83: From Rep. Stanley Torres to NMC President Kenneth Wright regarding the College Lab School.

HSE. COMM. 13-84: From Rep. Stanley Torres to Dr. Barbara Beno, Executive Director for ACCJC regarding NMC and NMC Employee Protections.

HSE. COMM. 13-85: From Rep. Stanley Torres relative to NMC and the Pacific Gateway Project.

HSE. COMM. 13-86: Statement of Rep. Herman Palacios relative to the Emergency Immigration Regulation.

Speaker Hofschneider: May I remind members that some of you have yet to submit your trip report. Under the House Rules they're due. Please try and get them in. We have members submitting their trip reports on the calendar today and I recognize some of you have yet to submit a trip report. Under the House Rules, members are supposed to submit a trip report. Any comment under House Communications? None. We move on to Communications from the Judicial Branch.

COMMUNICATIONS FROM THE JUDICIAL BRANCH

JUD. BR. COMM. 13-18 – August 5, 2003 – From Chief Justice Demapan certifying to the position of Director of Courts.

JUD. BR. COMM. 13-19 – August 21, 2003 – From Chief Justice Demapan requesting for an appropriation of \$175,000 for the 15th year anniversary of the NMI Supreme Court on May 1, 2004.

Speaker Hofschneider: I believe JUD. BR. COMM. 13-19 from Chief Justice Demapan requesting for an appropriation of \$175,000 for the 15th year anniversary of the NMI Supreme Court on May 1, 2004. I think it's an honor to receive the United States Supreme Court Justice Sandra Day O'Connor who had accepted the invitation to come and celebrate the 15th year anniversary. It's one of those hallmarks in the Commonwealth judicial endeavor in which the recognition of the Appeals process will be marked on that day.

Floor Leader Attao: Mr. Speaker.

The Chair recognized the Floor Leader.

Floor Leader Attao: May I ask the Chairman on the Committee on Ways and Means to take a look at JUD. BR. COMM. 13-19 to at least provide maybe 50% out of the \$175,000?

Speaker Hofschneider: Thank you. Any other comments?

Floor Leader Attao voiced, "ready."

The Chair recognized Representative Ada.

Rep. Ada: I don't know if it's appropriate at this time, Mr. Speaker – all the criminal laws from the Trust Territory time to the present have been updated as per our Law Revision Commission office. Any member who wishes to get information may contact my office or the website. Thank you.

Speaker Hofschneider: Is the product too voluminous to provide members for their review? For the members' information, under the law, Representative Ada is automatically a member of the Law Revision Commission as well as the judiciary committee of the Senate. He sits on that panel with the Supreme Court and all the members. I believe he has reported that the Law Revision Commissions is undergoing or is it completed?

Rep. Ada: We have a few more to go through with the contractor, Sandra, one of the previous attorneys of the AG's Office. She's working on it and when we do have the final product we'll have it available. Right now a CD ROM is available where all the laws pertaining to criminal law from the Trust Territory time has been listed and ready for your reference. But there's another contract that's going on to update everything. So that's another one. Thank you.

The Chair recognized Representative Palacios.

Rep A. Palacios: Mr. Speaker, I'd like to request for a copy of DEPT. & AGENCY COMM. 13-290. This is relative to the Western Pacific Community Development Program Application and Demonstration Project.

Speaker Hofschneider: We have not gone down to that item of the agenda. We're still under Communications from the Judicial Branch.

Rep A. Palacios: Oh, I'm sorry.

Speaker Hofschneider: Any other comments on Communications from the Judicial Branch? None. We'll move down to Communications from Departments and Agencies and, clerk, may we provide the Representative a copy?

COMMUNICATIONS FROM THE RESIDENT REPRESENTATIVE

None

COMMUNICATIONS FROM DEPARTMENTS & AGENCIES

DEPT. & AGENCY COMM. 13-273 – December 9, 2002 – From the Secretary of Public Health regarding the change in practice for Family Escort and Preferred Referral Destinations.

DEPT. & AGENCY COMM. 13-274 – February 4, 2003 – From. Dr. Rita Inos, PSS, enclosing a plan for future CIP for PSS.

DEPT. & AGENCY COMM. 13-275 – July 11, 2003 – From Mr. Rudy Pua, EMO, regarding physical inventory of all CNMI SmartNet Radios.

DEPT. & AGENCY COMM. 13-276 – July 17, 2003 – From Ms. Marylou Ada, CDA, commenting on H. B. NO. 13-275.

DEPT. & AGENCY COMM. 13-277 – July 18, 2003 – From Mr. Carlos Salas, CPA, supporting the appointment of Mr. Barbara Yamada to the CPA Board.

DEPT. & AGENCY COMM. 13-278 – July 22, 2003 – From Mr. Herman S. Sablan, Procurement & Supply, regarding government vehicle inventory and inspection.

DEPT. & AGENCY COMM. 13-279 – July 23, 2003 – From Ms. Louise Concepcion, PSS, attaching PSS's FY 03-04 Revised Supplemental Fund for Federal Assistance for the Head Start Program.

DEPT. & AGENCY COMM. 13-280 – July 24, 2003 – From Mr. Edward Tenorio, OMB, forwarding a copy of CDBG, HOME and ESG Grants for review and consideration.

DEPT. & AGENCY COMM. 13-281 – July 25, 2003 – From Mr. Frank Eliptico, MPLA, in response to Rep. Stanley Torres' inquiry on Apex.

DEPT. & AGENCY COMM. 13-282 – Proposed changes to Regulations governing Screening Requirement for Alien Employees.

DEPT. & AGENCY COMM. 13-283 – July 24, 2003 - From Acting SAPLR Nace Soalablai, acknowledging receipt of H. R. NO. 13-156 and H. R. NO. 13-157.

DEPT. & AGENCY COMM. 13-284 – July 28, 2003 - From Acting SAPLR Nace Soalablai, acknowledging receipt of H. R. NO. 13-154, H. R. NO. 13-155, H. R. NO. 13-159 and H. R. NO. 13-160.

DEPT. & AGENCY COMM. 13-285 – July 28, 2003 - From Acting SAPLR Nace Soalablai acknowledging receipt of H. R. NO. 13-163.

DEPT. & AGENCY COMM. 13-286 – August 6, 2003 – From the Public Auditor regarding the monthly subsistence allowance to Senate members (AR-03-05).

DEPT. & AGENCY COMM. 13-287 – August 7, 2003 – From Mr. Richard Seman, DFW, regarding H. R. NO. 13-165, requesting for a study of fish and other marine life adjacent to Puerto Rico Dump.

DEPT. & AGENCY COMM. 13-288 – August 8, 2003 – From Mr. Jim Rayphand, NMPASI, requesting for support of the initiatives being taken to celebrate August 24-30 as Advocacy Week.

DEPT. & AGENCY COMM. 13-289 – August 8, 2003 – From Mr. Bob Schwalbach regarding the Governor's participation in IGIA meeting on September 10.

DEPT. & AGENCY COMM. 13-290 – August 11, 2003 – From Chairman Herman T. Guerrero, BOE, regarding PSS funding.

DEPT. & AGENCY COMM. 13-291 – August 11, 2003 – From Mr. Tom Pangelinan, DLNR, to the Acting AG regarding authority of the CNMI over submerged lands and waters.

DEPT. & AGENCY COMM. 13-292 – August 11, 2003 - From Acting SAPLR Nace Soalablai acknowledging receipt of H. J. R. NO. 13-28 and H. J. R. NO. 13-31.

DEPT. & AGENCY COMM. 13-293 – August 11, 2003 – From Chairman Herman T. Guerrero, BOE, regarding assessments of crowding issue and new classrooms.

DEPT. & AGENCY COMM. 13-294 – August 12, 2003 – From Mr. Jonas Ogren, MVA, enclosing a copy of MVA's 2002 Annual Report.

DEPT. & AGENCY COMM. 13-295 – August 18, 2003 – From Mr. Juan I. Castro, DEQ, to Mr. Richard Seman relative to H. R. NO. 13-165.

DEPT. & AGENCY COMM. 13-296 – August 18, 2003 – From Ms. Virginia Villagomez, CIP Administrator, enclosing a CIP Status Report ending June 2003.

DEPT. & AGENCY COMM. 13-297 – August 19, 2003 – From the Public Auditor regarding the hiring of nurses by CHC directly versus through manpower services (AR-03-06).

DEPT. & AGENCY COMM. 13-298 – August 21, 2003 – From Mr. Edward Tenorio, OMB, forwarding the Western Pacific Community Development Program Application and Demonstration Project for review and consideration.

DEPT. & AGENCY COMM. 13-299 – August 21, 2003 – From Mr. Tom Pangelinan, DLNR, providing a listing of members to the proposed Marine Task Force.

DEPT. & AGENCY COMM. 13-300 – August 22, 2003 – From Mr. Edward Tenorio, forwarding the Local Law Enforcement Block Grants Programs for review and consideration.

DEPT. & AGENCY COMM. 13-301 – August 22, 2003 - Commonwealth Register Vol. 25, No. 7 (Immigration – AG, Personnel – OPM, QC – CDA, Lottery, DOF, Customs – DOF, Hunting – DLNR).

DEPT. & AGENCY COMM. 13-302 – August 24, 2003 – From Ms. Becky Lizama, CRM, regarding nomination for national and local awards.

DEPT. & AGENCY COMM. 13-303 – August 25, 2003 – From Mr. Joe I. Quitugua, DOF, regarding JD Edward Financial Management System scheduled downtime.

DEPT. & AGENCY COMM. 13-304 – August 27, 2003 – From Mr. Tom Pangelinan, DLNR, regarding CPA's request for transfer of DFW's dredging permit at Sugar Dock.

DEPT. & AGENCY COMM. 13-305 – August 28, 2003 – From Ms. Doris Pladevega, (CJPA) regarding the CNMI's compliance with The Wetterling Act.

DEPT. & AGENCY COMM. 13-306 – August 29, 2003 – From Mr. Robert Schrack, DOF, requesting the AGO for a legal opinion on Senate Committee Expenditure Authority.

DEPT. & AGENCY COMM. 13-307 – September 1, 2003 – From Mr. Jesus D. Camacho regarding the NMC Pacific Gateway Project.

DEPT. & AGENCY COMM. 13-308 – Department of Commerce Quarterly Economic Indicators Report for April – June 2003.

DEPT. & AGENCY COMM. 13-309 – September 2, 2003 – From Mr. Fermin Atalig, DOC, submitting a copy of the Comprehensive Economic Development Strategy (CEDS).

DEPT. & AGENCY COMM. 13-310 – September 4, 2003 – From Ms. Lorraine Babauta, CUC, enclosing a copy of CUC plans to phase out nonresident workers.

DEPT. & AGENCY COMM. 13-311 – September 8, 2003 – From Mr. Karl T. Reyes, NMIRF, with regards to appropriations to the Fund in the FY 2004 Budget.

DEPT. & AGENCY COMM. 13-312 – September 11, 2003 – From Mr. Juan S. Reyes, DPW, requesting for additional FTE's.

DEPT. & AGENCY COMM. 13-313 – September 11, 2003 – From Mr. Tom Pangelinan, DLNR, requesting the Legislature to amend 2 CMC § 5106.

DEPT. & AGENCY COMM. 13-314 – May 30, 2003 – From Mr. Juan S. Reyes, DPW, requesting the Legislature to grant the department additional extension in hiring nonresident workers.

DEPT. & AGENCY COMM. 13-315 – August 18, 2003 – From Mr. Henry Hofschneider, MPLA, regarding the development of the Samoan Housing Area.

DEPT. & AGENCY COMM. 13-316 – From Ms. Emi Peter-Palican, WAO, regarding the 2nd Annual CNMI Family Fitness Fair on September 27, 2003.

DEPT. & AGENCY COMM. 13-317 – September 9, 2003 – From Chairman Juan S. Tenorio, CDA, expressing appreciation extended to him as member of the CDA Board.

Speaker Hofschneider: Any comments on Communications from Departments and Agencies?

Rep. S. Torres: Mr. Speaker.

The Chair recognized Representative Stanley Torres.

Rep. S. Torres: Regarding DEPT. & AGENCY COMM. 13-281, the response from the MPLA on the APEX write off, this was done since 1999. So it looks like we're not – it's impossible to get that thing credited. I provided copies to every member when I received that response. I guess we just cannot do anything about it.

Speaker Hofschneider: 1999?

Rep. S. Torres: Since 1999. Now I don't know whether it's fully paid, but I understand that it's a write off.

Speaker Hofschneider: Is there an attachment to the agreement, Representative Torres?

Rep. S. Torres: I provided the three-page agreement.

Speaker Hofschneider: You provided the members?

Rep. S. Torres: Yes.

Speaker Hofschneider: Thank you.

Rep. S. Torres: Through the pigeon box.

Speaker Hofschneider: If you have a copy, may we have it officially submitted on the floor?

Rep. S. Torres: I'll do it this afternoon, sir.

Speaker Hofschneider: Thank you. Any other comments on Communications from Departments and Agencies?

Rep. A. Palacios: Mr. Speaker.

The Chair recognized Representative Arnold Palacios.

Rep. A. Palacios: Thank you, Mr. Speaker. Mr. Speaker, I'd like to ask the members to refer to DEPT. & AGENCY COMM. 13-313. This is from the Secretary of the Department of Lands and Natural Resources requesting the Legislature to amend 2 CMC § 5106. This is a very critical amendment that we need to take

into consideration. I'm not sure if the Floor Leader is working on it or he had probably introduced something relative to the legislation. It is necessary because we stand to lose a lot of federal grants that have been funding the Division of Fish & Wildlife because of a small glitch in the existing statute. Basically the U. S. Fish & Wildlife federal statutes that provides for federal funds to all states, territories and the commonwealths require that all fish and game permit fees deposited into an account and may only be used for the purpose of fish and game conservation and management programs only and may not for any other purposes. So I would estimate that the Commonwealth collects not more than \$25,000 in annual fees for fishing and hunting permits but we'll get close to \$2,000,000 sometimes \$3,000,000 a year from the federal program by keeping this \$25,000 in an account to be used only for fish and game management and conservation program, Mr. Speaker. I believe we really need to work on this. This is critical. Thank you.

Speaker Hofschneider: I guess basically the problem, Representative Palacios, is the Governor reprogramming those fish & wildlife funds into the general fund.

Rep A. Palacios: I believe that's the case as well as, I guess, all the other earmarking accounts over the years that have been set aside for special purposes are now being reprogrammed into the general fund. This is one of the problems that it is critical that we set aside those funds. Thank you.

Speaker Hofschneider: May I ask you, Representative Palacios, to acquire those or seek the department's copies on all the litigations of those funds being reprogrammed and what purpose by our next session?

Rep A. Palacios: Thank you. I can do that, Mr. Speaker.

Speaker Hofschneider: Thank you. Any other comments on Communications from Departments and Agencies? DEPT. & AGENCY COMM. 13-311, this is regarding the letter from the Retirement Fund again. I guess this is their last appeal to insure that the retirees will be able to be paid on time. Any other comments?

Vice Speaker Tenorio: Mr. Speaker.

The Chair recognized the Vice Speaker.

Vice Speaker Tenorio: Thank you. Mr. Speaker and members, I just wanted to call your attention to DEPT. & AGENCY COMM. 13-314. This is from the Secretary of the Department of Public Works requesting extension of Public Law 12-34 to authorize them to hire technical people. This is very urgent especially now when we do a lot of technical work by the department.

Speaker Hofschneider: The Floor Leader introduced the bill this morning to take care of that.

Vice Speaker Tenorio: Thank you, Mr. Speaker.

Speaker Hofschneider: Any other comments? None. Since there's an agreement to recess so that we can attend the funeral, we'll recess and return at 1:30 p.m. and continue our session. I ask all members to try and make it at least ten or fifteen minutes early so that we can discuss the final version of the budget this afternoon. Recess.

Vice Speaker Tenorio: So move.

Speaker Hofschneider: We'll recess until 1:30 p.m.

The House recessed at 10:45 a.m.

RECESS

The House reconvened at 2:18 p.m.

Speaker Hofschneider: We're back to our session and before recess, we we're discussing Communications from Departments and Agencies. Before we proceed, with no objection on the floor, we'll go back to Prefiled and Introduction of Bills for the Committee on Ways and Means Chairperson to introduce the Budget Act.

There being no objection; the House went back to Prefiled and Introduction of Bills.

PREFILED AND INTRODUCTION OF BILLS

Speaker Hofschneider: Thank you. We're back to Item 3 of the calendar, Prefiled and Introduction of Bills and I recognize Representative Stanley Torres.

Rep. S. Torres introduced the following:

H. B. NO. 13-335: A Bill for An Act to make appropriation for the operations and activities of the Government of the Commonwealth of the Northern Mariana Islands, its agencies, instrumentalities, and independent programs, and to provide budget authority for public corporations for Fiscal Year 2004; and for other purposes.

Offered by: Rep. Stanley T. Torres

Speaker Hofschneider: Thank you. Members, please just write in on your copy H. B. NO. 13-335. Chairman Torres, could you please for the record, also submit the attachment, the summary of appropriations? Now we move to Resolution Calendar. Representative Torres, before we move to Resolution Calendar, do you have bills to introduce? None.

Rep. S. Torres: None, sir.

Speaker Hofschneider: Under Prefiled and Introduction of Resolutions?

Rep. S. Torres: Yes.

PREFILED AND INTRODUCTIONS OF RESOLUTIONS

H. C. R. NO. 13-003: A House Concurrent Resolution to identify and approve the financial resources of the Commonwealth of the Northern Mariana Islands Government for Fiscal Year 2004 in accordance with the Planning and Budgeting Act, as amended, specifically 1 CMC § 7201(d).

Offered by: Rep. Stanley T. Torres

Speaker Hofschneider: H. C. R. NO. 13-003—is that right?

Rep. S. Torres: Yes.

Speaker Hofschneider: Thank you. With that, we move to Resolution Calendar.

RESOLUTION CALENDAR

Speaker Hofschneider: Under Resolution Calendar, I recognize the Floor Leader for two resolutions.

Floor Leader moved for the suspension of Rule VII, Section 10, Rule IX, Sections 9, 10 and 11 for the placement and adoption of H. R. NO. 13-169 and H. J. R. NO. 13-035, was seconded by Rep. Herman Palacios and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao moved for the adoption of H. R. NO. 13-169 and H. J. R. NO. 13-035, was seconded by two others and carried by voice vote.

H. R. NO. 13-169: A HOUSE RESOLUTION TO PAY SPECIAL TRIBUTE TO JUAN SABLAN TENORIO FOR HIS OUTSTANDING SERVICE AND CONTRIBUTIONS TO THE PEOPLE OF THE COMMONWEALTH IN THE VARIOUS ROLES OF RESPONSIBILITY HE HAS PERFORMED OVER THE PAST TWO DECADES.

H. J. R. NO. 13-035: A HOUSE JOINT RESOLUTION RESPECTFULLY REQUESTING THE PSS TO ALLOCATE AND MAKE PAYMENT IN THE AMOUNT OF \$130,000 FOR THE COMPENSATION OF THE SIXTEEN PSS EMPLOYEES WHO DID NOT RECEIVE THE ENTIRE 14% PAY INCREASE AS MANDATED BY PUBLIC LAW 7-31; AND FOR OTHER PURPOSES.

Speaker Hofschneider: H. R. NO. 13-169 and H. J. R. NO. 13-035 are hereby adopted by the House.

BILL CALENDAR

Speaker Hofschneider: I recognize the Floor Leader under Bill Calendar to calendar the Budget Bill for discussion purposes next week.

Floor Leader Attao: Okay, thank you, Mr. Speaker. Mr. Speaker, if there's no objection from the members, I move to place H. B. NO. 13-335 on the Bill Calendar.

There was no objection and the motion to place H. B. NO. 13-335 on Bill Calendar was seconded and carried by voice vote.

Speaker Hofschneider: H. B. NO. 13-335 is hereby placed on the day's calendar. *Place i Concurrent Resolution on the calendar.*

Floor Leader Attao: We don't need to, we can do it Monday.

Speaker Hofschneider: No need?

Floor Leader Attao: No need.

Speaker Hofschneider: Alright. Okay, so as agreed, we will recess until Monday at 11:00 a.m. It'll give us time to meet on the Budget Bill and other things. We'll start our session on time on Monday at 11:00 a.m. Please read the Budget Bill and before we meet on Monday, the Leadership will convene at 9:00 a.m. Maybe then we'll come to an agreement on the Budget Bill now on the floor. With that, I recognize a motion to recess until Monday at 11:00 a.m.

Floor Leader Attao moved to recess until Monday, September 22, 2003 at 11:00 a.m., was seconded and carried by voice vote.

Speaker Hofschneider: Recess.

The House recessed at 2:26 p.m.

Respectfully submitted,

Lavida S. Palacios, Journal Clerk
House of Representatives

APPEARANCE OF LOCAL BILLS

H. L. B. NO. 13-046: To reappropriate the sum of \$25,461.00 on the fees collected form the Bingo, Batu, and Cockfight; and for other purposes. (REP. JESUS T. ATTAO) [3rd Appearance]

**HOUSE OF REPRESENTATIVES • THIRTEENTH LEGISLATURE • COMMONWEALTH OF THE NORTHERN
MARIANA ISLANDS**



House Journal

FOURTH REGULAR SESSION, 2003

Second Day

September 22, 2003

The House of Representatives of the Thirteenth Northern Marianas Commonwealth Legislature convened in its **Second Day, Fourth Regular Session**, on **Monday, September 22, 2003**, at **11:00 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.

The Clerk called the roll. Fifteen members were recorded present; Representatives Martin B. Ada, Norman S. Palacios and Stanley T. Torres came in late.

Speaker Hofschneider: Representative Norman Palacios is in the building. Hold off on marking him absent. Representative Stanley Torres is also in the office. So until Representative Ada shows up, I think we can all agree to mark him absent pending his appearance. Clerk, take note, Representative Norman Palacios, is present. I want to thank you for being in the leadership meeting on time and starting this session exactly at 11:00 a.m. as called.

ADOPTION OF JOURNALS

None

PREFILED AND INTRODUCTION OF BILLS

None

PREFILED AND INTRODUCTION OF RESOLUTIONS

None

MESSAGES FROM THE GOVERNOR

None

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

MISC. COMM. 13-224 – July 22, 2003 – From Dr. Jack Angello regarding Civil Service System Coverage for NMC employees.

MISC. COMM. 13-225 – July 28, 2003 – From Mr. Yoichi Matsumura extending appreciation to the House for the contribution made to the Micronesia Repatriation Association.

MISC. COMM. 13-226 – From Mr. Kevin Latham and Staff, Joeten-Kiyu Public Library extending appreciation for assistance extended to improve the library building and grounds.

MISC. COMM. 13-227 – From Mr. Felix Sablan regarding the status of the CNMI's contribution to the Palau Air proposal.

MISC. COMM. 13-228 – FCC Consumer Fact on Deregulation and Cable.

MISC. COMM. 13-229 – From Ms. Ruth Tighe – on my mind column.

MISC. COMM. 13-230 – August 13, 2003 – From Mr. Lorenzo LG. Cabrera, regarding the submerged lands decision.

MISC. COMM. 13-331 – August 14, 2003 – From Mayor Juan B. Tudela providing a copy of the quarterly newsletter, the Mayor's Report.

MISC. COMM. 13-332 – August 15, 2003 - From Ms. Frances Muña, SNIMC Administrative Officer, transmitting a certified copy of 7SMC-7RS-09 thru 7SMC-7RS-12.

MISC. COMM. 13-333 – August 15, 2003 – From Mayor Juan B. Tudela requesting for funding for the stray dog control and dog-licensing program.

MISC. COMM. 13-334 – Copy of the Mayor of the Northern Islands' budget priorities.

MISC. COMM. 13-335 – Launching of Palau Rock Island Air, Inc.

MISC. COMM. 13-236 – From Ms. Ruth Tighe – on my mind column.

MISC. COMM. 13-237 – From Dr. Kenneth Wright, NMC, regarding Rep. Stanley Torres' request for a copy of the La Fiesta Mall purchase agreement.

MISC. COMM. 13-238 – August 20, 2003 – From Dr. Julie Ulloa-Heath, Tinian University, seeking assistance relative to nonresident student entry.

MISC. COMM. 13-239 – From Ms. Brenda Tenorio, attaching a copy of Ruth Tighe's column relative to the 13th Legislature.

MISC. COMM. 13-240 – August 27, 2003 – From Mayor Juan B. Tudela, regarding the CNMI Prostate Cancer Awareness Week.

MISC. COMM. 13-241 – August 30, 2003 – From Ms. Brenda Tenorio enclosing a copy of Mr. Harry Blalock's Food for Thought.

MISC. COMM. 13-242 – September 3, 2003 - From Ms. Frances Muña, SNIMC Administrative Officer, transmitting a certified copy of 7SMC-7RS-16 thru 7SMC-7RS-22.

MISC. COMM. 13-243 – September 4, 2003 - From Ms. Frances Muña, SNIMC Administrative Officer, transmitting a certified copy of 7SMC-7RS-22 thru 7SMC-7RS-30.

MISC. COMM. 13-244 – Order granting respondents' motion for summary judgment re NMC v. CSC and Jack Angello.

MISC. COMM. 13-245 – September 9, 2003 – From Dr. Jesus Camacho attaching an article regarding NMC leadership.

MISC. COMM. 13-246 – September 10, 2003 – From Mr. Yoichi Matsumura, PDI, regarding an amendment to the MVA Act and H. B. NO. 13-15.

MISC. COMM. 13-247 – September 12, 2003 – From Mayor Juan B. Tudela regarding the unveiling of the first street name sign.

MISC. COMM. 13-248 – August 28, 2003 – From Chairman Pete Reyes, SNILD, rescheduling the SNILD Session to September 2, 2003.

MISC. COMM. 13-249 – September 15, 2003 – From Mr. N. Horiguchi regarding the Promnade Pedestrian Mall Project.

MISC. COMM. 13-250 – September 14, 2003 – From Ms. Ruth Tighe – on my mind column about the Garapan revitalization project.

MISC. COMM. 13-251 – September 15, 2003 – From Mr. Jesse P. Stein, Domestic Violence Center, regarding the proclamation of the month of October as Domestic Violence Awareness Month.

The Chair recognized Representative Babauta.

Rep. Babauta: Thank you, Mr. Speaker. Misc. Comm. 13-227 and Misc. Comm. 13-335 just out of curiosity, Mr. Speaker, I didn't know that the Commonwealth government was negotiating – and excuse my ignorance – negotiating to be part contributor of Palau Air. I was reviewing the communications, Mr. Speaker, and I concluded that the Commonwealth government has been asked to be part of such an endeavor with respect to the launching of the new aviation in the Micronesian region. Is this the case, Mr. Speaker?

Speaker Hofschneider: In reference to Misc. Comm. 13-227 from the Lieutenant Governor's Office, Mr. Felix Sablan, inquiring as to the status of the contribution, if you recall last year and I think middle part of this year, the people who put together this Palau Air came to present their proposal to the Legislature on behalf of the Palau Air's endeavor to include all Micronesian entities. And in that meeting we were told that the CNMI is the only pending participant and was asked if they would like to buy-in at a fixed share. The total share for the Commonwealth, like the other entities is half a million dollars to participate in what they call a truly Micronesian endeavor, to also promote the Marianas, Guam since they will be serving Palau, Philippines and Japan. They will also service, I believe Pohnape and the rest of Micronesia. Given the economic situation that we have today we do not have such amount to really dedicate towards the contribution into the Palau Air proposal. The Legislature really is not in the rightful obligation in terms of the contribution to made. This is an executive function. What the leadership may decide once the appropriate funds is identified and given to us, is consider the legislation to appropriate the funds for such use. The only funds that we can honestly think about using if we want to participate – we're being asked but we haven't concluded that the Commonwealth is in fact interested – the funds that we have committed to the PIDB, which we are an entity and we have contributed a million dollars, if I'm not mistaken. So half a million dollars may be used because PIDB is for all intents and purposes for investment with the Micronesian collaborative effort and this is just one of those that is being advocated as a Micronesian endeavor. So until we see a legislation come our way from the Administration as to using that money, I believe, the Administration has to work with CDA to make a determination if they want to use half a

million of that fund to pay in for our share. The expected date of services is sometime in December or earlier.

Rep. Babauta: Okay, I understand that, Mr. Speaker. If I may again, Mr. Speaker, I am aware that the APIL sanctioned such an endeavor I also remember during one of the APIL meeting that such an operation is being supported by the entities. However, because of the business plan update that's included, a copy of an email to you from the Office of the Lieutenant Governor, there was no detailed feasibility as to – I understand Continental Micronesia went into operations for the first fifteen years not making any profits at all. So I wish to bring this up to the attention of the members so whenever the legislation appears we need to really see the feasibility whether or not the contribution of the Commonwealth is feasible to be applied to such an endeavor without having humongous international carriers servicing the Pacific region, which is Guam and the CNMI from the United States and Asian markets. So I'm just a bit concerned and I wish to find out whether or not the Administration or the position on this have already been locked into the proposal. Thank you, Mr. Speaker.

Speaker Hofschneider: Thank you. Vice Speaker?

Vice Speaker Tenorio: Thank you. Mr. Speaker, just for the record and to clarify the allegation that this was discussed by the APIL, I think there are members of the APIL that subscribed to the airline but this was never discussed as a matter of discussion during our meetings. But I think this was discussed under the Strategic Economic Development Council (SEDC). Basically this is the Lieutenant Governor's baby and since he was also essential in PIDB, there were some discussions not commitment. I think the commitment is until the service starts here in Saipan then that's the time the government will participate. But there were some understanding or provisions for our participation. So just to straighten up the record. Thank you.

Speaker Hofschneider: Again, it's a policy decision on the Commonwealth because we made a big stink about another carrier to serve the Commonwealth and Micronesia and then we have this proposal before us and we're sort of dragging our feet in making decisions. So there seems to be somewhat of a reluctance as to being too good to be true until some physical evidence of the airline is actually up and going. I think that the Commonwealth have had experienced over the years of taking things face value and not materializing in the end. It's a failure in terms of the Commonwealth investment. Any other comments on Other Communications?

Rep. S. Torres: Mr. Speaker.

The Chair recognized Representative Stanley Torres.

Rep. S. Torres: Thank you. First of all, I'd like to say that I'm present in the chamber and may I continue on Other Communications?

Speaker Hofschneider: Clerk, note. You may continue.

Rep. S. Torres: Secondly, on the request that you asked me to come out with, a copy of the agreement of APEX – if I'm in line, may I continue?

Speaker Hofschneider: You may continue.

Rep. S. Torres: This agreement was dated September 1997. That's about six years ago when somebody came up with the idea of looking into it. I guess we're too late.

Speaker Hofschneider: Would you submit that as record please?

Rep. S. Torres: Yes. And I'd like to bring up the matter of the Governor making an advance of \$2.5 million to President Wright for deposit of the La Fiesta Mall. I have a copy of the certification of how the Governor should spend the money and in that certification signed by the Governor on June 9, 2003, it specifically says that the state will only use funds provided under the grant, federal payment, under 401(b)

of the Jobs and Growth Tax Relief Reconciliation Act of 2003 for types of expenditure permitted under the most recently approved budget for the state. And in the attachment of the grant and the drawdown are a list of projects that are not included in the existing budget. I think that the Governor has violated his own commitment to the Federal Treasury for funding such projects that are not listed in the present budget.

Speaker Hofschneider: Representative Torres, do we know factually if the \$2.5 came from that source or another source?

Rep. S. Torres: I believe so. It's in his drawdown statement attached to his response to my request under the Open Government Act.

Speaker Hofschneider: Could you submit that as an official document please? We'll take a short recess to duplicate it.

Rep. S. Torres: Yes, sir.

The House recessed at 11:18 a.m.

RECESS

The House reconvened at 11:25 a.m.

Speaker Hofschneider: We're back to our session and we all have copies relative to Representative Torres' comments on the Pacific Gateway Project. Any other comments on Other Communications?

Rep. H. Palacios: Mr. Speaker.

The Chair recognized Representative Herman Palacios.

Rep. H. Palacios: Can I move to resolve into Committee of the Whole and ask the legal counsel to just briefly explain this on layman's term what Representative Torres was just trying to describe?

Speaker Hofschneider: I think that we can come back later and allow the legal counsel to look at it because this is...

Rep. H. Palacios: Okay.

Speaker Hofschneider: So we can come back. Don't forget to request to go back and discuss that. It's an important issue.

REPORTS OF STANDING COMMITTEES

The Chair recognized the Floor Leader.

Floor Leader Attao moved for the suspension of Rule VII, Section 10, Rule IX, Sections 9, 10 and 11 for the adoption of S. C. R. NO. 13-094, S. C. R. NO. 13-095 and S. C. R. NO. 13-096, was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao moved for the adoption of S. C. R. NO. 13-094, S. C. R. NO. 13-095 and S. C. R. NO. 13-096 and was seconded by several members.

S. C. R. NO. 13-094: Reporting on H. L. I. NO. 13-013, entitled, "To amend article II Section 11 of Constitution of the commonwealth of the Northern Mariana Islands and authorize for the election of an Attorney General and for other purposes." *Your committee on JGO recommends passage.*

S. C. R. NO. 13-095: Reporting on H. B. NO. 13-112, entitled, "To restrict the planting of trees and other such vegetation below and around power lines and facilities; and for other purposes. *Your Committee on PUTC recommends passage of the bill in the form of a substitute.*

S. C. R. NO. 13-096: Reporting on H. B. NO. 13-168, entitled, "To establish the Commonwealth Respite Services Program; and to provide for community respite services programs." *Your Committee on Health & Welfare recommends passage of the bill in the form of a substitute.*

Speaker Hofschneider: The motion for adoption of S. C. R. NO. 13-094 reference H. L. I. NO. 13-003, S. C. R. NO. 13-095 reference H. B. NO. 13-112 and S. C. R. NO. 13-096 reference H. B. NO. 13-168 has been seconded. Discussion on the Standing Committee Reports. As always, I'd like the authors, particularly on S. C. R. NO. 13-094, to substantiate for legislative history. We need to go on record why this idea of proposing the question to the people to have the Attorney General of the Commonwealth be voted. May I ask the author to enlighten for legislative history since the Chairman on the Committee on Judiciary and Governmental Operations has not appeared? Recognized, Representative Stanley Torres.

Rep. S. Torres: Mr. Speaker and members, I think it is time, it's long overdue that we elect our Commonwealth Attorney General. Many years ago, criminal cases and other major cases have been hand picked, ignored or shelved to collect dust that should have been taken care, acted on. And the recent or a major issue that came up during the former Attorney General Robert Torres and his hasty departure from the Office as Attorney General proves that an elected Attorney General is required and should be mandated through a Legislative Initiative. I have come to several issues that may have been the cause of then Attorney General Torres' decision to exit. The refusal of the Governor to hire an independent prosecutor to handle the major cases is one. Another one is the Attorney General overridden by the present Governor's legal counsel as if the Attorney General who was nominated by the Governor and confirmed by the Senate is easily manipulated and overridden. I think that the elected AG must be emplaced no later than this coming election. We need an Attorney General who is answerable to the public and not to the Governor, the Lieutenant Governor and to the legal counsel deciding the Attorney General's decision in the backroom, as that's been the case of even the present Acting Attorney General. I don't know if he's truly making decision that's coming from him. I understand that the legal counsel to the Governor is on top of an issue that she tries to hire an attorney to become a Special Assistant to the Attorney General when she becomes an Attorney General, and that's Pamela Brown, and to hire this person at a salary of \$70,000 a year, which would make this person earn more salary than the senior Assistant AG's at the Office of the Attorney General. If this person is hired to be the Special Assistant to the Attorney General, she would be given duties and position to be made by the Attorney General and not from the description and qualification of an Assistant AG. This is to be specifically – *hafa na'an-na etyo i...*

Speaker Hofschneider: *Fino' Chamorro.*

Rep. S. Torres: *Para u ma fatinasiha iyon-na duties and responsibilities and not to be following the standard Assistant Attorney General's duties and responsibilities. Ya gi masanganek-hu, ti gof guiya lolkue este na petsona ni para u ma hire just because they are related or close friends just to give her a special sweetheart deal.* We need to have an elected AG to answer to the people and not to three people only or one person in the Executive Branch. It should be an Attorney General for the entire Commonwealth including us, members of the Legislature if we need to ask the Attorney General for legal opinion.

Speaker Hofschneider: If there's no objection, I'd like to ask the Vice Speaker to rise. I'm not going to take sides but I need to prod into the logic of why we should allow this legislation to go out on both sides because we have to discuss this. This is very critical whenever you attempt to amend the Constitution. No objection?

There was no objection.

At this time, Speaker Hofschneider stepped down from the dais; Vice Speaker Tenorio chaired the floor, and recognized Speaker Hofschneider.

Speaker Hofschneider: Mr. Vice Speaker, I would like to ask that we suspend tradition and practice and allow each member also to chip-in some of their ideas and understanding as to why the logic has to be supported. I'm not against the idea, I'm not in favor of the idea and I will present to you why. As the report have stated, there are other jurisdictions that are in the practice of electing their Attorney General. There is an attachment by the Deputy AG supporting an elected AG proposal namely this article is in quotation of then Deputy Attorney General Ramona Mangloña. In that respect she only stated that it is a fact that other jurisdictions have followed suit in electing their Attorney General. Let's bring the idea to the Commonwealth. At the most we can say that there's 70,000 populations. We're embarking in the third decade of local self-government. Nobody is in denial that we will be stumbling along the way as we mature in the democratic form of government and the practice of self-government. Nobody is in denial that we will practice the art of politics to the extreme as we have seen in the last two decades. I think that for the moment in time there are certain eras and periods in our growth, in governance, in economics and in social development. There are periods when we attempt to correct what we may view then as a perennial problem, a daunting failure, or ineptness or inadequacies in our laws and in our Constitution. That can be also applied with the idea of proposing to elect an attorney general. The good thing about having an elected attorney general is it will conform to the independence of the attorney general and applying or executing those duties and responsibilities as prescribed under the Constitution and laws of the Commonwealth. The current practice of having an appointed attorney general has the implication and the color that it has to somehow go more incline to a strong executive government rather than enforcing the laws and the Constitution of the Commonwealth at par. It is a theoretical concept that is ongoing in academics that when you're in the executive branch you advocate for a strong executive government. When you're in the legislature you advocate for a strong legislative branch. When you're in the judicial you advocate that side. That's why this triad of three branches of government works in the sense that there's checks and balances all throughout. When an attorney general is appointed by the Governor or the sitting Governor, in such a small island where everyone is related, almost everyone is related, it is difficult particularly when the office often times resort to the prosecutorial discretion and this, in the eyes of the people, is what plants the seed of injustices. Prosecutorial discretion is one that complicates the office. Salary caps, for instance, why couldn't the Attorney General prosecute or enforce the law but resort to prosecutorial discretion to hire an independent prosecutor. Why? Isn't the office shielded, insulated as prescribed in the Constitution? It is adequately provided. Our Office of the Attorney General is adequately provided. The problem is when those that are not supposed to be usurping or meddling in the affairs of the Attorney General insist upon that very interference or insistence, then it gives the appearance of the Attorney General somewhat questionable. What I worry the most is what we have seen as evidence in other jurisdictions where they elect their Attorney General. Here in the islands typically people will test those who aspire political careers, test the waters beginning with the Municipal Council, then they move up to the House of Representatives, then they move up to the Senate, then perhaps looking at the Commonwealth-wide and run for the Washington Representative. After being successful engaging the popularity, the acceptance of that candidacy Commonwealth-wide, he or she aspires to run for the highest office of the Commonwealth, the Governor. That is the traditional ladder of ascension. What appears to be quite concerning with this proposal is hypothetical because we never had the opportunity to elect our Attorney General so I will give you a hypothetical case. Suppose that this election this initiative has already been passed in the last election and suppose there are candidates for the Attorney General now placed for the upcoming ballot and this is a gubernatorial election. No matter how we define a political or nonpolitical activity, the Board of Education is one of those that are not supposed to align themselves. Judges retention, for instance, are not supposed to align themselves with any particular party. Well, guess what? If this election also contains several candidates running for the Office of the Attorney General and he or she does not align himself or herself, particularly to a forth running team such as the Republicans, the Democrats or the Covenants, and that party wins the gubernatorial seat and that attorney general who is elected has no affiliation at all or more particularly if that attorney general that is elected is identified with the Democrats and the Republicans won the gubernatorial guess what's going to happen? There will be constant scrutiny to a point where you almost paralyze the executive role, to a point where you almost incapacitate the Executive Branch. Why? For all intents and purposes, people identify with the under dogs, but follow the big dogs. We love to subscribe to that principle and I hate to see an elected attorney

general having the quiet aspiration of becoming a governor from day one in office create problems for an elected governor. I think that people have to rise to the challenge of insuring that when they go to the polling places they scrutinize candidates whether they be, Governors, House of Representatives or Senators or for what office. They have to scrutinize and be better responsible voters. We don't need to change the Office of the Attorney General. It's the appointment, the person appointing and the person that is appointed that should be scrutinized. Unfortunately, the House is not privy because of the Constitution giving that responsibility to the Senate. I think it'll be a healthier appointment process like the Office of the Public Auditor. It's the only office in the appointment and confirmation process that both houses have to concur. In essence what I'm saying is this may be just the medicine that will kill the patient rather than to save the patient may be just palliative in nature. Just because we may in fact disagree with the Governor on his appointments or disagree with the Governor at all, but the preservation of the institution is more critical. This may be in fact harder for people to talk about and grasp – and that's our job – that the emotions attached to it. I just fear that the Office of the Attorney General by way of having it elected will be forever politicized for ulterior motives, motives that may in fact present itself at any given time. We don't know of those motives. We don't know of those situations. I think there are evidences today in our community that we can honestly look at and turn and say we have come to maturity and that is public awareness. Our media are quite critical and that in itself awakens the consciences of people. We might not have to resort to extreme measures such as amending the Constitution to allow for an elected attorney general and not knowing the consequences thereof. On the other hand, what if the next gubernatorial produces another administration that may in fact present itself to being contentious in nature and presents another Office of the Attorney General in which things are not up to the expectation of the general public? We tend to react emotionally and not realize the long-term consequences. I think it's a matter of being totally responsible when we go to the polling places. Scrutinize the candidates running for a particular office. Ask the appropriate and right questions. The only resort that we can honestly lean on and it's almost facetious in nature to say but it is a fact – it is really easy to change the Constitution of the Commonwealth and that's sad. If you look at the original Constitution and the amendments thereafter and how many times we have in fact poked at the Constitution to change it to ensue particular eras, emotions and temperaments rather than really being focused on the real problem and that is us. Us. We use the institution for our self-centered purposes and neglect to check each other. The institution has to be preserved. Not us. We're using the institution to preserve ourselves and that is really the saddest part of our growing up. We tend to vote for our cousins because it is the right thing to do in spite of the fact whether they're not, perhaps they're not, qualified to run for that office. But we put him office and then turn around after being sworn in and blame him or her. It's not the institution that is defective, it's us and we don't want to talk about it. We don't educate our kids in public school and private school about ethics, about morals. Whenever the educational institution insist upon teaching morality and ethics some brilliant member of the community rises to the challenge and say separation of church and state. Look where this brought us to – we backstab each other. For what? For self-preservation, not for the sake of the institutions of this Commonwealth. So there're both sides. There're good things for their immediate remedies. When you elect he's answerable to the constituents and we have not really evolved, we have not given enough time for judge's retention to see the long-term effect of good judges not being retained. And for the same, it can be applied with an elected attorney general. The nature of this community may not be unique but it is unique enough given the context of the social implication – *familia*. The political structure, the political activities, the political institution itself needs major revamping, major. So we have not really seen the positive nor the negative attributes of a judge's retention and we're embarking of an elected attorney general. There may be good judges, not popular when they decided on a case, but just happened to make a judicial decision that is right for the public but it hits to the greater population of this community belonging to one particular clan or family. But because they're presented before the electorates, he or she may not be retained and we lose quality judicial guidance. That's what I'm afraid of. But in terms of immediacy, yes, an elected attorney general must answer to the electorates.

Vice Speaker Tenorio: Speaker Hofschneider, your time is up.

Speaker Hofschneider: Thank you.

Rep. H. Palacios: I was going to say, Mr. Vice Speaker, I yield my time to him.

Vice Speaker Tenorio: You wish to continue?

Speaker Hofschneider: Yes.

Vice Speaker Tenorio: Please – no objection on the floor?

There was no objection.

Rep. Babauta: Clarification, Mr. Speaker.

Vice Speaker Tenorio: You have an objection...

Speaker Hofschneider: Mr. Vice Speaker, I also want to debate in vernacular because the people deserve to hear this.

Vice Speaker Tenorio: Can I...

Rep. Babauta: Mr. Speaker Hofschneider, before stepping down from the podium, I've recommended to the members to pitch in and I assume that while you were making comment on the issue the members can probably toss around ideas on the selected bill. Unless the Speaker objects to the issue of any member contributing comment during his comments, we'll respect that.

Speaker Hofschneider: Mr. Vice Speaker, all I'm saying is that in the remarks made by the author himself, I'm not privy to the details of why the former Attorney General Robert Torres resigned. In fact there may be disagreements but I cannot say that for certain because I do not have that facts before me. But I'm saying that all these occurrences perhaps made a negative perception on the Office of the Attorney General.

Vice Speaker Tenorio: I'm going to allow Speaker Hofschneider to go ahead and debate in vernacular for the next minutes please. Go ahead.

Speaker Hofschneider: Let's not do the politically correct thing because this is election year. We owe it to the people to explain why we need to vote yes or why we need to vote no. You may get re-elected, we may all get re-elected for having said the politically correct things and doing what is politically correct.

Vice Speaker Tenorio: *Siña fumino Chamorro hao, Speaker Hofschneider?*

Speaker Hofschneider: If it pleases you, Mr. Vice Speaker, I will speak in Chamorro.

Vice Speaker Tenorio: That's what you asked for.

Speaker Hofschneider: *Munga, membrus yan Mr. Vice Speaker, na para ta bota este na initiative para ta tulaika i Constitution ya para ta bobota i attorney general na indibiduat. Gi presente hayi na gubetno matachong guiya ha apupunta hayi para attorney general of the Commonwealth. Este na propositu para u tulaika i Constitution ya para u na posipble na i attorney general na indibiduat para u representa i Office of the Attorney General guine gi halom i Commonwealth para u ma ilihi. Guaha minaolek-ña yan guaha binabaña. I minaolek-ña siña ha etyo ta alok tinisario na u ma'a'ñao i attorney general ni umapunta gue para u enfuetsa i lai. Kulan enao pago i litratu na gaige este na aktu gi me'na-ta. Ta li'e guine gi alacha na hita mismo gi San Papa na Guma guaha atgumento-ta yan i Atministrasion pot etyo siha i salary cap violation ya siña ginen enao na guaha inatdisgusto osino chatkinunprende yan i Gubetno pot etyo siha na asunto i debi di u ma enfuetsa ni attorney general. Siña ta bota este ya yanggen ma pasa ni publiko ya ilek-ña maolek-ña yanggen ta ilihi i attorney general ya taya dibi-ña guatu gi eksekatibu osino guatu gi gubetno ni umapunta gue' inarekla lamitá gi problema ni enao. I otru lamita debi di ta komprende na todus hit ha guine gi halom Commonwealth man parentis hit ya dikiki tano-ta, dididi hit na taotaogue guine gi halom Commonwealth. Pues ti sikreto lakkue na todus etyo siha i dumiseseha para u gatcha hulo i siyan i gubetno ginen papa ma tutuhon siha. Yanggen ma ililihi este Office of the Attorney General taya sigurao na etyo na indibiduat i ma bota Commonwealth-wide para u attorney general ha li'e i fuetsa-ña na*

ma guaiya gue ni botadot. Pues enlugat di hu enfetsa i lai pumulitika lorkue sa era ha li'e, ilek-ña siña bai na prublema este na atministrasion ya bai hu na li'e i publiko na hu chochogue checho-hu lao era guaha diniseha-ña para hu gubetno lorkue. Ya ta lili'e ha. Guaha siha na lugat gi stadus unides na kontodu i Lieutenant Governor ti parehu na pattida. Ma ililihi separao i Gubetno yan i Lieutenant. Ya yanggen Democrat manganna gi Lieutenant ya i Gubetno Republican mumumu i dos desdi i primet dia. Taya sigurao na ti hu inkubukao i tano sa i ma ililihi na attorney general ha li'e minetgot-ña sa ha chagi Commonwealth-wide ma bota. Ilek-ña, hu na siña lorkue Gumubetno sa ma guiya yu. Humuyong atlibis etyo i prosecutorial discretion. Enlugat di hu satba through arbitration, through hafa na podet ma na'i i attorney general gi lai yan i Constitution ha fuetsa gumaluti sa para hu fa hemplo na ha chochogue' checho-ña era, esta ha payuyunin maisa chalan-ña para u gubetno. Enao gue' namanao-ña este na aktu. Lao minaolek-ña yanggen malagu hamyo enli'e uno na ti para u kinatbola ni Gubetno pues i ma ililihi na attorney general ginagaogao sa taya dibi-ña guata sa ti guiya umapunta na i publiko umapunta gue' sa ma bota gue'. Pesa sa todú i dos guaha minaolek-ña, guaha binaba-ña. Ya kumu ti ta gof atan este enlugat di guaha minaolek humuyong mafañagu otru kánghelon gi halom i gubetnamento. Tres ramas ha i Constitution ha petmiti lao an un ililihi i attorney general mumetgot sa i publiko pumega halom ti inapuntan i Gubetno. Humuyong otru ramas. Tinisario na u fachocho parehu sa guaha puntun-ña, guaha putdét-ña, guaha diniseha-ña para u magas. Enao gue' uno na asunto binaba-ña. Dikiki este i tano-ta.

Rep. H. Palacios: Mr. Speaker?

Vice Speaker Tenorio: Are you through, Speaker Hofschneider?

Speaker Hofschneider: But besides, Mr. Vice Speaker, I'll...

Rep. H. Palacios: No, I need to ask this question to Speaker Hofschneider.

Vice Speaker Tenorio: Proceed, Representative Palacios.

Rep. H. Palacios: Thank you, Mr. Vice Speaker. Speaker Hofschneider, I think what you're trying to say is that if the Attorney General is elected we could be in a dilemma. One way or the other he has the horn. He's between the horn.

Speaker Hofschneider: If the Office of the Attorney General is elected?

Rep. H. Palacios: Yes.

Speaker Hofschneider: No. He's no longer answerable and doesn't have to answer to the Governor. He just looks at the constitutional prescription and the laws of the Commonwealth and enforces it. That very office may be abused by that very person if elected. And what is the recourse in getting rid of an abusive attorney general?

Rep. H. Palacios: Okay. You're pointing at two sides to either support or not to support. Which one would you recommend the Legislature would do?

Speaker Hofschneider: I'm giving you both sides.

Rep. H. Palacios: So it's up to us to decide on?

Speaker Hofschneider: Exactly. That's why we have every member having the right to vote yes or no.

Rep. H. Palacios: Thank you.

Speaker Hofschneider: It's my job to present both sides.

Vice Speaker Tenorio: Floor Leader, are we allowed under the Rules to debate back and forth?

Floor Leader Attao: Yes.

Vice Speaker Tenorio: Recognized, Chairman Martin Ada, on the issue.

Rep. Ada: First of all, let the record show that I'm present, Mr. Vice Speaker. Thank you. The main purpose of this is to – okay, I agree with you, Mr. Speaker. It's not to entirely eliminate the politics of it but to minimize it as much as possible so that we have a fair attorney general. That is basically it. *Kontodu i chirigami' para etgue guaha na biahi na pumulitikat ha. Kumekelek-hu gaige ha i pulitikat todou, ha hatmi halom esta i halom komon-ta, esta i halom kusina-ta, esta i hanom ni ta gigimen pues prisisu na ta na menos papa. Dinananche hao, Mr. Speaker, ni u tamanu gaige ha siempre i pulitikat guihe.* For example, on page 2 on the Committee findings, about seven or eight sentences down, it says, "in Maine, the Attorney General is selected by secret ballot of the Legislature." That is one of the most political but it's still in fairness. I see fairness in this Legislature especially in the Thirteenth Commonwealth Legislature.

Speaker Hofschneider: Mr. Vice Speaker, since the good Chairman is present with us, I think now it's time for me to ask him...

Vice Speaker Tenorio: To debate on the issue.

Speaker Hofschneider: I think that everyone can be at ease in supporting this legislative initiative if your report, Mr. Chairman, starts to point factual cases whereby supporting the idea of having an elected Attorney General. Your report is merely from your feelings, presumptions. Where are the facts? What happened either in the last two years or the last twenty years of being a commonwealth and an appointed the Attorney General...[end of recording...beginning of recording]...that are so monumental to ask the people to now change the appointment process to an elected process. Can you please give us a good example? Has there been evidence that the Attorney General...

Rep. Ada: May I, Mr. Speaker?

Speaker Hofschneider: ...covers an illegal act of a sitting Governor whether current or past? What are the examples that necessitates this Committee in the House to report out that we have to ask the people to change the Constitution from an appointed process to an elected process? What are the factual cases whereby people can say, yes, I agree in the last how many Governors, the Attorney General has covered up on behalf of the Executive Branch? What are those occurrences? Yes, in the last six Attorney Generals who occupied the office, political cases were never moved. What are the cases? What are the factual bases?

Vice Speaker Tenorio: Speaker Hofschneider, thank you for your presentation. May I ask Chairman on the Committee on Judiciary & Governmental Operations to come up and do his presentation for five minutes?

Rep. Ada: No, I'll stay here.

Vice Speaker Tenorio: For the record, I recognize the Chairman on the Committee on Judiciary & Governmental Operations, Representative Ada.

Rep. Ada: Thank you, Mr. Vice Speaker. For the past how many Administrations have we – six – most of the problems with the Attorneys Generals are resignations from their position. How many resignations can you recall from different Attorney Generals in each respective Administration has occurred? It is almost like SARS. It comes in almost like an epidemic. Why? One wonders why they resigned. On a picnic table at a family gathering you would hear people discussing what is the real hidden reason of the resignation of a particular attorney general or deputy assistant attorneys general.

Speaker Hofschneider: What are they?

Vice Speaker Tenorio: What are the reasons?

Rep. Ada: I dare not deliberate, Mr. Speaker, on that. I don't want to come up with insinuation or assumptions as to wrong doings of previous administrations or any kind of implications. Thank you.

Vice Speaker Tenorio: Are you through, Representative Ada?

Rep. Ada: Yes. Thank you.

The Vice Speaker recognized Representative Palacios.

Rep. A. Palacios: Thank you, Mr. Vice Speaker. I'm not really so much ready to debate this issue as much as to acknowledge the purpose and the intent of the legislation and also to acknowledge the caveat on the points that the Speaker has pointed out in terms of the dangers of changing the Constitution to have an elected attorney general. This is a small community. We have to acknowledge that and it would be very, very, very dangerous politically, as the Speaker had pointed out some of the scenarios of what might happen if we have this Office of the Attorney General subjected to the political process and therefore play along with the winds of politics. I think though that if you look at the both sides of the points that are being raised on this issue, I think that we must acknowledge that the Office of the Attorney General should have a very high degree of independence from influences both from the Executive Branch and the Legislative Branch. That is the bottom line. And how we reach that independence is what we must attempt to do.

Speaker Hofschneider: Point of clarification, Mr. Vice Speaker.

Vice Speaker Tenorio: Go ahead with your point of clarification.

Speaker Hofschneider: Before anyone gets confuse and before Representative Palacios, who has the floor continues, I want to make very clear where is the check and balance, where is the control of an elected attorney general in the proposed legislative initiative. In the instance when an elected attorney general comes in and begins rather than being a contributor to enforcing the laws of the Commonwealth begins to abuse the Office of the Attorney General for other ulterior motives, where is the mechanism whereby you can yank that attorney general out? The people have to have recourse. Who's going to get rid of him? Who's going to check him? The court is not given that authority. The legislature is not given that authority. The Governor is not given that authority to have some check on an abusive elected attorney general. Where is the mechanism? That's the point here.

Rep. H. Palacios: Point of information.

Vice Speaker Tenorio: State your point, Representative Palacios.

Rep. H. Palacios: If that's the case, then I think we just better forget about putting this on the ballot I think Speaker Hofschneider just pointed something out that would wake up to reality. We have three branches of government, the Executive, the Judiciary and the Legislature. Now who's going to take that attorney general out when and if it is screwed up?

Vice Speaker Tenorio: Your point of information is well taken, Representative Palacios. I think we have an opportunity to make amendments to this initiative if you have any. So can I recognize the author, Representative Stanley Torres, please?

Rep. S. Torres: I think that Speaker Hofschneider's statement on who's going to take care of an abusive elected attorney general, I think the answer is the people and I think the people have a recourse through recall process. Isn't that the standard for any elected position that the people are the authority? By looking at it, if this elected attorney general comes into place, I'll be looking at him from the outside and if he doesn't do his job, we will recall him.

The Vice Speaker recognized Speaker Hofschneider.

Speaker Hofschneider: This is the very thing. You cannot leave it on the basis of assumption. You need to clearly include remedies. You cannot assume that the people will recall. Why? Has there been a recall in the history of the Commonwealth since we became Commonwealth?

Rep. S. Torres: Almost.

Speaker Hofschneider: Well, almost doesn't cut it. So if you intend to have these measures to safeguard the very people who elect an abusive attorney general then we must put it clearly and distinctly clear in the legislative initiative. That's all I'm saying. To safeguard the very people voting you provide them with a way to recall or get rid of an elected attorney general who is potentially going to be abusive. We cannot leave it on the bases of assumption that people will take things in their hands. That's what I've been saying in the last fifteen minutes. When are we going to rise up to being responsible?

Vice Speaker Tenorio: Speaker Hofschneider, the recall provision of the Constitution is for elected offices. In this case, are saying that if the attorney general is elected that recall provision does not apply to this case?

Speaker Hofschneider: I'm saying it applies but has there been an example that we have come to maturity, that we can take things into our own hands? And have we had any recall since we became Commonwealth in spite of our objection of a sitting Governor, this Legislature, the House members, the Senate? Has there been a recall? The answer is no.

Vice Speaker Tenorio: But there is a mechanism as stated in the Constitution.

Rep. Ada: Yes.

Speaker Hofschneider: But it's defective in the sense that when a sitting attorney general in the future is a Hofschneider or belongs to Sablan, or belongs to Camacho or belongs to Guerrero, which is substantially big as a family of the Commonwealth, are we really going to see a recall? We had an example, Mr. Vice Speaker, in the Eighth Legislature when an attempted recall, impeachment of the Governor failed. It was a failure in exercise. Why? Because when the heat was turned up the people who advocated impeachment started running and hiding all for the need to preserve a political agenda then. So honestly, Mr. Vice Speaker, we're fooling ourselves if we do not have those provisions included in the legislative initiative that in the future, if we elect an attorney general who usurp outside the prescription of the Constitution and laws, or who abuses the power of the attorney general, the people must have a way of correcting it. And if the recall provision is sufficient, then think again. This community has never recalled an elected individual. Why? When tears begin to show in their faces that your uncle is the brother of your auntie, that you shouldn't do this, you're defacing the family, you're bringing shame to the family, you're going to think twice. You're going to forget about representing the rest of the population because you're going to preserve your own. So let's not kid one another. If we mean to support this then let's do it right. Let's provide all the mechanisms to safeguard because it's about the institution. It's not about the individual. It's not about who is going to come in being elected attorney general. It's about the institution. Maybe tomorrow, five years, ten years from now we're all going to be gone and the history of the Legislature and the institution is forever gone because we assumed, we rested our votes on the presumption. I don't want to urge you to vote for something that may just be presumptions.

Vice Speaker Tenorio: Can I recognize Representative Torres?

Speaker Hofschneider: Thank you, Mr. Vice Speaker.

At this time, Speaker Hofschneider returned to the dais and recognized Representative William Torres.

Rep. W. Torres: Thank you, Mr. Vice Speaker. I think, Mr. Speaker, the question should be not how many have resigned in the Office of the Attorney General as much as who has been fired for doing their job, for being independent, for doing the right thing. That should be the question. If you look at the history of the

retention that the Speaker is alluding to it's almost a farce, it's almost a joke. All of the judges have been jokingly dismissed not retained. So the Speaker is correct, we need to re-observe and examine. Do a deep soul searching on the institution because we're talking about institution here. We're not talking about personalities. It's the institution itself that we need to preserve and we need to come to terms with. I cannot help but, as the Speaker examines this issue, think of the very notorious example of an elected Attorney General in Guam where the Attorney General basically acts like God. He frustrates the efforts of the Administration. For whatever reason, I don't know. But that's one clear example of the eminent danger of an irresponsible, somebody that may be potentially irresponsible in occupying the office through this mechanism for the sake of independence. Another example is the Lacey Peterson case in California where the Attorney General, an elected Attorney General that is, went on the media and proclaimed that this individual that was believed to be a suspect will be hanged, basically, without the benefit of a trial all in the name of publicity, all in the name of probably gaining mileage because that's the mood of the people at the time. Let's prosecute this individual. Let's kill him. Another prosecutorial indiscretion, I might add, occurred in San Francisco where the elected Attorney General summarily prosecuted all the police officers under the wings of the Mayor Willy Brown. Not too many years ago when President Bush was presumed to be the elected President the same thing happened again in Florida. The election had to be tossed all the way up to the U.S. Supreme Court. Now that's the scenario that I think we need to be mindful of. There's nothing wrong with an elected attorney general just as there's nothing wrong with an elected public auditor. A point in fact, the Office of the Public Auditor is working just well. The Office of the Public Auditor went through a very tedious confirmation process involving the House and the Senate. Maybe we need to be looking at that kind of confirmation for the Office of the Attorney General. So I tend to agree that we really need to look at this situation carefully for the sake of the institution. The institution is at stake here and I don't believe, Mr. Speaker, that there was ever a public hearing on this particular initiative to kind of gauge the opinion of the public. A point in fact...

Speaker Hofschneider: I think it's the prosecutorial discretion of the Chairman on Judiciary & Governmental Operations.

Rep. W. Torres: Okay. And as the reporter pointed out, this was a very hot issue in the Third Constitutional Convention, which the people summarily dismissed. So I think we need to take this back to the people and I guess this is one way of taking it back but probably in the form of a public hearing and kind of hear what the people have to say before we rush the judgment on something that we may regret in the end. Thank you.

Rep. Ada: Just a few seconds, Mr. Speaker. What I don't want to personally see if I'm not here in this Congress in my official capacity – I'm already 45 years old and I've gone through the first Administration to the present Administration and all we hear with this Attorney General appointments are resignations. Perhaps the best thing to do is to take it, move it and create it independently so as to allow them to fully enforce the law and do their job without any political coercion or political influence from whoever appointed them.

Speaker Hofschneider: Mr. Chairman...

Rep. Ada: One of the best...

Speaker Hofschneider: Mr. Chairman, if I may interrupt you. For example, a candidate running for the Office of the Attorney General appears on the ballot but he or she is only with two or three years of experience but because he or she comes from a politically, I guess, large family, that individual may in fact pass muster and be voted in to be the Attorney General of the Commonwealth by de facto because, in fact, he or she comes from a strong politically active family. That's what we're saying here.

Rep. Ada: I believe our law allows a minimum of five years for anybody to be elected Attorney General. We can take that mechanism...

Speaker Hofschneider: Practice.

Rep. Ada: I mean practice. We can take that mechanism and put it in place and I'll allow for this committee report to be referred back again. I have no problems with that. Your input was very good and so as the others.

Speaker Hofschneider: Let me recognize members who have not spoken. Before I do that, the author, Representative Stanley Torres?

Rep. S. Torres: Just to make three pointers here, Mr. Speaker, before this initiative is voted down, for history purposes. The Bank of Saipan almost went down the drain because the involvement of the legal counsel of the Governor in overriding the Attorney General's function, and the fall of the independent prosecutor because the legal counsel of the Governor doesn't want to hire, recommends the Governor not to hire an independent prosecutor. The MRC purchase, the purchase of Pelligrino at the Marina was one of the...

Speaker Hofschneider: Arbitrated.

Rep. S. Torres: No. *I mas baba na negosio*, the worst negotiated compromise because of the Acting Governor at the time pressured the Attorney General and the Acting Attorney General or the Attorney General at the time agreed to do it anyway even if they concur that the settlement is not good.

Speaker Hofschneider: Mr. Chairman, those are the examples of factual bases where we can include in the report to be consumed by the people to make the right decisions and we have good fifteen, eighteen years of history. Don't just focus on the current. What are the problems that we have come to see in the past and current? Those are the cases that people are aware and sometimes dumbfounded as to the rationale behind it. I recognize, Representative Salas.

Rep. Salas: Thank you, Mr. Speaker. First of all, I would like to say that I'm glad that we're having this discussion on the Office of the Attorney General. I also would like to think that we do have a model on island, which is the Office of the Public Auditor. When Frank Villanueva was over at the Division of Revenue & Taxation, he has the qualifications and may not have the experience that Mike Sablan had, but Mike Sablan had the protection of the office having been confirmed by both houses and can only be removed by cause. Frank Villanueva didn't have that. He had to do his work and at the same time please the Governor. So it was our disadvantage. I'd like to see us move towards the direction also that we put a minimum requirement – because I do know that the Office of the Public Auditor and Office of the Attorney General has a minimum requirement. You do have to be a CPA or an attorney and I do know that the Office of the Public Auditor are concerned about the code, an attorney per se also has to be careful that he doesn't get disbarred. But I'd like to move in to offices that handles money in the CNMI such as Procurement, OMB and the Division of Revenue & Taxation that we put a minimum qualification in there and also the protection that the Office of the Public Auditor now has. Thank you, Mr. Speaker.

The Chair recognized Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. One of the reasons that I wanted to this be introduced is so that we can have these kinds of debates. We are talking about the committee report and like our colleague, Representative William Torres, I don't see any reflection of a public hearing, whether there was any conducted. Just like the very controversial user's fee issue that was really my intention in trying to submit this to the floor and see what we'll do about it and debate on it. If we look at the issues or even the committee findings on this I'm really at lost, with all due respect. Also on the issues when you have the first sentence that the committee finds that there is a certain independence that goes with being elected by the people and then you have others on the issues of salary caps. Then you have other factors that are not here that we're recently shared or just now from the sponsor. I'm really a little bit confused. And most of the time we actually allow some bills to have a Cost Analysis. I could not really connect on page 4 of 5 on the last paragraph. So I'm ready to vote on this committee report but maybe before we do that, I recommend and I move that we put this back to the committee to redo all these. Anybody second it?

Speaker Hofschneider: With one agreement that if we want to see this place on this election, then, Mr. Chairman, you have to produce a revised language and include those we have raised particularly those controls whereby if an abusive attorney general should ever be elected, the remedies of the public is to recall that individual and what are the tests for those. That is critical to ensure that the people have, in fact, a recourse in getting rid of who they elected and is abusive or just utterly usurping the un-prescribed powers of the Office of the Attorney General.

Rep. Ada: So ordered, Mr. Speaker.

Speaker Hofschneider: Representative Deleon Guerrero, before we recognize the motion.

Rep. Deleon Guerrero: Thank you, Mr. Speaker. I wholeheartedly agree that this is a very critical piece of legislation or initiative, one that requires great scrutiny and adamant public hearing, public comment period before we take any course of action on it. I'd also like to encourage the Chairman to hold a public hearing on this before I render any vote because right now just in my mind I've heard the arguments you presented, Mr. Speaker. I, too, am a little apprehensive about the implications of having this position become an elected position simply because as all of us who are elected are aware any time a person runs for office it's politics. I don't care how you look at it. A person to become elected has to – there are expenses involved. You have political contributions. You have special interest whether it be organizations or people that may endorse your candidacy or may not and because of that process that person may have to conduct himself, maybe beholden into certain groups or individuals. I'm also very concern that decisions that may be made by this person who becomes elected may be making decisions that may be out of or should I say may be making popular decisions rather than just going by the book. What may end up happening is it may have a reverse effect of the intended. The intended purpose is to insulate this institution, to depoliticized this institution, but by having it elected, the person may want to serve again. And as I look at the initiative, it does not prevent him from running again. So depending on this person's ambitions to be re-elected he may be making decisions that may be in fact contrary to its intended purpose. Because there is that possibility, Mr. Speaker, and because we do not have any cases or there are lack of cases where that has been demonstrated in the existing appointed attorney general I'm a little cautious about making a decision right now. In the existing situation, we have the Attorney General who is appointed by the Governor. If in fact that Attorney General is making decisions or is abusing his authority we have a course of action to remove that person through the Governor. We can either not appoint the Governor again or we can put pressure on the Governor to relief that person. Even if we do prescribe ways to remove this through a recall, the process actually makes it harder to remove that person rather than by simply going to the Administration and expressing our frustrations or concerns. So I'm just looking at it from all these different angles and right now I think we need more – one thing we need is more public input and two, I agree with you, we need to come up with more concrete cases that warrants this course of action. Thank you, Mr. Speaker.

Rep. H. Palacios: Point of information, Mr. Speaker.

Speaker Hofschneider: State your point.

Rep. H. Palacios: I am not too sure whether it's already in the bill but if it's not in the bill, Mr. Speaker, I'd like to recommend that the candidate for the position of the Attorney General cannot be part of any political party or affiliation.

Speaker Hofschneider: Do we all support the idea to refer it back to the Committee and, Mr. Chairman, report no later than Friday?

Rep. Ada: Thank you, Mr. Speaker. Yes.

Rep. Deleon Guerrero: So moved.

The Chair recognized Representative Arnold Palacios.

Rep. A. Palacios: I just want to recommend, Mr. Speaker, to the Committee to also consider rather than just the bill but different alternatives of accomplishing giving independence and a little more statutory power to the Attorney General including what is thrown out on the floor and what has been offered, such as the case with the Office of the Public Auditor where he enjoys certain independence from undue influences. Thank you.

Rep. W. Torres: Point of clarification.

Speaker Hofschneider: State your point.

Rep. W. Torres: Do I take it, Mr. Speaker, that the instruction goes with the complimentary direction to hold a public hearing?

Rep. Ada: I have no objection for a public hearing, Mr. Speaker.

Speaker Hofschneider: Then you may do so in the immediate days because of reporting by Friday this week. I have a hunch that the Senate will oblige with this so we need to insure that all the things that we have some reservations are included and if we're going to support then we must make that all those things that we have touched on are included.

Rep. Tebuteb: Point of information, Mr. Speaker.

Speaker Hofschneider: State your point.

Rep. Tebuteb: I think this one is also calling for the next general election.

Speaker Hofschneider: Within ninety days.

Rep. Tebuteb: Ninety days.

Speaker Hofschneider: We don't have to spend money for a special election if we can meet the timetable before they start printing and translating those initiative that are already forwarded to the Election Commission. This can still meet the timetable. Representative Quitugua.

Rep. Quitugua: Thank you, Mr. Speaker. This piece of legislation is very fundamental because it does not only involve the Third Senatorial District. This involves the entire CNMI and if I may, I would like to respectfully recommend that a public hearing be held in all of the three islands so that the people that will be voting once this initiative is placed on the ballot fully understand what is the ramifications of their action for or against. And, Mr. Speaker, since this is involving the amendment of the Constitution it behooves this body to provide adequate public input so that, like I said, they fully understand what it is that they're going to be voting on. So I respectfully suggest, Mr. Speaker, that a public hearing be held. If they don't want the people of Tinian at least the people of Rota be afforded the opportunity to express their feelings.

Speaker Hofschneider: I'm pretty sure the Chairman on the Judiciary & Governmental Operations would love to fly down to Rota and Tinian. Floor Leader, move to refer back to the Committee and report at the earliest time no later than Friday.

Floor Leader moved to defer action on S. C. R. NO. 13-094 and refer it back to the Committee for public hearing and other meetings, was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. We're now discussing H. B. NO. 13-112 reference S. C. R. NO. 13-095 and H. B. NO. 13-168 reference S. C. R. NO. 13-096. Chairman on the Committee on Health & Welfare, for the record please, what is the respite attempting to do?

Rep. Seman: Thank you, Mr. Speaker. Given the fact that there may be close to 800 local indigenous or locals that are in the Commonwealth who are disabled, we have quite a lot of caregivers that are providing

services or providing care to these disabled individuals and are not receiving any form of payment or assistance while they are home taking care of these individuals twenty four hours a day. They cannot leave their patients and they cannot find work. Basically this bill is to provide for a respite service program and provide funding and giving the authority to the Council on Developmental Disability to manage this service at the same time giving them the opportunity to also write for federal grants while this service is in place and be the ones to manage it and send out applications to these caregivers to come in and apply. They will also be able to provide trainings and basically guidance on what is the proper way of providing this care. Because we don't have this in the Commonwealth through the collaboration of the Council on Developmental Disability they had requested for this specific program to be emplaced and I know for a fact that we may not be able to provide local funding at this time but they need this emplaced so that they will be able to start writing grants.

Speaker Hofschneider: Mr. Chairman, are we talking embarking in a convalescent home?

Rep. Seman: No. We're compensating the caregivers who are taking care of the individuals at home so that they do not have to send these patients to convalescent homes or hospital because these are patients who cannot be treated in the hospital. They are disabled. It's a developmental disability and not a medical illness.

Speaker Hofschneider: Would individuals who are of age 70, 80, 90 be qualified under the terminology of disabled or do you have to have a physical disability?

Rep. Seman: It's not very clear, Mr. Speaker, but according to the DD Council most of their clients are from birth to 18 whereas they have a developmental disability problem and they work together to try and get them to par then they can be referred to vocational rehabilitations. But some of these children are permanently disabled, permanently homebound and cannot be serviced to get out of that stage. They call it vegetable.

Speaker Hofschneider: Aren't these individuals already receiving entitlements under federal programs?

Rep. Seman: The patients are but the caregivers are not and this is a service for the caregivers giving in consideration with our customs, we do not like sending our patients to a convalescent home.

Speaker Hofschneider: What are talking about in terms of total cost impact?

Rep. Seman: The bill requests for a five-year funding beginning with \$60,000 for the first year, \$60,000 for the second year moving up to \$350,000 the third year, \$680,000 the fourth and the fifth year but we really do not have to provide the funding right now. It does not request that we have to provide it right away. If we can provide funding in our next fiscal year budget appropriation we can, but so that Developmental Disability Council can start writing grants they would like to also have this emplaced and start receiving.

Speaker Hofschneider: Do we have numbers? Do we have a census on current population that will be eligible for this?

Rep. Seman: They have.

Speaker Hofschneider: Did we include here?

Rep. Seman: We included it in the first section of the bill.

Speaker Hofschneider: The 800 families?

Rep. Seman: Yes.

The Chair recognized Representative Babauta.

Rep. Babauta: Clarification from the Chairman, Mr. Speaker. I overheard him mentioning something about qualifications to these individuals. Would this apply to an imported caregiver?

Rep. Seman: Yes.

Rep. Babauta: Let's say a nonresident worker who is qualified to provide such care, would this nonresident worker be able to be paid out of that program?

Rep. Seman: They would be given in fact that federal funding is involved in this program.

Rep. Cabrera: I think in the manner that, for instance, a child is with this Developmental Disability and the primary caregiver is aging or have some limitations in the same manner, Mr. Speaker, that sometimes people with supplemental security income are allowed to pay domestic workers to take care of them. It's also applicable in this sense.

The Chair recognized the Floor Leader.

Floor Leader Attao: Mr. Chairman, is this a matching program?

Rep. Cabrera: I believe the purpose of the bill is to allow, to become eligible for federal assistance, Mr. Speaker, to provide such care. That's one of the reasons why we need to pass this bill so that they can then be eligible to apply for federal grants. I don't think it's a...

Floor Leader Attao: What I'm saying here is the request from the general fund. If you look at page 5, Section 8 Authorization for Appropriation for the first year we need \$60,000. I don't know whether this is for the implementation for the program or this is matching due the CNMI to this program.

Rep. Seman: There's no matching requirement. This is just...

Speaker Hofschneider: What is the \$60,000 in other words going to be used for?

Floor Leader Attao: I'm alluding to that, Mr. Speaker.

Rep. Seman: It's an estimated cost on how much they need to start it going. Actually to fund it it's about \$680,000 to try and provide compensation to the caregivers. Given the fact that they will be applying for federal grants, this can be lowered because this is an estimation of how much it would cost federal and local.

Floor Leader Attao: I raised that question, Mr. Speaker, because on the Cost Benefit Analysis, it doesn't mention anything about federal side.

Rep. Seman: But it's not matching. No matching is required. If they apply for \$350,000 then you can minus that from there. That is an estimate of how much a year it will take to run the service.

Speaker Hofschneider: What the Floor Leader is worried about is the impact that it would have on current internal resources and at the moment 800 families at \$60,000 appropriation comes up to \$75.00 per family. Is that the intention of the Committee?

Rep. Seman: Yes, Mr. Speaker.

Speaker Hofschneider: Okay. Any other comments? Representative Quitugua.

Rep. Quitugua: Thank you, Mr. Speaker. I think the intent of the bill is very noble to take care of our disabled people. I'm just wondering, Mr. Speaker, about the present set up, whether the Council on

Developmental Disabilities aren't able to seek general funds through application. Is there anything on the current set up that would prevent them from applying federal grants?

The Chair recognized Representative Cabrera.

Rep. Cabrera: Mr. Speaker, I think that for a lot of the departments the opportunity to apply for federal grants is pretty open without any requirement. But when an agency, such as the Developmental Disabilities, I'm not particularly sure in this instance. The message that we got was that we are required to have mechanism emplaced to allow the federal agency to know that we are very serious about what we intend to apply the federal funds to. Currently, we don't have any mechanism emplaced. That was one of the reasons that they requested that we work on this particular bill. So I'm assuming that by that request for this particular type of service they do need a mechanism emplaced to safeguard whatever federal monies they're authorized. At the same time, Mr. Speaker, I think with the terminology respite means a temporary relief of having to take care of someone with special needs. So alluding to initial question of when you breakdown the figure that you see on the current bill, it basically comes down to about \$75.00 per family. So I think that...

Speaker Hofschneider: And it goes up to \$450.00 per family based on your Cost Benefit Analysis on the first sentence of that paragraph.

Rep. Cabrera: Right.

Speaker Hofschneider: Assuming there's no growth on the 800 families at a fully funded program of \$360,000 it comes up to \$450.00 per family.

Rep. Cabrera: Yes, sir.

Speaker Hofschneider: Representative Quitugua, you have the floor.

Rep. Quitugua: Thank you. Just based on my past experience with federal assistance to supplement local funds, often times you find yourselves responding to conditions set by the grantor. I'm wondering whether in seeking to tap federal assistance to supplement the ongoing program that additional conditions will be set whereby eventually the CNMI is going to be burden in following with programs subsidy once the grant is terminated. And I'm also wondering, Mr. Speaker, whether rather than in a form of a bill that in a form of a joint resolution or a resolution will suffice.

The Chair recognized Representative Cabrera.

Rep. Cabrera: Mr. Speaker, I think that to a greater extent the CNMI government is economically burdened already in the absence of such programs. One example where in order for you to be eligible for federal grants is the child support issue. For example, you have to have the mechanism emplaced before you can be authorized to apply for grants to assist families. We have a lot of kids with developmental disabilities and other types of disabilities that tend to be neglected in terms of their needs and ultimately the costs burden falls on the government in the form of having to deal with parents or primary caretakers that do not adequately provide care and so forth.

Speaker Hofschneider: Representative Cabrera, are you saying that the individuals, are being neglected by their own families and we're trying to supplement the neglect?

Rep. Cabrera: No. What I'm saying, Mr. Speaker, is that there is the increase risk of individuals of certain special needs to become neglected not necessarily by choice but because some caretakers are not properly trained and so forth to give the care to their children and it befalls upon programs such as this to do that. If we don't, it still befalls upon the government to address those types of issue and if the recommendation is to address this particular type of concern in a different form to prevent the government from having some form of liability to some extent, we already have that economic liability.

Speaker Hofschneider: Are we ready?

Floor Leader Attao voiced, "ready."

The Chair recognized the Vice Speaker.

Vice Speaker Tenorio: Mr. Speaker, just a short comment. I'm in support of the bill because I know that none of us here would like to seek convalescent homes and our people are pretty well taken care of by the extended family system. But we do have people who are from outside that are disabled and currently getting maybe public housing and other federal assistance but these people need these types of services especially those that are coming in and they don't have families that are here and we can't stop them from coming. I raised this issue with NMPASI a couple of weeks ago and while we all realize that we don't any convalescent home to take over our extended family system we do have to address the growing problems of other people coming in to reside in the Commonwealth who are in these categories. So I ask the support of the members to recognize this as a problem, it's a growing problem and we need to address it now. I think this particular bill opens an opportunity for us to look into federal grants that we can accept ourselves to address the growing problem.

Floor Leader Attao voiced, "ready."

There was no further discussion, and the motion to adopt S. C. R. NO. 13-095 and S. C. R. NO. 13-096 was carried by voice vote.

Speaker Hofschneider: S. C. R. NO. 13-095 and S. C. R. NO. 13-096 are hereby adopted by the House. Floor Leader, since we have the Administrator and the legal counsel of the Retirement Fund, may we touch the budget so that we ask relevant questions and then dispense of them and then we'll take a short recess, if there's no objection on the floor?

There was no objection.

Speaker Hofschneider: We move to Bill Calendar.

Floor Leader Attao: Mr. Speaker, before we go to Bill Calendar, I would like to make a motion to go to Resolution Calendar so that we can adopt H. C. R. NO. 13-003 before we touch the budget.

Speaker Hofschneider: Okay.

UNFINISHED BUSINESS

None

RESOLUTION CALENDAR

The Chair recognized the Floor Leader.

Floor Leader moved for the suspension of Rule VII, Section 10, Rule IX, Sections 9, 10 and 11 for the placement and adoption of H. C. R. NO. 13-003, was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader moved for the adoption of H. C. R. NO. 13-003, was seconded and carried by voice vote.

H. C. R. NO. 13-003: A HOUSE CONCURRENT RESOLUTION TO IDENTIFY AND APPROVE THE FINANCIAL RESOURCES OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS GOVERNMENT FOR FISCAL

YEAR 2004 IN ACCORDANCE WITH THE PLANNING AND BUDGETING ACT, AS AMENDED, SPECIFICALLY 1 CMC § 7201(D).

Speaker Hofschneider: H. C. R. NO. 13-003 is hereby adopted by the House.

BILL CALENDAR

The Chair recognized the Floor Leader.

Floor Leader moved for the suspension of Rule VII, Section 10, Rule IX, Sections 9, 10 and 11 for the passage of H. B. NO. 13-355 on First and Final Reading, was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader moved for the passage of H. B. NO. 13-335 on First and Final Reading and was seconded by Rep. Babauta.

H. B. NO. 13-335: A BILL FOR AN ACT TO MAKE APPROPRIATIONS FOR THE OPERATIONS AND ACTIVITIES OF THE GOVERNMENT OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS, ITS AGENCIES, INSTRUMENTALITIES, AND INDEPENDENT PROGRAMS, AND TO PROVIDE BUDGET AUTHORITY FOR PUBLIC CORPORATIONS FOR FISCAL YEAR 2004; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion for the passage of H. B. NO. 13-335 reference the Fiscal Year 2004 Appropriations Act on First and Final Reading has been seconded. Discussion on the bill. May we have a motion to resolve into Committee of the Whole?

Floor Leader Attao moved to resolve into Committee of the Whole to invite the Retirement Fund Administrator, was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried.

The House went into Committee of the Whole at 1:05 p.m.

COMMITTEE OF THE WHOLE

The House returned to plenary session at 1:50 p.m.

Floor Leader Attao moved to dissolve the Committee of the Whole, was seconded and carried by voice.

Speaker Hofschneider: Motion carried. We'll recess for lunch and be back at 2:30 p.m.

The House recessed at 1:50 p.m.

RECESS

The House reconvened at 3:04 p.m.

Speaker Hofschneider: We're back to our session and we're discussing H. B. NO. 13-335, the Appropriations Act of 2004. For the record, we have with us David Hutton from the Office of the Attorney General and he would like a few minutes with us to raise some concerns that are important to the office. With that, I recognize the Floor Leader for a motion to resolve into Committee of the Whole.

Floor Leader Attao moved to resolve into Committee of the Whole to invite the Office of the Attorney General to present some issues relative to the Appropriation for Fiscal Year 2004, was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried.

The House went into Committee of the Whole at 3:05 p.m.

COMMITTEE OF THE WHOLE

The House returned to plenary session at 4:18 p.m.

Floor Leader Attao moved to dissolve the Committee of the Whole, was seconded and carried by voice.

Speaker Hofschneider: Motion carried. We're back to our plenary session. Short recess.

The House recessed at 4:18 p.m.

RECESS

The House reconvened at 4:58 p.m.

Speaker Hofschneider: We're back to our session and we're still discussing H. B. NO. 13-335. After receiving the Office of the Attorney General, there is a need to realign some programs as a result of the Executive Order moving the Immigration under the Office of the Attorney General. The office represented by David Hutton justified the need to also move the deportation funds now identified under H. B. NO. 13-335 under labor appropriation move it over to the Immigration. So with that, I recognize the Floor Leader to make the appropriate amendments.

Floor Leader Attao: Thank you, Mr. Speaker. I would like to offer an oral floor amendment on page 21, Article 2 Office of the Attorney General Appropriations and Accompanying Conditions and Restrictions, Subsection 5201, line 7 change "Nonpersonnel" from "\$65,327" to "\$125,327" and change the "Total" from "\$2,282,756" to "\$2,382,756". On line 12 insert "(6)", under "Personnel" insert "\$278,013", under "Nonpersonnel" insert "\$151,893".

Vice Speaker Tenorio: Line 12?

Speaker Hofschneider: On line 12 on the bill, add "item (6)". You have number 1, 2, 3, 4, 5 Division of Immigration right underneath add number "(6)". Continue, Floor Leader.

Floor Leader Attao: "(6) Deportation Fund Program" and the total for that is "\$429,906". Under same Article, Subsection 5202, line 24 strikeout "total" and insert "(6) Deportation Fund Program" and under "FTE allocation" add "8". So the new total would be "146 FTE". Is that clear?

Speaker Hofschneider: Do you want it to be repeated or is that clear?

Vice Speaker Tenorio: On Subsection 5201 please?

Speaker Hofschneider: On line 12, Floor Leader, can you repeat?

Floor Leader Attao: Yes. That's subsection 5201 right?

Vice Speaker Tenorio: Yes.

Floor Leader Attao: On line 12 strikeout "Total" and insert "(6) Deportation Fund Program." Under "Personnel, \$278,013", "Nonpersonnel, \$151,893" and the total is "\$429,906".

Speaker Hofschneider: The total will change?

Floor Leader Attao: The total will change by that much. I have the total right now, Mr. Speaker.

Speaker Hofschneider: Okay. That's fine.

Floor Leader Attao: On Section 5202, line 24 ~~total~~ insert "(6) Deportation Fund Program". Under "FTE allocation" insert "8" and change the total from "138" to "146". That's the new total.

The motion was seconded.

Speaker Hofschneider: Floor Leader, before we recognize the motion, you want to continue and ~~strikeout~~...

Floor Leader Attao: Right. Thank you, Mr. Speaker. On page 26 on Article 5. Department of Labor Appropriations and Accompanying Restrictions and Conditions, subsection 5501, line 23 ~~strikeout~~ "(6) Deportation Fund Program" in its entirety. Under "personnel" ~~strikeout~~ "\$278,013", under "Nonpersonnel" ~~strikeout~~ "\$151,893" and on the "Total Appropriation" ~~strikeout~~ "\$429,906".

Speaker Hofschneider: And the new total would be?

Floor Leader Attao: The new total would be...

Speaker Hofschneider: Reduced by that.

Floor Leader Attao: Okay. On page 27, line 9 ~~strikeout~~ "(6) Deportation Fund Program" in its entirety, ~~strikeout~~ "8 FTE" and the new total for this is "101".

The motion was seconded.

Floor Leader Attao: One more, Mr. Speaker. On page 49, Chapter 10, Appropriations: Independent Programs, Article 1. Appropriation for Independent Programs, Subsection 10101, line 12, number (3) Retirement P.L. 8-31 reduce "\$1,000,000" to "\$900,000" on the Nonpersonnel.

Speaker Hofschneider: On page 50, you have to change the bottom line.

Floor Leader Attao: The total is "\$7,860,873".

Rep. Cabrera: No. It's 7,017...

Rep. Deleon Guerrero: *Kontodu i 7 million.*

Rep. Cabrera: Yes. So it becomes \$7,017,953.

Speaker Hofschneider: Yes. And on the second column is \$7,860,873. There are two columns you must adjust. Any second?

The motion was seconded.

Floor Leader Attao: Mr. Speaker, can we hold on to that, I have another oral floor amendment?

Speaker Hofschneider: Before recognizing the motion, Floor Leader, you may continue.

Floor Leader Attao: Mr. Speaker, on page 36, Article 9A, Appropriations to the Department of Public Works and Accompanying Conditions and Restrictions, Subsection 5901A, line 20 under Nonpersonnel "\$50,000 shall be reserved from the total budget of \$341,336 for the survey of Kannat Tabla road project".

Speaker Hofschneider: Floor Leader, you may want to offer a footnote on line 24 relative to number (5) Roads & Grounds Division to reserve the \$50,000 of the \$341,336 Nonpersonnel cost.

Floor Leader Attao: Yes, Mr. Speaker. A footnote under the Roads & Grounds Nonpersonnel cost on line 24.

Speaker Hofschneider: So it would read \$50,000 reserved...

Floor Leader Attao: \$50,000 shall be reserved from the Nonpersonnel for the survey cost for the Kanat Tabla Road project.

The motion was seconded.

Speaker Hofschneider: Counsel and clerk, is that clear? Okay. Are we done?

Floor Leader Attao: Yes, Mr. Speaker.

Rep. Babauta voiced, "ready."

Speaker Hofschneider: Ready. It may sound a lot but it's really just moving the Deportation Funds and striking out appropriate sections.

There was no discussion and the oral floor amendment offered by Floor Leader Attao to H. B. NO. 13-335 was carried by voice vote.

Speaker Hofschneider: The oral floor amendment offered by the Floor Leader is hereby adopted by the House. We're back to discussing H. B. NO. 13-335 as amended.

Floor Leader Attao: Mr. Speaker.

Speaker Hofschneider: Yes.

Floor Leader Attao: I have a written floor amendment that has been already distributed to the members for their review.

Rep. Babauta seconded the motion.

The written floor amendment offered by Floor Leader Attao to H. B. NO. 13-335 is as follows:

H. B. NO. 13-335 is hereby amended as shown below:

On page 29, Section 5603, a new subsection (e) shall be added as follows:

"(e) \$50,000.00 shall be reserved from the total budget of \$14,300,714.00 for the implementation of the approved reclassification for Bureau of Motor Vehicle employees."

On page 54, line 16, add a new Section as follows:

"Section 13101. Lapsed Funds. Fifty percent of all lapsed funds at the end of every quarter shall be reserved for payment of the civil service employee within-grade increases that were affected by the austerity measures retroactive to FY 2001 and 50% shall be paid to CUC for past due utilities owed by the CNMI government. Subsequent sections shall be renumbered accordingly."

On page 34, Article 9, Section 5901, line 22, subsection (2) Agriculture Division under Non-personnel: \$150,00.00 shall be reserved for the procurement of machinery, equipment, and parts.

Speaker Hofschneider: Discussion on the written floor amendment. This is a necessity and it even shouldn't really be inserted but we have to. These are the handful of employees that have been overlooked for over eight years and most of them are in the bracket of \$8,000 and \$11,000. And for the protection of those, since we have appropriated funds for the overall law enforcement personnel, firemen and police officers have been built into the appropriation under DPS for an increase in salary as we have committed. Since in the current budget we did not fulfill that. We needed to move money to priority. Now that priority has been met. It is incumbent of this house to live up to the classification. Also on page 54, line 16 in the event there are lapsed funds it shall be reserved and 50% of all lapsed funds at the end of each quarter shall be reserved for the payment of the civil service employees due to the austerity measures retroactive to FY 2001 and 50% shall be paid to CUC for past due utilities owed by the government. And on number 3, page 39, Section 5901, line 22 under Agricultural Division Non-personnel reserving \$150,000.00 for the procurement of machinery, equipment, and parts. Representative Tebuteb.

Rep. Tebuteb: The floor amendment on page 54 would have a new Section 13101. Just a clarification on the next...

Floor Leader Attao: Subsections shall be renumbered.

Speaker Hofschneider: Subsequent numbers shall be renumbered. Counsel and clerk, is that clear? Ready?

Several members voiced, "ready."

There was no further discussion, and the written floor amendment offered by Floor Leader Attao to H. B. NO. 13-335, HD1 was carried by voice vote.

Speaker Hofschneider: The written floor amendment is hereby adopted by the House. Representative Deleon Guerrero.

Rep. Deleon Guerrero: Thank you, Mr. Speaker. If there's no objection, I'd also like to offer one oral floor amendment on page 19.

There was no objection.

Rep. Deleon Guerrero: On page 19, line 3...

Vice Speaker Tenorio: Line 4.

Rep. Deleon Guerrero: *Line 3 sa nisisita naya ta amenda etyo i LIIDS.*

Speaker Hofschneider: Oh, that's right. Okay.

Rep. Deleon Guerrero: Under LIIDS on Nonpersonnel the amount "\$133,466" would be amended and it would read "\$100,000".

Rep. Babauta: Clarification. \$100,000 straight?

Speaker Hofschneider: Yes.

Rep. Deleon Guerrero: On line 4 strikeout "total" and include "Item (26)" shall read "Commonwealth Telecommunication Commission". Under Personnel it would show "\$33,000", under Nonpersonnel it would show "\$466.00" and then on line 5 would show "Total", the total Personnel would show

“\$9,690,851”, and on Nonpersonnel it would show “\$5,822,823”. On page 20, line 2, Mr. Speaker, strikeout “total” and have an “Item 25”, which would read “Commonwealth Telecommunication Commission”. Under FTE Allocation it would show “3”, on line 3 would show “Total (FTE Ceiling)” and the figure “264” would increase to “267”. Thank you, Mr. Speaker.

Floor Leader Attao seconded the motion and was carried by voice vote.

Speaker Hofschneider: The oral floor amendment offered by Representative Deleon Guerrero is hereby adopted by the House. We’re back to discussing H. B. NO. 13-335 as amended. Discussion on the bill. Representative Cabrera.

Rep. Cabrera: Thank you, Mr. Speaker. I want to offer one floor amendment on page 36, line 19.

Speaker Hofschneider: Page 36, line 19?

Rep. Cabrera: No, I’m sorry. That’s line 20.

Speaker Hofschneider: Line 20?

Rep. Cabrera: Yes. The \$50,000 that the Floor Leader originally reserved for road survey I want to increase that to “\$100,000”, “\$50,000 for survey or for various Precinct IV road project”. There are a couple of roads that need improvement in Precinct IV, Mr. Speaker, and DPW needs money to survey.

Speaker Hofschneider: Short recess.

The House recessed at 5:20 p.m.

RECESS

The House reconvened at 5:21 p.m.

Speaker Hofschneider: We’re back to our session and we’re still discussing the budget as amended. Ready?

Several members voiced, “ready.”

The Chair recognized Representative Tebuteb.

Rep. Tebuteb: This is not an amendment. I looked at Section A, this is the summary appropriation sheet and I’m comparing it with the...

Speaker Hofschneider: You’re talking about this accompanying...

Rep. Tebuteb: Yes. And I’m comparing it with P. L. 13-24 on Personnel. The number of FTE remain 119 for...

Speaker Hofschneider: Section 8?

Rep. Tebuteb: Section A Judicial Branch.

Speaker Hofschneider: Okay.

Rep. Tebuteb: We have 119 FTEs and I’m comparing it with the present budget. It’s the same 119 FTEs but the total is different.

Speaker Hofschneider: The personnel cost went down in other words?

Rep. Tebuteb: Yes.

Speaker Hofschneider: That's because of the need to cut and balance the budget for other purposes such as the bus, the juvenile, which has never been programmed under – and the others that we have funded as a priority. That's where the money went. So we needed to adjust all those vacant positions that were never filled. So this is about a vacant position that was budgeted before. Now we took it out. The money was taken out to balance the budget out. The FTE is still allotted to the branch.

Rep. Deleon Guerrero: Mr. Speaker, I believe the concern raised was if the funding went down but the FTEs are still intact that may mean cutting funding for...

Speaker Hofschneider: If you have 30 FTEs approved under the current fiscal year and you only have 25 that are actually filled and being paid out of the appropriation, you have 5 vacant positions or unfilled positions in other words. So those were the items that were taken out to balance the budget. If it is the pleasure of the body to reinstate that, then I welcome any one to find where we're going to reinstate that.

Rep. Deleon Guerrero: As long as it doesn't apply to existing personnel cuts.

Rep. Tebuteb: Okay.

Speaker Hofschneider: What is the position of the House?

Rep. Tebuteb: Clarification.

Speaker Hofschneider: State to clarify.

Rep. Babauta: My good colleague here is only clarifying to find out the information why the rationale of the same number of FTE versus – it's okay.

Speaker Hofschneider: What is your point? What is...[end of recording]

Rep. Deleon Guerrero: [beginning of recording]...does not affect existing personnel and I guess the concerns addressed.

Speaker Hofschneider: Thank you. Any more? Representative Ada?

Rep. Ada: No, sir. I raised the concern of those suspension with the Floor Leader and I offered a future...

Speaker Hofschneider: Let's take a short recess.

The House recessed at 5:25 p.m.

RECESS

The House reconvened at 5:36 p.m.

Speaker Hofschneider: We're back to our session and we're discussing H. B. NO. 13-335 as amended. Any further discussion on the budget?

Rep. Ada: I move to end debate.

Speaker Hofschneider: We we're discussing the need to restore the Judicial Branch before we recessed. Representative Torres.

Rep. W. Torres: So you're saying that essentially you're just removing the lapse funds from the Judicial Branch but maintaining their FTE?

Speaker Hofschneider: The current employment.

Rep. W. Torres: The current employment. So that means that the 5 unfilled FTEs will not be filled in the future?

Speaker Hofschneider: It cannot be filled unless there is an identification of new resources beyond the \$213 million sanctioned by the House Concurrent Resolution.

Rep. W. Torres: Right.

Speaker Hofschneider: As a supplemental appropriation.

Rep. W. Torres: Right. But you still give them the FTE as in the past?

Speaker Hofschneider: Correct.

Rep. W. Torres: So that means that if they identify revenue then they could very well fill that?

Speaker Hofschneider: Exactly.

Rep. W. Torres: From whatever source may very well be – okay.

Speaker Hofschneider: All the Governor needs is to let us know that there is a supplemental appropriation and it's being specifically requested to appropriate to the Judicial Branch with the current FTE already approved.

Rep. W. Torres: And these lapse funds, Mr. Speaker, are basically from unfilled positions?

Speaker Hofschneider: This is a result of the previous austerity measures that out of cost containment they were told not to fill these positions and all throughout the year these positions were never filled. So it is only appropriate to continue that given the resources that we have we need to make that judgment call and the Committee made that. Unless you want to take the time and look for areas you want to cut but I'm telling you, look at the numbers right in front of you. There's practically no area to cut.

Rep. W. Torres: I guess the fact remains, Mr. Speaker, that they can always go back and request for...

Speaker Hofschneider: Yes. The critical component of this new budget is really on the section requiring that the Department of Finance remit the full amount of employer's contribution on a bi-weekly basis. That's going to be taxing. So regardless of what the appropriation for each department or branches of the government, it will not matter because the priority will be given on a bi-weekly basis to the Retirement Fund. In terms of the cash flow situation at the Department of Finance the competition between on a bi-weekly basis in two: one is that payroll be held, \$856,000 shall be remitted to the Retirement Fund. So even if you manage to restore the level prior to the austerity measure for the Judicial Branch it will not really matter because then there will be an imposition of controls because of the new provisions that we have added for the Retirement Fund. Ready?

Several members voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-335, HD3 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	yes

Rep. N. Palacios: Mr. Speaker, for the record, I understand that our revenue collection is low and we're still under austerity measures. I also understand that we have other obligations to pay such as the Retirement Fund's employer/employee contributions, reductions of deficit obligations that we need to retire. We are also giving the Public School System additional funding, which I am in full support of all those concerns. But the Second Senatorial District is getting a big cut of about \$1 million less from the last Fiscal Year therefore I will vote no. Thank you.

Rep. Norman S. Palacios	no
Rep. Daniel O. Quitugua	no
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 16 "yes", 2 "no", H. B. NO. 13-335 as amended passes the House on First and Final Reading. Floor Leader.

Floor Leader Attao: Mr. Speaker, we move back to Resolution Calendar.

Speaker Hofschneider: I want to thank you guys to have a budget out. It's one of, if not the most, important task of the Legislature and I want to let you know I appreciated your understanding. Representative Quitugua.

Rep. Quitugua: Mr. Speaker, I'd like to make a motion to reconsider the Governor's Integrated Fiscal Plan. For the record, Mr. Speaker, I'd like to have the House reconsider the Governor's proposal, the IFP.

Rep. H. Palacios: Can you clarify that?

Speaker Hofschneider: The good Representative is soliciting the House or the body to reconsider acting on the Governor's previously submitted Integrated Fiscal Plan, which proposes to increase numerous taxes and fees. I believe that the House has acted on and your request is appropriate and in line. You're in order. It is the body that now must consider if we are going to revisit, resurrect or reconsider imposing new taxes and fees, but we must substantiate the rationale behind why we're attempting to do so. If the body wants to discuss this and deliberate on it state so, otherwise we move on. Representative Babauta.

Rep. Babauta: Thank you, Mr. Speaker.

Speaker Hofschneider: Are you supporting the motion?

Rep. Babauta: Not at this time, Mr. Speaker, because the body have already disposed its action relating to the previous request. Unless the body wishes to resurrect the issue I don't know what proper parliamentary procedure we need to look upon to see whether or not the distinguished gentleman from Rota would officially request the Chairman to resurrect the so-called IFP.

Speaker Hofschneider: The proper order of business is really for one to take the bill that was filed and reintroduce it. But since this is an oral request he is in order and it's up to the body to consider. Representative Stanley Torres.

Rep. S. Torres: I am willing to reintroduce the plan provided I'd like to know in advance that the House would support all of them. As you know that there is a controversial bill in that package, the garment user fee.

Speaker Hofschneider: What is the mood of the body? May I see a raise of hands in the affirmative to move on with the issue of resurrecting the plan?

Floor Leader Attao: You're placing that into vote, Mr. Speaker?

Speaker Hofschneider: Yes, just a raise of hand if there's sufficient to call a roll, if not, then we dispense of that and move on to the next agenda.

Floor Leader Attao: Move for reconsideration or move for reconsideration and kill?

Speaker Hofschneider: No.

Floor Leader Attao: I think our economy is bad, Mr. Speaker, and if we are to impose additional taxes to the businesses, instead of helping them, we're killing them. So I don't think it's proper at this time. Wait until next year and see whether the economy is improving. It's kind of hard for me to support that kind of economic stimulus. I cannot support that.

The Chair recognized Representative Arnold Palacios.

Rep A. Palacios: I tend to agree with the Floor Leader, Mr. Speaker. In this kind of equation, you raise the resource base, which is a tax base that is being proposed here, to fund existing level. You cannot raise taxes to fund and it was a hard decision to look at cuts for the different programs. I think over the past two years that we sat here and deliberated and expounded about how we can efficiently run the government and how we should cut costs of this government, it was hard. This is not just looking at my colleagues from the First and Second Senatorial Districts. Believe me, it's not just First and Second Senatorial Districts that was cut. We cut a lot of programs. The Judiciary, the Legislative, the Executive Branches so that we can balance this budget. I don't believe burdening our businesses to continue on this spending level is justified at this point in time. I don't think we should revisit that and that is the whole sentiment when we rejected it in the beginning. I wish the economy was in good shape that we can raise these taxes. We're fighting for visitors, tourism and we're proposing to increase the occupancy tax when other jurisdictions in order to improve the economy on tourism industry, they decrease the taxes to entice tourism. We're doing exactly the opposite. We continue to fund a spending level that we know we cannot really afford. So we need to balance this thing. Sometimes we have to raise taxes to fund something, sometimes we just have to cut expenses and that's a reality. Thank you.

The Chair recognized Representative Herman Palacios.

Rep. H. Palacios: I share the concern that my nephew had just said, Mr. Speaker. I feel sorry for Rota and Tinian losing a million dollars each, but I believe it's just part of the issue that when we don't have enough we cannot continue to ask for more. Thank you.

Speaker Hofschneider: May I ask the good Representative from Rota – what motivated you to ask the House to resurrect the IFP?

Rep. Quitugua: Well, Mr. Speaker, I don't know about the rest of the members but I was never engaged on a serious consideration, deliberation on the issue. As you may recall, Mr. Speaker and members of the House, as soon as the Governor submitted that to the House some of our members have taken firm decision

not to entertain it. I just felt that the entire membership of the House of Representatives never seriously and accurately sat down and considered one, if not all, of the proposed plan. Some of us, like I said, have taken earlier position prior to sitting down and considering if all of that proposal merit the affirmative decision by this house. They have never done that, Mr. Speaker. We have discussed the issue when it was brought up but it was never in a serious sense where we have engaged the statistical analysis as to its impact both, adversely and positively. At least that's the position that I have taken. Had we taken a serious deliberation on the issues and have concluded that because of the economy is such, therefore, the people cannot afford such an increase in fees, for example, not necessarily the tax. Although some of us may have considered and has classified some of the proposals as tax increases, I happen to believe not all of those are tax increases. Sure there will be additional cost involved in the proposal but, in my opinion, I think it may not be the entire percentage and maybe we can consider a lesser amount. We have never engaged in that kind of debate, Mr. Speaker.

Speaker Hofschneider: I believe that in a cursory review by the Chairman on the Committee on Ways and Means, he has submitted a position at a cursory attempt to report to the House the impact of those. Logically when you look at hotel occupancy tax in spite of the 1% increase, Guam at the current level is about 10%, we're at 11%. And to be competitive obviously costs. Now 2000 rooms in the Commonwealth 90%, if not 95%, is situated on the Third Senatorial District. So the impact will be greater multiplied significantly to the overall business activity when you significantly increase or decrease the competitiveness by increasing the tax of the hotel room occupancy here in the Third Senatorial District. One percent may not be such a significant impact when you have about 100 to 200 rooms in Rota or maybe at the most 300 rooms and the level of occupancy is insignificant to the equivalent 100 rooms here on Saipan, the same can be said for the island of Tinian. Now on the user fee it is quite obvious that it does not impact at all the First and Second Senatorial Districts since there is no significant nor any presence of apparel industry activity in the island of Rota and Tinian. So therefore that impact is wholly impacting the business activity particularly the garment directly and indirectly those that do business with the apparel industry on the island of Saipan, and on and on and on and on. A good test that we have already embarked is the good Representative Cabrera's legislation on the "Sin Tax". I believe that we don't have to repeat the negative comments thereabouts when that bill was signed into law. This is about increasing taxes, whether it's a justified reason or not justified reason. On the tobacco there is a significant positive effect when you increase and try and make it a deterrence. Critics argue otherwise. But nonetheless, the tax itself on a pack of cigarettes was significantly increased and it has in fact been a negative outcry. There was an outcry from the people let alone to increase those that tourist consume the services so they have no other choice to scream at us but a way of not coming, which represents a louder voice when they don't patronize the Commonwealth. They don't sell the packages because we're not being competitive. And maybe perhaps as you put it fees, license, driver's license, gun license those that were identified in the Governor's proposal given the state of affairs today, we're passing in this budget a tax credit provision for teachers for they themselves are forking out their own money because at times they have to spend their money because parents that send their kids to public schools are finding it very difficult to provide these kids appropriately even pencils and papers. So it forces the teachers to consider using their money. That is a revelation in itself about the state of affairs that the teachers are putting out their own money and we're giving them a break through this Appropriation Act. I think it'll be foolish thinking if we are to neglect the fact that the economy has not significantly improved, and to fund the appetite of the government the way it is now at this level would be in fact be viewed as irresponsible on our side. I think that people will appreciate good leadership in this house by not passing that proposed tax. Maybe the timing is off in passing any increase in taxes but it shows the maturity of this body to think otherwise. People are hurting and it's not a secret. It's not unknown everywhere and I feel the House's action in taking a million dollars away from Rota and a million dollars away from Tinian, but if you sit down and look at the budget when it comes to the Saipan appropriation there's huge sacrifice, huge sacrifice on the Saipan senatorial district. Everybody, everybody was impacted fairly and my heart goes out to those people that are anticipating to be employed out of the need to increase the budgetary level of the First and Second and Third Senatorial Districts. But for the first time I see that the House will not budge into transferring this burden to the very consumers that we took oath in trying to relief the hardship. It's a vicious cycle and sometimes we just have to do what is right and this is the right thing. I understand where you're coming from, but together we can help each other.

Rep. Quitugua: Mr. Speaker, I don't want to be mistaken that I'm reacting only on behalf of the people of Rota because that's not the case, Mr. Speaker. I am reacting on behalf of the people of the Commonwealth. If this budget is the best we can do for the people of the Commonwealth, then I guess that we have no recourse that this is what we produced today, that the output of this house today is reduction in funding. That's the output. That's the best that this house can do and I don't know whether that is acceptable to the people of the Commonwealth, Mr. Speaker. I was hoping that we can do much better than that, but apparently we did not. I think this is an indictment of our performance in the House of Representatives.

Speaker Hofschneider: It may just very well be. But the fact of the matter is, Representative Quitugua, at a time when everyone wants to champion theoretical concepts so that we can get elected, this is the season. I want everyone on record to know that in spite of who sits in this body, in spite of who sits across the street, I think we all have the fiduciary to stop professing what is not real in terms of do we really honestly in spite of our ability to pass legislation, repeal laws currently, in spite of these things – qualifying certificate, free trade zone, tax credits on and on and on, are there any takers? Because the reality of the matter in the economics is consistency within the Commonwealth, credibility within the Commonwealth and the strength of that economic power haul, like Japan and Korea, that patronizes the Commonwealth. We wholeheartedly 80% to 90% of the economy rest on the consumer activity of the tourist industry, and the apparel industry contributing to about 48% of the total revenue generated by the Commonwealth through the user fee. So if the U. S. economy suffers, then that segment of the economy of the Commonwealth gets injured. So you can see the pattern. The total user fee goes down. The U. S. economy improves it goes up. There's something significant that we must all try and understand. Japan has been trying to correct itself for the last ten years and they have not been able to cure their hiccups themselves. What we can do is sustain ourselves in what remaining economy we have, and that is not by aggravating in increasing the taxes so that we continue to pay for this taste and level of taste and expenditure. We should be looking at expanding the economic base not through raising taxes but expanding the overall economy through investment. But in the last eight years, ten years there has yet to be one significant investment in the Commonwealth. So let's not all try and profess before the voters this year that we have the solution. We will win the election and be reelected back in to office by being truthful, being honest to our voters, by saying we represent in making sure that what we have is not wasted, controls, oversights and adhering to prudence that we don't have to make travels, we don't take the travel. If we don't have to spend and we can afford to rent a car on our pocket, then we save the taxpayers a significant \$800 a month. If we don't have to charge our offices for official representation, we don't. We save the public. This is what I'm talking about. Significantly being responsible individually and collectively. Our job is to teach our constituents that are a lot of things that the government can save by the community themselves coming together and doing things. But to continue professing that the government is the employer of the century is false pretext and false assumptions to be given to those aspiring kids. Instead of trying to find ways to broaden the economic base we furlo them to government employment. We need to do something and be honest to ourselves first and we need to start with this election. People will reelect us back by doing what we have done, and you can hold your head up and face anyone because this body has acted exceptionally well – and I mean, exceptionally well. I disagree in raising taxes simply because the timing is off. If the economy like Representative Palacios said is robust, then perhaps a greater share from all the economic activity is due the public to improve the quality of existing services. But even the givers, the businesses themselves, are finding it very difficult to meet their own needs and responsibilities. What makes us think that it is easy for them to increase in tax whatever the tax is? Every time people go on the main road, the first thing they look at is the pricing of gas for the day. Every single one looks at that and it doesn't even take legislation. That's an increase in cost. So be mindful on all this tax increase, it is the consumer themselves paying for it. That's the rationale behind the House's position not to consider raising the IFP again. And for that, we appropriately cut the budget to be consistent with existing revenues without considering those increase in taxes. Any other comments? Representative Herman Palacios.

Rep. H. Palacios: Thank you. I don't know just what each one of us pray when we pause for a moment of silence, Mr. Speaker, but I always ask the Lord to come down to earth and resurrect the economy. Thank you.

Speaker Hofschneider: You're asking for a lot. Representative Norman Palacios.

Rep. N. Palacios: Mr. Speaker, you said we have an answer to this question I'm about to ask – What percentage of Tinian's budget being cut, as well as Rota and Saipan? Do you have the percentage on this?

Speaker Hofschneider: Well, if you take a million dollars so you have \$13.9 million from the last – Floor Leader?

Floor Leader Attao: Yes.

Speaker Hofschneider: The current budget level is \$13.9 million?

Floor Leader Attao: Right, Mr. Speaker. The current?

Speaker Hofschneider: Yes.

Floor Leader Attao: \$12.5 million.

Speaker Hofschneider: No. The current. \$13.5 million?

Floor Leader Attao: \$13.550 million. Mr. Speaker, are we in recess?

Speaker Hofschneider: No. We're in session.

Floor Leader Attao: Point of information, Mr. Speaker.

Speaker Hofschneider: About 7%.

Floor Leader Attao: That's the cuts?

Speaker Hofschneider: Yes.

Rep. N. Palacios: What percent for Tinian?

Speaker Hofschneider: 7.3% both Rota and Tinian.

Floor Leader Attao: And that includes, Mr. Speaker, the 2% deficit reduction.

Speaker Hofschneider: So if you take away 2% of that cut of the million dollars then significantly the real cut is about 5%, almost 6%.

Rep. N. Palacios: So that goes the same for Saipan then?

Speaker Hofschneider: Aggregate, yes. Some departments had as high as 14% cut. Like both Presiding Officers in the House and the Senate, the equivalent cut is about 25% and that went to the appropriation for the bus for PSS. Again, in the context of the budget, two significant or maybe one significant mandate and that is the completion of the new juvenile facility. That has never been programmed into the Commonwealth budget. If you look at the facility itself, that's over half a million dollars of direct impact now in the budget. So half a million has to be cut or it must come from all the cuts. The \$1 million for all Commonwealth law enforcement, fire and public safety officers, that also has to come from somewhere. And then the utilities – Rota and Tinian doesn't pay for utilities. The central government pays for the utilities. So every one has to chip-in to those significant expenditures of the government.

Rep. N. Palacios: Thank you, Mr. Speaker.

Speaker Hofschneider: Floor Leader, under Bill Calendar.

Floor Leader Attao: Resolution Calendar, Mr. Speaker.

Rep. Quitugua: Mr. Speaker.

Speaker Hofschneider: Short recess. Representative Quitugua.

Rep. Quitugua: I made a motion and Congressman Palacios seconded my motion so just for the record, let's dispose of the motion.

Speaker Hofschneider: Oh, I'm sorry.

Rep. Quitugua: I knew what the outcome is, just for the record, Mr. Speaker.

Speaker Hofschneider: Okay. I was out of order. We were still under the Bill Calendar when the motion to reconsider the Governor's Integrated Fiscal Plan was offered by Representative Quitugua and seconded by Representative Norman Palacios.

Floor Leader Attao: Roll call.

Speaker Hofschneider: Discussion on the motion. We have made discussions. Are we ready?

Several members voiced, "ready."

Speaker Hofschneider: Clerk, roll call on the motion to reconsider the Governor's proposal.

The roll called on the motion to reconsider the Governor's Integrated Fiscal Plan is as follows:

Rep. Martin B. Ada	no
Rep. Francisco DLG. Aldan	no
Rep. Jesus T. Attao	no
Rep. Oscar M. Babauta	no
Rep. Gloria DLC. Cabrera	no
Rep. Pedro P. Castro	no
Rep. Joseph P. Deleon Guerrero	abstained
Rep. Arnold I. Palacios	no
Rep. Herman T. Palacios	no
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	yes
Rep. Andrew S. Salas	no
Rep. Benjamin B. Seman	no
Rep. Ramon A. Tebuteb	no
Rep. Manuel A. Tenorio	no
Rep. Stanley T. Torres	no
Rep. William S. Torres	no
Rep. Heinz S. Hofschneider	no

Speaker Hofschneider: The motion to reconsider the Governor's Integrated Fiscal Plan has been defeated by a vote of 15 "no", 2 "yes", 1 "abstention". Floor Leader, under Resolution Calendar.

There being no objection; the House went back to Resolution Calendar.

RESOLUTION CALENDAR

Floor Leader moved for the suspension of Rule VII, Section 10, Rule IX, Sections 9, 10 and 11 for the adoption of H. R. NO. 13-167, H. R. NO. 13-168, H. R. NO. 13-171, H. R. NO. 13-172, H. R. NO. 13-173, H. R. NO. 13-174, H. R. NO. 13-175 and H. J. R. NO. 13-034, was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao moved for the adoption of H. R. NO. 13-167, H. R. NO. 13-168, H. R. NO. 13-171, H. R. NO. 13-172, H. R. NO. 13-173, H. R. NO. 13-174, H. R. NO. 13-175 and H. J. R. NO. 13-034 and was seconded by two others.

H. R. NO. 13-168: A HOUSE RESOLUTION URGING AND REQUESTING GOVERNOR JUAN N. BABAUTA TO DECLARE A STATE OF WATER EMERGENCY FOR THE ISLAND OF SAIPAN.

H. R. NO. 13-169: A HOUSE RESOLUTION TO PAY SPECIAL TRIBUTE TO JUAN SABLAN TENORIO FOR HIS OUTSTANDING SERVICE AND CONTRIBUTIONS TO THE PEOPLE OF THE COMMONWEALTH IN THE VARIOUS ROLES OF RESPONSIBILITY HE HAS PERFORMED OVER THE PAST TWO DECADES.

H. B. NO. 13-171: A HOUSE RESOLUTION TO EXTEND A SINCERE AND HEARTFELT RECOGNITION AND CONGRATULATION TO MRS. DORA AGULTO INOS DELEON GUERRERO UPON PASSING THE CERTIFIED PUBLIC ACCOUNTANTS EXAMINATION ON AUGUST 8, 2003.

H. R. NO. 13-172: A HOUSE RESOLUTION TO EXTEND A SINCERE AND HEARTFELT CONGRATULATION TO THE SAIPAN MARIANAS RACING ASSOCIATION (MRA) UNDER THE LEADERSHIP OF MR. ERIC A. CRUZ, PRESIDENT; MRS. CATHY S. CEPEDA, VICE PRESIDENT; MS. CHARLOTTE P. REYES, SECRETARY; MR. DAVE BURGER, TREASURER; MR. CUKI ALVAREZ, BOARD MEMBER; MR. HENRY A. CAMACHO, SR., BOARD MEMBER; MR. JOE S. SALAS, BOARD MEMBER; AND MR. PATRICK C. TOGAWA, BOARD MEMBER; UPON THE SUCCESSFUL COMPLETION AND GRAND OPENING OF THE MRA SAIPAN'S FIRST MOTOCROSS FACILITY AT THE COWTOWN RACEWAY PARK IN MARPI ON SATURDAY, AUGUST 30, 2003.

H. R. NO. 13-173: A HOUSE RESOLUTION TO URGENTLY REQUEST THE HONORABLE JUAN N. BABAUTA AND THE SECRETARY OF THE DEPARTMENT OF PUBLIC WORKS, MR. JUAN S. REYES TO ALLOCATE \$2.83 MILLION FROM THE FY 2005 FEDERAL HIGHWAY FUND FOR THE CROSS ISLAND ROAD IMPROVEMENTS ALSO KNOWN AS ROUTE 31.

H. R. NO. 13-174: A HOUSE RESOLUTION TO ADOPT THE COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS) FOR THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS; AND FOR OTHER PURPOSES.

H. R. NO. 13-175: A HOUSE RESOLUTION TO COMMEND MR. FELIPE RUAK AND JOSEPH RUAK, FOUNDERS AND INSTRUCTORS OF THE TALABWOG MEN STICK DANCERS FOR THEIR OUTSTANDING WORK AND ACHIEVEMENT IN RECEIPT OF THE NATIONS HIGHEST FOLK AND TRADITIONAL ARTS AWARD, THE NATIONAL HERITAGE FELLOWSHIP.

H. J. R. NO. 13-034: A HOUSE JOINT RESOLUTION RESPECTFULLY REQUESTING AND URGING THE ADMINISTRATION TO INCLUDE IN THE CNMI COVENANT SECTION 702 NEGOTIATION THE APPROPRIATION OF NINE MILLION DOLLARS (\$9,000,000.00) FOR THE DESIGN AND CONSTRUCTION OF THE DANDAN SEWER SYSTEM IN PRECINCT I.

The Chair recognized Representative Babauta.

Rep. Babauta: On H. R. NO. 13-169 is author willing to have it introduced by Committee of the Whole?

Speaker Hofschneider: Short recess.

The House recessed at 6:10 p.m.

RECESS

The House reconvened at 6:27 p.m.

Speaker Hofschneider: We're back to our session. We're under Resolution Calendar and I recognize the Floor Leader.

Floor Leader Attao: Ready, Mr. Speaker.

Speaker Hofschneider: You have two resolutions.

Floor Leader Attao: No. We're under discussion on H. J. R. NO. 13-034.

Speaker Hofschneider: Okay. Ready for adoption?

Several members voiced, "ready."

There was no further discussion, and the motion to adopt H. R. NO. 13-167, H. R. NO. 13-168, H. R. NO. 13-171, H. R. NO. 13-172, H. R. NO. 13-173, H. R. NO. 13-174, H. R. NO. 13-175 and H. J. R. NO. 13-034 was carried by voice vote.

Speaker Hofschneider: H. R. NO. 13-167, H. R. NO. 13-168, H. R. NO. 13-171, H. R. NO. 13-172, H. R. NO. 13-173, H. R. NO. 13-174, H. R. NO. 13-175 and H. J. R. NO. 13-034 are hereby adopted by the House. Floor Leader.

BILL CALENDAR

Floor Leader Attao moved to place H. B. NO. 13-021, HS1, H. B. NO. 13-042, H. B. NO. 13-130, HS1, H. B. NO. 13-149, HD1, H. B. NO. 13-183, HD1, H. B. NO. 13-277, HD2, H. B. NO. 13-280, HD4, H. B. NO. 13-321, HS1, H. B. NO. 13-324, H. B. NO. 13-325, H. B. NO. 13-328, H. B. NO. 13-329, H. B. NO. 13-334, S. B. NO. 13-003, S. B. NO. 13-004, S. B. NO. 13-006, S. B. NO. 13-054, S. B. NO. 13-058, S. B. NO. 13-061, S. B. NO. 13-092, S. B. NO. 13-131, S. B. NO. 13-136, S. B. NO. 13-137, S. B. NO. 13-144, S. B. NO. 13-146, S. B. NO. 13-152 and S. B. NO. 13-153, was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao moved for the suspension of Rule VII, Section 10, Rule IX, Sections 9, 10 and 11 for the passage of all bills on the day's calendar, was seconded.

Speaker Hofschneider: Short recess.

The House recessed at 6:45 p.m.

RECESS

The House reconvened at 6:47 p.m.

Speaker Hofschneider: We're back to our session. Floor Leader, can you clarify your motion.

Floor Leader Attao: Yes, thank you Mr. Speaker. My motion is for the suspension of all Rules for the passage of all bills appearing on the day's calendar.

The motion was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the acceptance of the Senate amendment to H. B. NO. 13-280, HD4, SD1 reference SEN. COMM. 13-221.

The motion was seconded.

H. B. NO. 13-280, HD4, SD1: A BILL FOR AN ACT TO APPROPRIATE AVAILABLE FUNDS FROM THE 702 CIP COVENANT FUNDING FOR CERTAIN CAPITAL IMPROVEMENT PROJECTS IN FY 2003; AND FOR OTHER PURPOSES.

Several members voiced, “ready.”

Speaker Hofschneider: Ready. Clerk, roll call.

The roll called on the motion to accept the Senate amendment to H. B. NO. 13-280, HD4, SD1 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	yes
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	abstained
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 17 “yes”, 1 “abstention”, H. B. NO. 13-280, HD4, SD1 is hereby accepted by the House. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the acceptance of the Senate amendment to H. B. NO. 13-149, HD1, SD1 reference SEN. COMM. 13-232.

The motion was seconded.

H. B. NO. 13-149, HD1, SD1: A BILL FOR AN ACT TO APPROPRIATE FIVE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$575,000.00) FROM THE SAIPAN TRUST FUND, WHICH WAS ORIGINALLY ESTABLISHED AS THE “SPECIAL DEPOSIT FUND,” AND IS PRESENTLY MANAGED BY THE MARIANAS PUBLIC LAND TRUST (MPLT) ON BEHALF OF THE UNITED STATES NAVY FOR LANDS USES ON TINIAN AND SAIPAN DURING THE TRUST TERRITORY PERIOD, FOR THE DESIGNING, ENGINEERING, AND CONSTRUCTION AND CURATOR OF A TINIAN MUSEUM AND THE PURCHASE OF NUESTRA SENORA DE LA CONCEPCION ARTIFACTS; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The Senate amendment actually is on page 2, line 24. There is an inclusion of language “in consultation with the Museum pursuant to P. L. 10-05, as amended.” That’s the only amendment that the Senate made. Floor Leader, that was a motion?

Floor Leader Attao: Yes, Mr. Speaker.

Speaker Hofschneider: The motion on the floor is to accept the Senate amendment on H. B. NO. 13-149, HD1 in the form of SD1 reference SEN. COMM. 13-232. It has been seconded. Discussion on the bill. Representative Norman Palacios.

Rep. N. Palacios: What was the section that we amended?

Floor Leader Attao: The amendment is “in consultation with the Museum pursuant to P. L. 10-5, as amended.”

Rep. N. Palacios: Can the legal counsel enlighten us what is that section?

Speaker Hofschneider: Short recess.

The House recessed at 7:30 p.m.

RECESS

The House reconvened at 7:33 p.m.

Speaker Hofschneider: We’re back to our session and we’re discussing H. B. NO. 13-149, HD1 as amended by the Senate. Ready?

Several members voiced, “ready.”

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to accept the Senate amendments to H. B. NO. 13-149, HD1, SD1 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	yes
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	abstained
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 17 “yes”, 1 “abstention”, H. B. NO. 13-149, HD1 as amended by the Senate is hereby accepted by the House. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the acceptance of the Senate amendments to H. B. NO. 13-277, HD2, SD1 reference SEN. COMM. 13-276.

The motion was seconded.

H. B. NO. 13-277, HD2, SD1: A BILL FOR AN ACT TO APPROPRIATE TWO MILLION TWO HUNDRED SEVENTY FOUR THOUSAND DOLLARS (\$2,274,000.00) FOR THE CONSTRUCTION AND RENOVATION OF HEADSTART CENTERS AND OTHER SCHOOL FACILITIES; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to accept the Senate amendments to H. B. NO. 13-277, HD2 in the form of SD1 has been seconded. Discussion on the bill. Representative Cabrera.

Rep. Cabrera: Thank you, Mr. Speaker. First of all, there are significant amendments made to this bill and upon inquiry I was advised that PSS has taken the position of reprioritizing these funds. I'm just curious, Mr. Speaker, because under the Findings on the first page of this bill, it states that federal funds for Headstart is in jeopardy unless the Public School System complies with the building capacity space ratio and...

Speaker Hofschneider: That's a nice way of putting overcrowding.

Rep. Cabrera: Yes. And when I looked at the reprioritization, I see that they're taking a substantial amount of the money for the purpose of expanding classrooms within the elementary level with only one Headstart receiving money specifically Garapan and the rest of the Headstart Programs in other respective villages crossed out. I wonder, Mr. Speaker, if there was consultation made with the Public School System with the same agency such as the Federal Agency that imposed that requirement as a condition for continued federal funding.

Speaker Hofschneider: Representative Tebuteb, you may answer that.

Rep. Tebuteb: The question is overcrowding?

Speaker Hofschneider: The question is is this consistent with the needs of the Headstart to allow the Senate to amend and include Southern High instead of reserving the entire \$2 million for the Headstart...

Rep. Tebuteb: Yes, Mr. Speaker. After several meetings with the Public School System, inclusive of Headstart, I have provided the members of the needs as requested by the Public School System in the series of meeting that we have conducted, including the Education Committee going to all the schools, as far as also some meetings were conducted here. As a result of all those meetings, we came down to a position that not only the Headstart, but all the entire Public School System is in dire need of classrooms. And with that, we came to conclude that the information that was passed out to everybody that that was the position of the series of meetings conducted including the Committee on Education as well as the PSS Board of Education and the Headstart.

Speaker Hofschneider: So both entities support the amendment made by the Senate?

Rep. Tebuteb: Yes.

Speaker Hofschneider: Okay. Any further questions?

Rep. Cabrera: Yes, Mr. Speaker. Is that inclusive of the write-in amendment on the bottom?

Speaker Hofschneider: I just reaffirmed that with the question posed to Representative Tebuteb, if the Headstart Council and PSS concurs with the Senate amendment.

Rep. Tebuteb: What I just said is that after series of all those meetings and the information provided that is the position. The write-in is part of it. The actual number of classrooms need is forty-three. The most critical one is about thirty-two. If you look at Kagman Elementary School, for example, and that's been stricken out it needs seventeen. Kagman Elementary, Garapan Elementary, Southern High School and Garapan Headstart are the most critical ones.

Speaker Hofschneider: Representative Cabrera, in other words, we're still short.

Rep. Tebuteb: Yes, Mr. Speaker.

Rep. Cabrera: So long, Mr. Speaker, as even with the renewed position on reprioritizing that they don't come back and tell us well you have not complied with the initial requirement and...

Rep. Tebuteb: I'm reading that you're concern about all the Headstarts and I'm sure everybody is concern about all the Headstarts. The series of meetings conducted came down that all the schools are in dire need. But in the Headstart area Garapan is the most critical because they are being housed at the Lower MIHA. We've had discussions on these, Mr. Speaker and members, when we had that marathon session. We went all the way to midnight and we worked around all theses. However, after that, we contacted the proper agency and this is the result not the write-in.

The Chair recognized Representative Babauta.

Rep. Babauta: Thank you, Mr. Speaker. I understand the needs of the Public School System, Mr. Speaker. When we passed this bill, we agreed to compromise on having various Headstart Centers in the villages be accommodated. I support the intent of the amendments. However, Mr. Speaker, when you still see roughly seventy-five kids in three classrooms down in W. S. R. Elementary School from Dandan that tells me that Dandan lacks the facility. So I don't know which is which. However, I support the amendment because PSS priority needs but when we continue to see Dandan pupils down at W. S. R. Elementary School compound utilizing three classrooms that tells me that Dandan lacks classrooms for Headstart.

Speaker Hofschneider: Dandan is taken out.

Rep. Babauta: For Dandan?

Rep. Cabrera: Yes. It's eliminated. So is Tanapag. So is San Roque.

Rep. Tebuteb: All Headstarts were taken out except Garapan.

Speaker Hofschneider: And is that sufficient, Representative Tebuteb, to immediately deal with the crisis down in Garapan? Is that sufficient funding?

Rep. Tebuteb: Yes, Mr. Speaker.

The Chair recognized Representative Aldan.

Rep. Aldan: I think if the good Representative visits San Roque he'll find out that San Roque does not have a Headstart classroom. There are two elementary classrooms at the present moment being utilized by the Headstart over there. Therefore, it's short changing the elementary classrooms.

Speaker Hofschneider: This is GTC?

Rep. Aldan: GTC.

Rep. Tebuteb: Mr. Speaker, I am not specific on the communication numbers but there are three communications under Department & Agencies Communication, I believe, from 702 last Friday's session. If you have had a chance you those will realize that all Headstarts are inclusive of the next CIP funding. But in dire needs, these are the most critical and it's not my decision. It's a combination of affected agencies.

Speaker Hofschneider: I think we have to, in all honesty, clarify and defend Representative Tebuteb. The amendments are not coming from him. It's coming from the Senate. So either we support the Senate amendments and pass the bill, or we kill the Senate amendments and move it to conference. That'll

obviously delay it. So the debate before us really whether we are in agreement with the Senate amendment. Representative Quitugua.

Rep. Quitugua: Thank you, Mr. Speaker. I noticed that the first bill that we have passed, Mr. Speaker, H. B. NO. 13-280, HD4, SD1 reference SEN. COMM. 13-221 is an appropriation bill. This has something to do with funding that's coming out of the 702 Covenant Funds. I abstained in voting one way or the other for the simple reason, Mr. Speaker, and it's quite obvious. It's obvious in a fact that all of the precincts in Saipan are included including the Second Senatorial District of Tinian with the exception of the First Senatorial District of Rota.

Speaker Hofschneider: That's by way of the Senate not the House.

Rep. Quitugua: I understand. I'm not grilling the House on this action. And if you look at the next communication from the Senate, which we have sent up to the Senate several months ago, Rota was included an appropriation of \$250,000.00 for the construction of Headstart on Rota. Now, nothing appears on that same bill, Mr. Speaker. It was amended by the Senate. I hate to speculate, Mr. Speaker, because I don't often take that kind of position but it forces me to take that position and to conclude that there is a deliberate attempt by the Senate either to penalize the people of Rota for whatever reason, or to discriminate the people of Rota for whatever reason. In the bill that we sent up to the Senate for the distribution of funds for the construction of Headstart facilities throughout the Commonwealth, all islands were included including the island of Tinian and most of the villages that are in dire need of Headstart facilities were included in the bill, Mr. Speaker. I am surprised, Mr. Speaker, looking at the appropriation items, that Rota, again, was excluded when originally it was included. I don't understand the justification for that, Mr. Speaker. I am guessing that other appropriations involving CIP funds that we have sent up to the Senate that something of similar action will probably appear. I appeal the good sense of the members of the House to exercise impartiality and to exercise fairness, Mr. Speaker. Thank you, Mr. Speaker.

Speaker Hofschneider: Thank you. Any other comments on H. B. NO. 13-277, HD2, SD1?

Several members voiced, "ready."

Speaker Hofschneider: Ready. Clerk, roll call.

The roll called on the motion to accept the Senate amendments to H. B. NO. 13-277, HD2, SD1 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	yes
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	no
Rep. Andrew S. Salas	yes
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	yes

Vice Speaker Tenorio: Mr. Speaker, I tried to say something during the discussion but I know that I'm too short and you can't see me so...

Speaker Hofschneider: I'm sorry. With no objection, I'd like the Vice Speaker to have three minutes.

There was no objection.

Vice Speaker Tenorio: I just wanted to say, Mr. Speaker, that it appears from the way they crossed this out that we tend to lose about five Headstart Centers through Precinct I. But equally important, Mr. Speaker, is the argument or the presentation was accurate that PSS has reviewed this and they're the ones that's setting priorities for education. It goes to show that more and more people are migrating to Precinct I and we have too many students are now in Southern High School that all of a sudden we have to build six additional classrooms as well as Kagman Elementary School. It's already too small. While I realize and know for a fact that San Vicente and Dandan Headstart students are moving down to Chalan Kanoa because of the lack of classrooms, I just hope that the next available fund, if we have supplemental funds, Mr. Speaker, will be considered to address immediately the problems with the Headstart Centers throughout the island. But I do cast my vote as set forth here, Mr. Speaker, with the amendments. Thank you and my vote is yes.

Speaker Hofschneider: Thank you.

Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	yes
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 17 "yes", 1 "abstention", H. B. NO. 13-277, HD2, SD1 is hereby accepted by the House. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the acceptance of the Senate amendments to H. B. NO. 13-130, HS1, SD1.

The motion was seconded.

H. B. NO. 13-130, HS1, SD1: A BILL FOR AN ACT TO REPEAL AND REENACT 1 CMC §1601 THROUGH 1616; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to accept the Senate amendments to H. B. NO. 13-130, HS1 in the form of SD1 reference SEN. COMM. 13-271 has been seconded. Discussion on the bill. This is amending the Youth Congress Law. The Senate amendment is on page 4. Representative Deleon Guerrero.

Rep. Deleon Guerrero: Mr. Speaker, my concern pertains to the Senate amendment specifically on page 4, lines 12 thru 15, the fact they combined the school and the precinct elections to be held on the fourth Monday of September whereas before they made that amendment, school elections are held on the fourth Monday of September, which makes sense because it's on a school day and precinct elections are held on the Saturday preceding the school elections. I just wonder if having precinct elections on weekday may improve or lower the voter turnout.

Speaker Hofschneider: I think that in consultation with the Youth Congress themselves and the Bureau administering these elections, they recommended that all elections should be coincided. Ready?

Several members voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to accept the Senate amendments to H. B. NO. 13-130, HS1, SD1 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	yes
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	abstained
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 17”yes”, 1 “abstention”, H. B. NO. 13-130, HS1 as amended by the Senate is hereby accepted by the House. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-153 reference SEN. COMM. 13-267 on First and Final Reading.

The motion was seconded.

S. B. NO. 13-153: A BILL FOR AN ACT TO AMEND 2 CMC SECTION 5106; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading S. B. NO. 13-153 reference SEN. COMM. 13-267. This is in relation to the technical amendment that will prohibit the Governor from reprogramming funds due the Department of Lands and Natural Resources. Correct?

Floor Leader Attao: Yes, Mr. Speaker.

Speaker Hofschneider: Representative Palacios?

Floor Leader Attao: That is correct.

Speaker Hofschneider: It has been seconded. Discussion on the bill

Several members voiced, “ready.”

Speaker Hofschneider: Ready. Clerk, roll call.

The roll called on the motion to pass S. B. NO. 13-153 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	yes
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	abstained
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 17 “yes”, 1 “abstention”, S. B. NO. 13-153 is hereby passed by the House on First and Final Reading. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 13-334 on First and Final Reading. This is with respect to the extension of nonresident workers at DPW.

Rep. Babauta seconded the motion.

H. B. NO. 13-334: A BILL FOR AN ACT TO AMEND 3 CMC § 4434(i)(1)(B) AS AMENDED BY PUBLIC LAW 13-20 TO ALLOW THE DEPARTMENT OF PUBLIC WORKS TO HIRE NONRESIDENT PROFESSIONALS FOR TECHNICAL AND PROFESSIONAL POSITIONS UNTIL SEPTEMBER 30, 2005.

Speaker Hofschneider: The motion for the passage of H. B. NO. 13-335 reference extension for the Department of Public Works to continue hiring nonresident workers up to September 2005 on First and Final Reading has been seconded. Discussion on the bill.

Rep. Babauta voiced, “ready.”

Speaker Hofschneider: I want to say a few words on this bill. In as much as we want to see that the government is not interrupted particularly the Department of Public Works with the pending capital improvement projects, I think that one has to send the message that if we do not start somewhere then this practice of continually extending nonresident workers employment in the government and in the past twelve years the objective is to promote our kids to go into certain fields of study and return and replace those in the government particularly in the nursing area, in engineering as the Department of Public Works is requesting. So with the consideration of not interrupting those particular projects that are ongoing with the Department of Public Works and the mood of the House is to extend that to 2005. We’ll let it be a reminder that we need to start somewhere. If we can come up with incentives so that we entice our kids to go into fields of study particularly in architects and engineering and by that time who knows we may have some replacements. Representative Salas.

Rep. Salas: Mr. Speaker, two and a half years ago, OPA had twenty-eight employees that were non-local, non-U.S., one U.S and one local and ever since Mike Sablan came in we have reversed the trend to now one to twenty eight. So please let us start now and reverse that trend. Thank you.

The Chair recognized Representative Arnold Palacios.

Rep A. Palacios: Thank you, Mr. Speaker. I think you’re right that in order for us to reverse this trend we need to invest and that is enticing our children to go into field of engineering, probably providing incentive through specialized funding for engineering schools such as that that we have with the teachers a scholarship. And also to be cognizant that if our kids graduate in engineering school to entice them to come back and work in the Commonwealth we have to pay them a competitive rate not the \$22,000.00 that we pay nonresident workers. If we really want to that we have to fund these positions at a level that is commensurate to their expertise. So that’s something that we really need to consider. The Office of the Public Auditor was very successful because we allowed them we gave them the funding to make it attractive for our kids to get into that line of profession. Thank you.

The Chair recognized the Vice Speaker.

Vice Speaker Tenorio: Mr. Speaker, I echo the same sentiment by both Congressmen on getting our own people to fill these hard-to-fill positions. I also understand that it is urgent that we continue the ongoing

project without interruption. But I don't exactly know what's in 3 CMC 4434 but I would imagine that there would be a reporting provision there the Department of Public Works would report how many of our local people are now currently being hired because this continues to be the case where we open this up and there's a whole shebang of foreign workers here and the engineering comes in because of the \$\$23,000.00 or \$30,000.00 is good enough for them. But to put a stop this is there any training or any requirement at all that will require the Department of Public Works to come up with in terms of training so that our people will fill these positions. This is like putting a sunset provision again increasing from 2003 to 2005. What are we going to gain in 2005 in terms of our people filling in this job and what type of responsibility are we asking from the Department of Public Works?

Speaker Hofschneider: I think that's not difficult to answer, Vice Speaker, since there are people employed in that division, the Technical Services Division for instance, for over fifteen years. It just tickles the mind of the people here to think that we couldn't find anyone in the last fifteen years nor come up with a human resources program to replace the reliance on the nonresident workers particularly on the Technical Service Division at the Department of Public Works. So if you don't put the onus on them, there will always be a convenient excuse that because of the amount of work that needs to be done, existing contracts may be delayed, there will always be legitimate reasons and claims. The fact of the matter is that the Scholarship Office and PSS and the college must work together to look at perhaps counseling, career counseling or enticement on their own course and to try and convince kids to go into engineering or architects or similar field of study. It's a remarkable example what they have done with the Teachers Academy. That is in fact been working for the last five years. Nursing is one of those areas that we need to improve the interests with our kids. So I guess the convenient excuse is to extend the privilege of hiring nonresident up to 2005. But I'm pretty sure there are currently kids in the Commonwealth who are now studying engineering or about to finish and that we are in the position to offer them an opportunity. But it takes time to train them, to get them up to speed, or up to par with those that have been in the engineering field. Representative Palacios.

Rep. H. Palacios: Mr. Speaker, point of information. What is the salary for these people?

The Chair recognized the Floor Leader.

Floor Leader Attao: The what?

Speaker Hofschneider: The salary for those positions that are being given an extension not filled by nonresident workers.

Floor Leader Attao: I think this is less than \$30,000.00.

Rep. H. Palacios: \$30,000.00.

Floor Leader Attao: Less than \$30,000.00.

Rep. H. Palacios: No wonder why. Thank you, Mr. Speaker.

The Chair recognized Representative Quitugua.

Rep. Quitugua: Thank you, Mr. Speaker. If I'm correct, Mr. Speaker, if we don't force the issue I don't think this reliance on nonresident workers will cease immediately or in the distant future. When PSS was sued back, I believe, 1994, I was forced to change its patterns of hiring. It was difficult the first year but look what happened right now. We're not relying on nonresident workers. We're relying on U. S. workers. So unless this issue was forced to expire rather than continue to do extension I don't think it will cease, Mr. Speaker. I think at some point in time we just need to decide that today or tomorrow is the last day.

The Chair recognized Representative William Torres.

Rep. W. Torres: The fact of the matter is, Mr. Speaker, there are in fact students who are studying engineering. I think the failure in this whole process is not actively recruiting them, not actively seeking them out and not to only actively seek them out but taking them in to the department and training them alongside those for whom we will eventually replace. And I think there are models already that have been very successful. You pointed them out. The Teachers Academy is a clear model. The OPS model is working very well and I think CHC is in the process of having an effective or successful model as well. So I guess it's the will to apply this forcefully. We need to also assist the department in providing them the necessary resources, perhaps recommending some ideas to them on how to do these things. I'm sure they'll be more than willing and happy to accommodate these concerns. A point in fact, talking to the Secretary about this issue, he's more than happy to recruit locally. In fact it's even less costly to do so. So I think what we need to do is send out a message that the Department of Public Works needs to actively seek these engineering students and recruit them and put them on training on trainees salary until such time that they are prepared to take the bar as they say the engineering exams so that we can work them through. I'm sure that we will be successful by the year 2005 so we don't need to revisit this issue. This will be the last one. Thank you.

The Chair recognized Representative Deleon Guerrero.

Rep. Deleon Guerrero: Mr. Speaker, I'll make it short since there've been a lot of comments already. I think that we just might have to revisit this issue simply because we just passed the budget and while we did give the Department of Public Works specifically the Technical Services Division about 20% increase, that 20% increase is to accommodate the additional ten FTEs that was also granted to TSD. We have not addressed that part of the equation – to make the salary attractive – so that we can entice our qualified locals to work here. In the absence of that, even though September 2005 is next year, the 2004 budget will still apply and I'm pretty sure we're going to be revisiting this issue again until such time that we correct it. Thank you, Mr. Speaker.

Speaker Hofschneider: Thank you. Any other comments?

Several members voiced, "ready."

Speaker Hofschneider: Ready. Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-334 on First and Final Reading is as follows:

Rep. Martin B. Ada	abstained
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	yes (with major reservations)
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	abstained
Rep. Andrew S. Salas	no
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	yes

Vice Speaker Tenorio: So we can continue with ongoing projects, Mr. Speaker.

Rep. Manuel A. Tenorio	yes
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Rep. S. Torres: For one more cycle on the contract for the last time.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the acceptance of the Senate amendments to H. B. NO. 13-021, HS1 reference SEN. COMM. 13-210.

Rep. Babauta seconded the motion.

H. B. NO. 13-021, HS1, SD1: A BILL FOR AN ACT TO MAKE PUBLIC EDUCATION A MANDATORY REQUIREMENT ON ANY PROPOSED AMENDMENT TO THE CONSTITUTION OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to accept the Senate amendments to H. B. NO. 13-021, HS1 in the form of SD1 has been seconded. Discussion on the bill. May I share some recent complications with such a proposal. Under the new Election Law, there's also a provision in which such public education is required. For your information, Rota has a casino initiative, which is about seventy pages. Is that correct, Representatives Quitugua? Under the law the Board of Election is charged with translating any initiative in three languages, English, Chamorro and Carolinian. One initiative amounting to seventy pages translates to over three hundred pages of translation. So two issues arise out of this according to the Executive Director of the Election Commission, Mr. Sablan. One is, timing, to fully transcribe and to translate such an initiative given the time limitation is daunting. Two, the amount of money to reproduce or produce public dissemination information is in the neighborhood of \$60,000.00 for that particular initiative. So that means that with this bill, it has to come within ninety days and not less than thirty days before an election. Representative Ada.

Rep. Ada: Mr. Speaker, each one of us took twelve years just to graduate from the elementary level. Then it takes us another four years to go to college. What I'm trying to say is the education process is not that easy to absorb. Educate the public in ninety days? People right now up to November 1 are so absorbed and focused on reelections, attending pocket meetings and all these. I made a comment last week with one of the reporters of *Saipan Tribune* and I said six months is sufficient time for anything to be absorbed by our – I think four months is reasonable, but it takes time. I'll agree that it should be summarized to a point where it's understood, but we need about six months. Let us stop this railroading or...

Speaker Hofschneider: Beating the clock.

Rep. Ada: Yes. Beating the clock type of – *este ha man masangangan-ta ni politician. Yanggen hafa malago-ta ta alulayi ha ya ta satpen Camacho ha sa guaha man gai interes gi santatten este na proposito.* Thank you.

The Chair recognized Representative Castro.

Rep. Castro: Mr. Speaker, I believe the Committee has deliberated on this bill and it's recommended for passage to the full House. The author is just next to me and he will defend the bill.

Rep. Ada: Are we in recess, sir?

Speaker Hofschneider: No. The substantive amendment is really on page 3. The Senate amended the Findings section, which has no force and effect of changing an existing statute by inserting not less than thirty days in the Findings. I do not know if that has any consistency with any of the effective clauses in the bill. Ready?

Floor Leader Attao voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to accept the Senate amendments to H. B. NO. 13-021, HS1, SD1 is as follows:

Rep. Martin B. Ada

abstained

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

Speaker Hofschneider: Clerk, hold roll call please. Recess.

The House recessed at 7:36 p.m.

RECESS

The House reconvened at 7:36 p.m.

Speaker Hofschneider: We're back to our session. We're in order. Clerk, continue.

Rep. Herman T. Palacios	abstained
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	abstained
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 15 "yes", 3 "abstention", H. B. NO. 13-021, HS1 as amended by the Senate in the form of SD1 is hereby accepted by the House. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-154, HD1 reference SEN. COMM. 13-269 on First and Final Reading.

Rep. Babauta seconded the motion.

S. B. NO. 13-154: A BILL FOR AN ACT TO AMEND 2 CMC §1316(n); AND FOR OTHER PURPOSES.

Speaker Hofschneider: 13-269?

Floor Leader Attao: SEN. COMM. 13-269.

Speaker Hofschneider: We did not include that on the motion.

Floor Leader Attao: Okay. So withdrawing that, Mr. Speaker, I move for the passage of H. B. NO. 13-327 on First and Final Reading.

Rep. Babauta seconded the motion.

Rep. Deleon Guerrero: *Ti humalom lokkue enao.*

Speaker Hofschneider: H. B. NO. 13-327 was not included.

Floor Leader Attao: So I offer subsidiary motion to include H. B. NO. 13-327, Mr. Speaker.

Rep. Babauta seconded the motion.

Speaker Hofschneider: The subsidiary motion to include on the day's calendar – House Bill or Senate Bill?

Floor Leader Attao: SEN. COMM. 13-269 reference S. B. NO. 13-154. Short recess, Mr. Speaker.

Speaker Hofschneider: Short recess.

The House recessed at 7:40 p.m.

RECESS

The House reconvened at 7:50 p.m.

Speaker Hofschneider: We're back to our session and I recognize the Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. Subsidiary motion to include S. B. NO. 13-154 reference SEN. COMM. 13-269 on the day's calendar.

Rep. Babauta seconded the motion and was carried by voice vote.

Speaker Hofschneider: S. B. NO. 13-154 reference SEN. COMM. 13-269 is placed on today's calendar. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-154 on First and Final Reading.

Rep. Babauta seconded the motion.

S. B. NO. 13-154: A BILL FOR AN ACT TO AMEND 2 CMC §1316(n); AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass S. B. NO. 13-154 reference SEN. COMM. 13-269 on First and Final Reading has been seconded. Discussion on the bill. Representative Stanley Torres.

Rep. S. Torres: Mr. Speaker, I would like to make an oral floor amendment by striking out "Section 3" in its entirety and re-designating subsequent sections.

Rep. Babauta seconded the motion.

Speaker Hofschneider: The oral floor amendment offered by Representative Stanley Torres to strikeout in its entirety Section 3 beginning with line 7 thru line 10 has been seconded. Discussion on the oral floor amendment. Representative Torres, for the record, could you state the logic of the amendment?

Rep. S. Torres: With the legal counsel's advice and recommendation that the purpose of this section is not necessary and probably not in order to reference the court judgment on the case. It's a simple amendment of 3 CMC §1316(n) of P. L. 10-77.

Speaker Hofschneider: What would this do?

Rep. S. Torres: It would go back to the Senate for acceptance. I guess it's...

Speaker Hofschneider: No, but what would it do to the existing authority of the Northern Marianas College?

Rep. S. Torres: This would give all the employees of the college a civil service protection. So that would not be terminated without cause, this simply giving the protection of the civil service rules and regulations for all employees.

Speaker Hofschneider: Okay.

Rep. S. Torres: So far nine or eleven employees have been terminated without cause.

Vice Speaker Tenorio: Question.

The Chair recognized the Vice Speaker.

Vice Speaker Tenorio: We're under discussion?

Speaker Hofschneider: Yes.

Vice Speaker Tenorio: Mr. Speaker, I just wanted to...

Speaker Hofschneider: On the amendment offered by Representative Torres.

Vice Speaker Tenorio: It's not on that amendment, Mr. Speaker.

Rep. Babauta: Ready for the amendment, Mr. Speaker.

There was no further discussion, and the oral floor amendment offered by Representative Stanley Torres to S. B. NO. 13-154 was carried by voice vote.

Speaker Hofschneider: The oral floor amendment is hereby adopted. We're discussing S. B. NO. 13-154 as amended. Vice Speaker.

Vice Speaker Tenorio: Under discussion, Mr. Speaker, on line 13, I just wanted to find out what's the rationale for that amendment here? To appoint and to terminate – the word "President" is stricken but officers, faculties, employees and staff are...

Speaker Hofschneider: This is a Senate Bill so the amendment is coming from the Senate.

Rep. S. Torres: May I offer?

The Chair recognized Representative Stanley Torres.

Rep. S. Torres: Mr. Speaker, the rationale for striking out the word "President" there, I guess, is to just let the President be picked since the President is hired by the Board of Regents. So we left that to the Board of Regents' discretion. We're only concern of the other staff below the President.

Speaker Hofschneider: Short recess.

The House recessed at 8:03 p.m.

RECESS

The House reconvened at 8:12 p.m.

Speaker Hofschneider: We're back to our session and I recognize the Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move to defer action on S. B. NO. 13-154, HD1 so we can give the two legal counsels time to work on the amendment.

Rep. Babauta seconded the motion and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the acceptance of the Senate amendments to H. B. NO. 13-321, SD1 reference SEN. COMM. 13-280.

Rep. Babauta seconded the motion.

H. B. NO. 13-321, SD1: A BILL FOR AN ACT TO APPROPRIATE \$1,500,000 FROM THE ACCOUNT BALANCES OF THE DEVELOPMENT BANKING DIVISION ASSET ACCOUNT OF CDA FOR VARIOUS PROJECTS IN THE THREE SENATORIAL DISTRICTS.

Speaker Hofschneider: The motion to accept the Senate amendments to H. B. NO. 13-321, SD1 reference SEN. COMM. 13-280 has been seconded. Discussion on the bill.

Several members voiced, "ready."

Rep. Ada: Mr. Speaker, may I comment? Am I in order? *Man recess hit?*

Speaker Hofschneider: No, we're in session.

Rep. Ada: In regards to that?

Speaker Hofschneider: In regards to what?

Rep. Ada: Fund balances of CIP.

Speaker Hofschneider: Yes.

Rep. Ada: That's fund balances for CIP for...[end of recording...beginning of recording]...*12-56 etyo or 13-56?*

Speaker Hofschneider: Don't guess.

Rep. Ada: That's just fund balance not...

Speaker Hofschneider: Short recess.

The House recessed at 8:15 p.m.

RECESS

The House reconvened at 8:17 p.m.

Speaker Hofschneider: We're back to our session. Clerk, strikeout the confusion created by Representative Ada.

Rep. Ada: Oh, yes. *Na huyong etyo siha na comments.*

Speaker Hofschneider: Discussion on H. B. NO. 13-321 as amended by the Senate. Representative Quitugua.

Rep. Quitugua: Thank you, Mr. Speaker. As the members may have recalled, Mr. Speaker, this is a product of a negotiated action that was done between the Senate and the House to effectuate the passage of

the bill containing the appropriation for the prison project as well as the dialysis center for Rota and Tinian. The result of that agreement produced this compromised bill and again, Mr. Speaker, the amendment that was sent down by the Senate, once again, excludes the appropriation for the First Senatorial District. This is very vindictive, Mr. Speaker. This is punitive. This is very insensitive, to say the least, and I hope my colleagues, in the House sees the pattern here. That's all I can say, Mr. Speaker. Thank you.

Speaker Hofschneider: Any further comments?

Floor Leader Attao voiced, "ready."

Speaker Hofschneider: Representative Quitugua is right. This is a commitment in good faith that we equally distribute the \$1.5 million. We did so in the House and I can't fathom why the Senate would go contrary to good faith negotiation with the House. But then again, that is the Senate and the cause of such disagreement would have to be taken up at the Senate. It is placing us in a quite difficult decision to renege on a good faith agreement and barely leaves us to perhaps also consider the First Senatorial District such a good faith negotiation. So it's only the position of the House to accept, reject or...

Rep. Babauta: Conference Committee.

Speaker Hofschneider: Any further comments?

Vice Speaker Tenorio: Under discussion, Mr. Speaker.

The Chair recognized the Vice Speaker.

Vice Speaker Tenorio: Mr. Speaker, on line 13, the \$350,000.00 for Saipan Market. Is this the Saipan Farmers Market?

Rep A. Palacios: Saipan Farmers Market.

Vice Speaker Tenorio: Isn't there already an appropriation for Saipan Farmers Market?

Rep A. Palacios: This is a supplemental appropriation for that.

Vice Speaker Tenorio: What are we building, Mr. Speaker?

Speaker Hofschneider: The permanent place for the Sabalu Market, the fish market and the fishing base.

Vice Speaker Tenorio: What's the aggregate total for the market?

Rep A. Palacios: \$700,000.00 to \$800,000.00 dollars. The lease is \$700,000.00. That's estimated by EFC. In fact, this is all in the plan right now.

Speaker Hofschneider: For your information, the CDBG was revoked earlier by the Governor in its application for the expansion of the market. The Governor wanted to use the whole CDBG for the immediate attention of the ponding area, the wetland in central Garapan.

Vice Speaker Tenorio: That's in the tune of \$200,000.00.

Speaker Hofschneider: More. \$1.3 million.

Rep A. Palacios: Inclusive of other ongoing projects.

Speaker Hofschneider: Ready.

Floor Leader Attao voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to accept the Senate amendments to H. B. NO. 13-321, SD1 is as follows:

Rep. Ada: I thought we tried to reject or accept this.

Rep. Cabrera: That's what we're voting on.

Rep. Ada: Oh. For rejection or acceptance?

Rep A. Palacios: For passage.

Rep. Ada: Oh, for passage. For the fish and farm, yes, Mr. Speaker.

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	no
Rep. Arnold I. Palacios	yes
Rep. Herman T. Palacios	yes
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	no
Rep. Andrew S. Salas	no
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	no
Rep. Manuel A. Tenorio	abstained
Rep. Stanley T. Torres	yes

Rep. W. Torres: I would like to state a clarification.

Speaker Hofschneider: State your clarification.

Rep. W. Torres: Am I to understand, Mr. Speaker, that we will allow the situation as replaced should this pass?

Speaker Hofschneider: That is almost impossible if not impossible the way the amendment is done. We can only honestly say that we fulfilled the Second Senatorial District over and beyond the distribution of the \$500,000.00 each.

Rep. William S. Torres	yes
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 13 "yes", 4 "no", 1 "abstention", H. B. NO. 13-321 as amended by the Senate in the form of SD1 is hereby accepted by the House. I hope that all of us, particularly the Second and Third Senatorial Districts, remember this. It is futile to reject the Senate amendment and go back because it is obvious that the Senate will not be inclined to pass anything than what they want to do with the bill. So not to delay other projects on going forth, I hope that the Second and Third Senatorial Districts, for the record, when comes the time to consider distribution of future appropriations of Capital Improvement Projects that this be considered and lived up to. And that is, for the record, that we must conform to in terms of amendment in good faith. It is unfortunate that the situation in the Senate changed and we're stuck in the middle of having to deal with such amendments. But I hope that, for the record, it

will reflect the First Senatorial District could be considered in future appropriations in the amount of \$5 million taken away from them under this bill. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 13-324 on First and Final Reading.

The motion was seconded.

H. B. NO. 13-324: A BILL FOR AN ACT TO AMEND PUBLIC LAW 11-63, TO ALLOW THE REMOVAL OF SEAWEED, AND SEA GRASS ON THE HOTEL BEACH FRONTS OF SAIPAN; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading H. B. NO. 13-324 has been seconded. Discussion on the bill. Representative Ada.

Rep. Ada: The intention is worth admiring. We're relying on the tourism industry right now as well as the poker and garment industry. This came to mind that we have regular employees from Parks & Grounds under the Department of Lands and Natural Resources who always keep our beaches clean and free of debris and trash along civic and all the coastal areas at our beach pavilions and beach picnic sites, which is really, really, admirable and it just makes you feel good to see that they are up kept. They have done a lot of good job with that. The seaweed is important for the hotel and tourism industry and I admire the author for doing that. Thank you.

Speaker Hofschneider: Short recess.

The House recessed at 8:25 p.m.

RECESS

The House reconvened at 8:27 p.m.

Speaker Hofschneider: We're back to our session. Representative Ada.

Rep. Ada: I think I did a wrong contrast and comparison to that. *Lao etyo siha i bidan niniha i boys regular esta. It makes me think na taiguihi an malak Guam giya Ipao ni ma guaguardia hao gi halom kommon. Gigon taya chirigami man gaige ha.* It's a really nice thing to see in our government agencies right now. *Uno ha prublema. I kommon ni para u ma bababa.*

Rep. Deleon Guerrero: *Mr. Speaker, guahu pago confused.*

Rep. Ada: *Sa hafa na confuse hao?*

Speaker Hofschneider: *Man gaige hit gi seaweed. Esta man gaige hit kommon.*

Rep. Ada: *Ahe.* The beautification – the focus here is the cleanliness for the tourist. Thank you.

Speaker Hofschneider: Oh.

Rep. Ada: *Hu tungo ha na todū hit man ñalang.*

Vice Speaker Tenorio: Clarification.

The Chair recognized the Vice Speaker.

Vice Speaker Tenorio: Mr. Speaker, I understand the problem because the hotel industry is trying to address this but I just wanted to find out if we're talking about the seaweeds that are washed ashore by the waves or we're talking about the seaweeds that are in the water?

Rep A. Palacios: This is in the water.

Vice Speaker Tenorio: You want to remove the seaweeds?

Rep A. Palacios: That's correct.

Rep A. Palacios: You see, Vice Speaker, Public Law 11-63 prohibits noncommercial harvest.

Speaker Hofschneider: That's your bill, Vice Speaker.

Rep A. Palacios: By the way, that's your bill.

Vice Speaker Tenorio: Yes.

Rep A. Palacios: And in the years passed and even in this Legislature, the Marianas Visitors Authority and the Hotel Association have requested an exemption from Public Law 11-63. But even the Coastal Resources Management nor the Division of Fish & Wildlife can permit that because of the statute, which is prohibitive. Basically what they're asking for is an area where they can harvest some of these and take them away because there's a high proliferation of seaweeds and sea grasses fronting the hotels, inhibiting and restricting the tourist from utilizing the beach area, and the waters for swimming. They can put up swimming zones. They buoy areas where the tourist won't go swimming. I guess for us natives it's okay but tourist just don't – and they've asked for this exemption for quite a number of years. I don't think ecologically there's any major impact. You allow the hotels to do this. Whether it's 50 yards or 50 feet, I don't think there's going to be any major ecologically impact at all if we allow them that. In fact, a lot of this proliferation is due to manmade activities and that's the sedimentation in high nutrient trip that goes in to our waters in the western lagoon.

The Chair recognized the Vice Speaker.

Vice Speaker Tenorio: Mr. Speaker, my only concern is actually what he just mentioned whether there's going to be any ecological impact by removing the seaweeds. You're removing natural – my understanding also, Mr. Speaker, is that they're referring to the seaweeds growing as a result of pollution or sedimentation and I don't know how does that impact the microenvironment of that area. As you know, we have by virtue of these people or visitors around us clean up the entire – in most areas we don't even see sea cucumbers because they all disappeared. People are eating it and there's impact on the environment that we don't know. I don't know if anybody has ever done any study at all to safeguard the environment to see what is happening.

Rep A. Palacios: These are studies by DEQ and CRM and the ongoing studies by the Army Corps. Engineers in the lagoon relative to the ecosystem quality enhancement is a project by the Corps. One of the contributing factors to the situation of seaweeds and sea grasses in our lagoons has been the sedimentation and the high nutrient from the drainage system. If you look at, for example, Dai Ichi, or Hafa Adai, there is now a higher proliferation of seaweeds and sea grasses in that area because of this high nutrient. This may, in fact, just allow the Marianas Visitors Authority or the Hotel Association to address this issue until such time that we address a permanent solution.

Vice Speaker Tenorio: Well, it seems to me, Mr. Speaker, that the problem here is not necessarily the seaweed. It's the sedimentation as result of the ocean and water too and that has to be addressed first. Maybe eventually the situation will correct itself through natural...

Rep A. Palacios: I agree with you and until such time that we give millions and millions of dollars to fund the ponding basin and the created wetland that the Executive Branch is undertaking, we can give MVA and the hotels a temporarily solution.

Speaker Hofschneider: Representative Palacios, what do you mean by reasonable area from the high water mark?

Rep A. Palacios: Probably 50 yards, Mr. Speaker, which is usually what CRM allows for swimming zone for hotels to cordon as swimming zones.

Speaker Hofschneider: So can we add additional language to say, provided however no more than 50 yards and make it distinctly clear so that we do not go beyond the 50 yards. For all intents and purposes they may go over 200, 300 yards for activities that is related to the specific hotel.

Rep A. Palacios: Yes, I...

Speaker Hofschneider: You have to have a...

Rep A. Palacios: Get the point. Yes. On page 2, Mr. Speaker, on subsection b, the second sentence says the Coastal Resources Management in consultation with the Division of Fish & Wildlife shall promulgate rules governing the area of allowance for the removal of seaweeds. So rather than us putting in the statute, we'll allow the respective agencies to make these areas.

Speaker Hofschneider: I think the virtue of making an amendment of Public Law 11-63 in itself is accommodating giving the authority to the Coastal Resources Management and the Division of Fish & Wildlife. But it is the duty of this house to demarcate the boundaries so that you mitigate and minimize the total environmental impact. You have accommodated them by relieving them from the restriction. Now you must put a definition or definite zones within which CRM and the Division of Fish & Wildlife may in fact promulgate those regulations. If you're saying 50 yards then that should be sufficient for them to operate. Reminder. The lagoon is not that far. The reef itself is not that far.

Rep A. Palacios: Yes. I think 50 yards – and allow for the boundaries of the hotel is reasonable. That's usually what is allowed, if my memory serves me.

Speaker Hofschneider: I think you provided the breadth but the width is open or subject to...

Rep A. Palacios: Width would be the width of the...

Speaker Hofschneider: Property.

Rep A. Palacios: The property.

Speaker Hofschneider: Yes. So adjacent to two hotels, for instance, Dai Ichi and Hyatt, both applying the same permit would have a huge impact to that area. So if you do not minimize or define the maximum limitation, 50 yards the horizontal permit and then you don't define the width or the breadth in this sense because the width is defined then the total impact is monumental to that area.

Rep A. Palacios: Well, that's why, Mr. Speaker, just for that particular instance we are doused. I believe we should allow the agencies to have the flexibility to make the rules. For example, for Hyatt and Dai Ichi, which are adjacent...

Speaker Hofschneider: I disagree with that notion because you're exempting them. You're taking them out from that restriction and there is no concrete evidence that the long-term impact is known. Therefore, it is environmentally sound and define the maximum boundary to be impacted. In the future if that is proven otherwise, then you relief the 50 yards boundary and increase it. But until such neither you nor I nor anyone is confident in the adverse impact of such undertaking, and to leave it open is disastrous.

Rep A. Palacios: That's fine, Mr. Speaker. 50 yards is just evidently sufficient and I was going to leave it to the authorities to see whether that's too much but to leave 50 yards more than adequate because usually the swimming zone is...

The Chair recognized Representative Aldan.

Rep. Aldan: Mr. Speaker, when you go the major hotels here, they have designated swimming areas. I'm afraid if we go on the whole boundary of the hotel some of the hotels have 1,000 feet in boundary. So if you're talking about 1,000 feet times 150 feet out that's a lot of square meters. So I think what we should do is allow the hotels to designate a swimming area and just limit it to 50 square yards. 50 yards width and 50 yards length so that the area would not be impacted. Minimal impact on the area because if you go to the width of the hotel and let's say Dai Ichi, for example, the length for the boundary of Dai Ichi is about 1,000 feet. If you're going to take the whole length and then you extend out 50 yards, that's a 150 feet. So you're talking about a huge area there. But if we limit them and designate like Hyatt right now has a swimming area and that's about 50 square yards. That's more than adequate for a swimming area. We should do the same for Hotel Nikko, Dai Ichi, Grand Hotel and the rest otherwise like Grand Hotel and the New World Resort if you extend the limit of the boundaries and if those two are bounded together then you're talking about 2,000 feet of boundary there that you're going to clear of sea grasses. But if we limit them to 50 square yards of swimming area each that should minimize the impact of the swimming.

The Chair recognized the Vice Speaker.

Vice Speaker Tenorio: Thank you, Mr. Speaker. What's the recommendation by the hotel industry because I'm for it? I think we need to clean the area but this thing opens up not only hotels now but maybe motels. There's some areas where seaweeds are important to shell growth and marine life. You know as well as I that there's a lot of negative impact our coastal resources now because of all that's happening, pollution, people over hunting and other factor. The actual impact of what we're trying to do here is not known. It's something that we're probably just guessing. Your guess is as good as mine as what we are after. However assigning a definite area, if it's only for swimming purposes, I think we should get more input from the hotel and try to allow certain areas for swimming as Congressman Aldan recommended. Otherwise, we're opening up to all kinds of destruction of our beaches, sea lives and water.

Speaker Hofschneider: Let me offer a language to insure. Like Representative Aldan was advocating, regardless of the length but then the width governs of how big an area is. So whether it's rectangular or totally square, I think the rule is the square area impacted. So we can add a language after the language "high water mark" "up to 50 yards or not more than 5,000 square yards whichever is less."

Rep. S. Torres: 5,000 square yards.

Speaker Hofschneider: 5,000 is 50 times 100. 100 yards times 50 yards is, 5,000 square yards. So whether you square it or you stretch it long still the impact is fixed 5,000 square yards. *Yanggen dikiki iyon-ña property, i length, wide i property* then you can clean more but the fixed is the square yard. So CRM and the Division of Fish & Wildlife now has consistent rule to apply and they may in fact reduce it at their discretion but not to exceed the total impact of 5,000 square yards. How's that?

Vice Speaker Tenorio: 5,000 square yards is 45. Roughly 9 times 5 is 45,000 square feet. 43,516 square feet is 1 acre.

Speaker Hofschneider: That's just an example. So if you want – it's very rare that one hotel would get 1,000 feet of property. 500, for example, you divide it by 9 you have 55 yards times 50 yards. So you're looking at 2,500 square yards. Okay? So whether you stretch it long or make it perfectly square the total impact is fixed not to exceed 2,500 square yards. 50 times 50 *dipendi gi property gi hotel*.

Rep A. Palacios: So on line 5, Mr. Speaker, is to try put a wording in there that says provided that the area of allowance shall not exceed 2,500 square yards?

Speaker Hofschneider: On line 6, hotel property and a reasonable area from the high water mark. That's your width up to 50 yards or not more than 2,500 square yards, whichever is less.

Vice Speaker Tenorio: About half acre. That's good enough. That's a big swimming pool.

The Chair recognized Representative Castro.

Rep. Castro: Chairman Palacios, are these seaweeds and sea grasses to be transplanted at another place?

Rep A. Palacios: Not necessarily. That's why we can have the Division of Fish & Wildlife and the Coastal Resources Management even govern rules, put rules so that certain percentage of the task that they take out, for example, could be replanted within a designated area. So not all apply to those permits and flexibility.

Speaker Hofschneider: Okay. So you want to offer that language?

Rep A. Palacios: So moved. You want me to reiterate it?

Speaker Hofschneider: Yes. An oral floor amendment on page 2, line 6 offered by Representative Palacios delete the "period and the close quotation" and continue the sentence "up to 50 yards or not more than 2,500 square yards, whichever is less."

The motion was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. We're discussing H. B. NO. 13-324 as amended. Ready?

Floor Leader Attao voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-324, 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	yes
Rep. Norman S. Palacios	absent
Rep. Daniel O. Quitugua	abstained
Rep. Andrew S. Salas	no
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 15 "yes", 1 "no", 1 "abstention", 1 "absent", H. B. NO. 13-324 as amended is hereby passed on First and Final Reading. Floor Leader.

Floor Leader Attao: Mr. Speaker, the legal counsel has completed the amendment to S. B. NO. 13-154, HD1. With this, Mr. Speaker, I move for the passage of S. B. NO. 13-154, HD1 on First and Final Reading.

Rep. Babauta seconded the motion.

S. B. NO. 13-154, HD1: A BILL FOR AN ACT TO AMEND 2 CMC §1316(n); AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass S. B. NO. 13-154 as amended reference SEN. COMM. 13-269 on First and Final Reading has been seconded. Any further discussion on S. B. NO. 13-154? Representative Stanley Torres.

Rep. S. Torres: Mr. Speaker, I'd like to offer an oral floor amendment to S. B. NO. 13-154.

Speaker Hofschneider: Can we just duplicate that? It's easier for the clerk. Short recess.

The House recessed at 8:51 p.m.

RECESS

The House reconvened at 8:54 p.m.

Speaker Hofschneider: We're back to our session and I recognize Representative Stanley Torres.

Rep. S. Torres: Mr. Speaker and members, on S. B. NO. 13-154, HD1, I'd like to read out the amendment. First, strikeout "Sections 3 and 4" of the bill and add a new "Section 3 and re-designate subsequent affected Sections." The new Section now is "Section 3. 3 CMC §1316(n) is repealed and reenacted to read: (n) (i) to appoint and to terminate the President of the college; (ii) to appoint and to terminate officers, faculty, employees and staff of the college consistent with the applicable policies, rules and regulations of the Civil Service Commission and to establish their responsibility and authority and to set clarification in salaries. The college is specifically exempted from 1984 Compensation Adjustment Act (1 CMC Division 8, Part 2, Chapter 4), as amended, and the Commonwealth Salary Act of 1988 (1 CMC Division 8, Part 2, Chapter 1), as amended." Thank you.

The motion was seconded. There was no discussion, and the written floor amendment offered by Representative Stanley Torres to S. B. NO. 13-154, HD1 was carried by voice vote.

Speaker Hofschneider: The floor amendment passes. We're back to discussing S. B. NO. 13-154 as amended. Representative Quitugua.

Rep. Quitugua: Mr. Speaker, I cannot help but register my objection to the bill. I have been here in the House for approximately one year eight months and I have seen excellent bills. I have also seen reactionary bills and it appears to me that this is one of them. Whenever we don't like the individual sitting in the position, we try to change that person by amending the structure. I think the setup at the college at its present state is fairly good. Should in the future it needs to be conclude further but I just felt, Mr. Speaker and members, that hidden intent of this bill is nothing more than to penalize the person that is occupying the position at present, and I think that is not right, Mr. Speaker. If we are serious about correcting the structure then let's then let's address this structure. Let's specifically address how it can be better not how it can affect the person that you don't like. I don't think the college students appreciate this. Thank you, Mr. Speaker.

The Chair recognized Representative Torres.

Rep. S. Torres: I'm done with my amendment.

Speaker Hofschneider: Is this going to deal with the decision of the court, Representative Torres?

Rep. S. Torres: Because the court decides to dismiss the case. The court case is a college case requesting the court to dismiss the employees terminated because the college maintained that the employees of the college are not entitled to the protection of the civil service. But the court says yes they are entitled and

this is why we need to put a tooth by passing this bill so that the employees are protected not just the eleven employees that were terminated. I think there are three more that have been terminated for no cause.

Speaker Hofschneider: Are we talking about the due process not being given?

Rep. S. Torres: Right. Exactly. This protects the employees on their due process.

Speaker Hofschneider: And in no way are you targeting this amendment on the President?

Rep. S. Torres: I have no ill feeling towards the President. He's my friend. I like the President's project. I am supporting the Pacific Gateway Project. It's just that the way he's doing it he's not doing it right. But I like the project.

Speaker Hofschneider: And he's your friend?

Rep. S. Torres: He's my friend. I shook hand with him.

Speaker Hofschneider: Clerk, roll call. Representative Palacios, you have...

Rep. H. Palacios: I was going to move to end debate.

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-265, CS1, 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. Deleon Guerrero: To comply with the CNMI Court Order CV03-0092, yes.

Rep. Joseph P. Deleon Guerrero	yes
Rep. Arnold I. Palacios	yes
Rep. Herman T. Palacios	yes
Rep. Norman S. Palacios	absent
Rep. Daniel O. Quitugua	abstained
Rep. Andrew S. Salas	yes
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	yes

Vice Speaker Tenorio: To comply with the due process, Mr. Speaker, I vote yes.

Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	yes
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 16 "yes", 1 "abstention", 1 "absent", S. B. NO. 13-154, as amended, is hereby passed by the House. Floor Leader.

Rep. H. Palacios: Mr. Speaker, point of information.

Speaker Hofschneider: State your point.

Rep. H. Palacios: What time are we going to recess or adjourn?

Rep. Ada: *Kiora i hamburger magi?*

Speaker Hofschneider: *Esta ti apmam.* We'll try to finish as many as possible so that we attend to other business. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-149 reference SEN. COMM. 13-223 on First and Final Reading.

The motion was seconded.

S. B. NO. 13-149: A BILL FOR AN ACT TO AMEND PL 13-18 TO RESTRICT ELECTED OFFICIALS FROM PARTICIPATING IN THE ELECTION PROCESS ON ELECTION DAY OTHER THAN TO EXERCISE THEIR RIGHT TO VOTE; AND FOR OTHER PURPOSES.

Speaker Hofschneider: Reference to SEN. COMM. 13-223?

Floor Leader Attao: SEN. COMM. 13-223.

Speaker Hofschneider: That's not included on the day's calendar.

Floor Leader Attao: Subsidiary motion to include S. B. NO. 13-149 reference SEN. COMM. 13-223.

The motion to include S. B. NO. 13-149 reference SEN. COMM. 13-223 on the day's calendar was seconded and carried by voice vote.

Speaker Hofschneider: S. B. NO. 13-149 reference SEN. COMM. 13-223 is hereby placed on the day's calendar.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-149 on First and Final Reading.

The motion was seconded.

S. B. NO. 13-149: A BILL FOR AN ACT TO AMEND PL 13-18 TO RESTRICT ELECTED OFFICIALS FROM PARTICIPATING IN THE ELECTION PROCESS ON ELECTION DAY OTHER THAN TO EXERCISE THEIR RIGHT TO VOTE; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass S. B. NO. 13-149 reference SEN. COMM. 13-223 has been seconded. Discussion on the bill. Representative Babauta.

Rep. Babauta: Thank you. Mr. Speaker, on page 1, line 17, I noticed the last words. It's only good up to October 4, 2003.

Speaker Hofschneider: Including this upcoming. So beginning this election in November.

Several members voiced, "ready."

The Chair recognized Representative Palacios.

Rep. H. Palacios: I thought we already have all that rules and regulations. No?

Speaker Hofschneider: If you recall, all the parties were given an approved list of observers and poll workers that all the parties were supposed to select from. This is from the Election Commission. And included in that list were or was an elected official that may complicate the election process either through intimidation, or the presence of a ranking elected official in the polling places would not be conducive to the free and the right of the voters to cast the way they wish.

Rep. H. Palacios: Point of information.

Speaker Hofschneider: State your point.

Rep. H. Palacios: What about candidates that have not yet been elected?

Speaker Hofschneider: No. This is only for elected individuals.

Rep. H. Palacios: Yes. But, Mr. Speaker, we're talking about Election Law during election day.

Speaker Hofschneider: Yes.

Rep. H. Palacios: So a candidate is allowed to interfere?

Speaker Hofschneider: No. That's in the regulation. That's in the law. Candidates themselves are not permitted within 100 feet of the polling places.

Rep. S. Torres: Just go in and vote and get out.

Rep. H. Palacios: Yes. They should cast their votes and get out too.

Speaker Hofschneider: Correct.

Rep. H. Palacios: So that should be included in the language.

Speaker Hofschneider: It's already in existence in the law. It's in the current law.

Rep. Deleon Guerrero: It's implied, Mr. Speaker, that the intent of this bill is to prohibit incumbent elected officials from exercising their power – no?

Speaker Hofschneider: For instance, example, if one of the Senators that is not up for reelection this November is one of those approved list for observer or poll worker, that can influence by being present within the 100 feet and inside the polling places. Your presence as an elected individual influences people – How? Because they don't want to be put in to a position to disclose either physical, body language or in fact taint the democratic process of your right to vote in secrecy. Clear? Discussion. Ready?

Several members voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass S. B. NO. 13-149, 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	yes
Rep. Norman S. Palacios	absent
Rep. Daniel O. Quitugua	no
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 16 “yes”, 1 “no”, 1 “absent”, S. B. NO. 13-149 is hereby passed by the House on First and Final Reading. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-152 reference SEN. COMM. 13-268 on First and Final Reading.

Rep. Babauta seconded the motion.

S. B. NO. 13-152: A BILL FOR AN ACT TO ALLOW THE GARMENT INDUSTRY TO MAKE APPROPRIATE ADJUSTMENTS TO THE QUOTA ELIMINATION IN 2004; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass of S. B. NO. 13-152 reference SEN. COMM. 13-268 on First and Final Reading has been seconded. Discussion on the bill. Representative Palacios.

Rep. H. Palacios: Thank you, Mr. Speaker. I thought that we’re waiting for that bill to be included on the public hearing.

Speaker Hofschneider: Correct. May I ask the members to please allow the Sub-Committee on Labor & Immigration to look into this bill?

Rep. Babauta: I agree, Mr. Speaker.

Speaker Hofschneider: Subsidiary motion to refer to the Committee.

Floor Leader Attao: Yes. Subsidiary motion to refer S. B. NO. 13-152 to the Sub-Committee on Labor & Immigration. Mr. Speaker, may I ask the Chair to expedite the public hearing on this because I think the legal counsel for the Governor is promulgating rules and regulations, and I think that’s going to effectuate 15 days from today. I think there’s a problem on the emergency regulation mandating the garment industry to hire those people who have set a lawsuit and also those people who are no longer working on the other garment factories. I don’t think it’s fair for anybody to mandate a garment factory to hire those people that don’t have problems here on the island and I’m asking the Chair to expedite the public hearing to avoid the emergency regulation again.

Speaker Hofschneider: I believe that the Chairman has set a date for the public hearing on the regulation and with this bill. Representative Palacios.

Rep. H. Palacios: Mr. Speaker, I’m going to have to ask the Senate Legal Counsel, Tony Cabrera to come to this because our legal counsel, Lillian Tenorio, is gone for a while.

Speaker Hofschneider: Have we set a date?

Rep. H. Palacios: What’s today?—Monday?

Speaker Hofschneider: September 22.

Rep. H. Palacios: When would you recommend, Mr. Speaker?

Speaker Hofschneider: As early as possible as the Floor Leader echoed that the regulation is being contemplated. It may in fact be changed before we get the chance to...

Rep. H. Palacios: I can pass out the notice the day after tomorrow and we'll have it on Tuesday.

Rep. Ada: Tuesday?

Rep. H. Palacios: Tuesday.

Speaker Hofschneider: Next week. So can we have a subsidiary motion to refer S. B. NO. 13-152 to the Sub-Committee on Labor & Immigration?

Floor Leader Attao: Subsidiary motion to refer S. B. NO. 13-152 to the Sub-Committee on Labor & Immigration. Mr. Speaker, may I also include H. B. NO. 13-333? I think the bills are identical, Mr. Speaker.

Rep. H. Palacios: Floor Leader, what is the other bill?

Floor Leader Attao: H. B. NO. 13-333 amending P. L. 11-6.

Speaker Hofschneider: *Iyom-mu bill, Mr. Chairman.*

Rep. H. Palacios: Yes.

The motion to refer S. B. NO. 13-152 and H. B. NO. 13-333 to the Sub-Committee on Labor & Immigration for a public hearing was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried.

Vice Speaker Tenorio: *Man ñalang nai esta, Mr. Speaker.*

Speaker Hofschneider: Short recess for cheeseburgers.

The House recessed at 9:15 p.m.

RECESS

The House reconvened at 9:35 p.m.

Speaker Hofschneider: We're back to our session and I recognize the Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. Mr. Speaker, I move for the passage of H. B. NO. 13-113 on First and Final Reading.

H. B. NO. 13-113: A BILL FOR AN ACT TO ESTABLISH A NORTHERN MARIANAS HALL OF FAME; AND FOR OTHER PURPOSES.

Speaker Hofschneider: In our last deliberation on the same bill – did we fix problems? I remember that on the discussion, the members wanted to put it in the organizational chart of the government of the Commonwealth under the Historical Preservation Office.

Floor Leader Attao: Yes. I think that was the amendment, Mr. Speaker.

Vice Speaker Tenorio: What's the Senate Communication reference number, Mr. Speaker?

Speaker Hofschneider: No, this is H. B. NO. 13-113. The motion to pass H. B. NO. 13-113 on First and Final Reading has been seconded. Discussion on the bill. Ready?

Rep. Babauta voiced, "ready."

Speaker Hofschneider: This is self-preservation, guys. Ready? Any comments? Mr. Chairman, on JGO?

Rep. Ada: I think it's about time that we do something like this for our leaders who are now resting in peace. I hope this is for former – we don't want to show it to the public that we're – time will come to pass when we're out of this place and that's the time where we don't have conflict of interest and we're inducted. But I applaud the author for coming out with this kind of bill. Thank you.

Speaker Hofschneider: Do you envision yourself?

Rep. Ada: Well, Mr. Speaker, the 9 by 6 feet deep is enough but I really do applaud the author for a first time endeavor for our leaders.

The Chair recognized Representative Quitugua.

Rep. Quitugua: Thank you, Mr. Speaker. We have seen members of our community pass away and have contributed significantly to, not only our economic and political, but also the cultural enhancement and development of our islands and the best we can do to acknowledge their contribution is provide them a state funeral. I believe this bill will elevate that recognition to a higher level and you don't have to wait until the time is called upon you to be given that accolade. I think there are a lot of people within our community that are currently still alive that deserve recognition, for example, those individuals that have put us where we are right now, the Marianas Political Status Commission, the members of the constitutional conventions. Those people deserve recognition, Mr. Speaker. And not only adults, there are also youths within our community who have contributed to the betterment of our islands and I think giving this small token will provide them with that acknowledgement.

The Chair recognized Representative Herman Palacios.

Rep. H. Palacios: Point of information, Mr. Speaker.

Speaker Hofschneider: State your point.

Rep. H. Palacios: Do we recognize them during their lifetime or after their death?

Rep. Babauta: Before and after.

Speaker Hofschneider: The bill proposes both. For those that have passed will obviously be if they have served in one of the capacities listed in Section 13 then they will be automatically inducted. Continue.

Rep. H. Palacios: So what happens if he becomes one of these famous people for whatever he did then he got into a problem and becomes a convict? What do we do? Do we erase his name?

Speaker Hofschneider: That's a good question. Representative Quitugua, you want to make an amendment?

Rep. Quitugua: Yes, Mr. Speaker. I'm glad that you pointed that out, Representative Palacios. Maybe you can offer an amendment to that effect.

Rep. H. Palacios: I would yield to Representative Ada.

Speaker Hofschneider: Representative Ada, since you're the Chairman on JGO.

Rep. Ada: Well, okay. For example, if you serve a couple of terms and you pass your first time without any problems whatsoever and on the second term you're in violation. I am no position to really say, Mr. Speaker, that the person is a really a bad person because he committed an offense for the first time in his life when he has indeed served the people for two, three or four terms. May I yield to the Vice Speaker? That's my point. That's really my honest point.

Vice Speaker Tenorio: What was the question?

Speaker Hofschneider: Before you yield, could you turn off your electronic device?

Rep. Ada: *Hafa ya guahu ha un lalatdi ya i pumalu ti un – ilek-ta ha. Dinananche ha yu.* Mr. Speaker, honestly who are we to say that we are perfect in this earth – really? And for one wrong you are not recognized. Should we strip you for all of your future titles prior to your criminal conviction, offense or violation?

Speaker Hofschneider: What if you murdered someone?

Rep. Ada: But it doesn't erase your name from the fact that you served in the Tenth and Eleventh Legislature and then you murdered someone in the Thirteenth Legislature.

Rep A. Palacios: I don't think so.

Rep. Ada: No, for real. People will not forget that you served the people. Of course we won't probably give you an elaborate funeral for doing that in the end but we do not have the right to strip that person forever for what he has done previous to that.

Speaker Hofschneider: No, it's not a question of stripping a person's history serving appropriately. The point is while living and having served in a public service capacity and in your remaining days you committed a great crime do we bestow that individual and for the kids in the future of this Commonwealth recognize that individual's accomplishment in the past in spite of that fact that he or she has harmed and that one particular crime in his life amounts to a loss of life, for instance, or a great shame to the Commonwealth, do you bestow recognition under the Hall of Fame?

Rep. Ada: Well, on one side you become famous and the other side you don't. I really cannot judge on that, Mr. Speaker, at this point in time. My best answer would be not to put on record. For example, if you committed something in the Thirteenth Legislature and you served in the Tenth, Eleventh and Twelfth Legislatures, I think you should be recognized for the Tenth, Eleventh and Twelfth Legislatures and not the Thirteenth Legislature. So, in all honesty, I don't know if I'm making sense here. The cheeseburger was good. But it's a very good point. Thank you colleague for bringing this up and right now...

Vice Speaker Tenorio: Mr. Speaker, I have a point of information.

Speaker Hofschneider: State your point.

Vice Speaker Tenorio: Thank you, Mr. Speaker. Mr. Speaker, in comparison to what Congressman Ada is saying is just like naming of a building while the person is alive. He was a good man. He's done a lot of good work and then by accident killed somebody – but...

Speaker Hofschneider: Short recess.

The House recessed at 9:50 p.m.

RECESS

The House reconvened at 9:52 p.m.

Speaker Hofschneider: We're back to our session. Vice Speaker, you still have the floor.

Vice Speaker Tenorio: Thank you, Mr. Speaker. I want those words stricken out from the record. But we were discussing about the impact of perhaps the person's action when he's alive and you name a certain building or in the Hall of Fame and what happens if that person, while alive, commits something that's not acceptable to the public. Do we recommend that we take his name down or do we condemn them?

Rep. Ada: That's a good point.

Vice Speaker Tenorio: But we have cases now and what are we doing about it?

Rep. H. Palacios: Mr. Speaker, point of information.

Speaker Hofschneider: State your point.

Rep. H. Palacios: Is the Vice Speaker talking about a dead man doing something wrong?

Vice Speaker Tenorio: No. I think it's either I'm sleepy or you're sleepy...

Rep. H. Palacios: During your lifetime?

The Chair recognized Representative Deleon Guerrero.

Rep. Deleon Guerrero: *Mr. Speaker, dangkulo na onru este para u mana halom na'an-ña i taotao guine.* I think that there should be criteria because I see this serving two purposes. One is to recognize and honor those individuals who have contributed and conducted themselves in an honorable manner. Second, it is also to encourage our people to do well and inspire people to be at their best. I guess what I'm trying to say is it could demean the very intent of this Hall of Fame if we do not set some criteria because this could backfire if we allow *ya malingu ha iyon-ña meaning and value.* The value. If we're serious about these standards, not just standards, but the highest standards should be set so that...

Speaker Hofschneider: Perhaps a point of information. The process whereby a person considered to receive the Nobel Peace Prize at times takes 10, 15 years. These processes have different criteria on the basis of the individual concerned but they also follow the person throughout and for that reason, the Nobel Peace Prize is one of the most revered and time honored award in our lifetime and around the world because the process by the commission itself is quite extensive and very lengthy especially in the area of peace efforts. You have an individual still alive – the champion of breaking down Apartheid in South Africa, for instance, Nelson Mandela went through a lengthy process and there are numerous recipients that are very controversial and the process took over 15 years to consider. The reason behind this is they follow the individual whether they merit and deserved to be given that global recognition in keeping the essence and the integrity of the commission. So I think that by giving the authority or the prescription to the commission as proposed in the bill perhaps through promulgation of regulation. How one can come to the first level then overtime the second level, the third until the final decision is decided whether to actually award a person and be inducted for permanent bestowment of that recognition of the community. The process of waiting around serves a purpose. Often times we hastily try and recognize for the moment but in the end, as the concern raised by Representative Palacios, we fell short of recognizing the other attributes of individual to be considered. Representative Aldan.

Rep. Aldan: Mr. Speaker, in the future, history is going to dictate the contribution of each individual. Let's say Candy Taman who has been contributing a lot of cultural songs to our community right now and in the future Candy kills somebody, we cannot ignore the fact that he has contributed a lot to the community. So we cannot say that just because a person commits a crime in the future, his contribution in the past cannot be ignored as significant. So we're going to have to watch ourselves on how we guage individuals being given recognition.

Speaker Hofschneider: I think that establishing this legislation into law and working with the commission to talk about how to promulgate appropriate measures to safeguard these examples that we're sharing but we need to start somewhere. I think the bill is adequate to get it going and anything in term of refining it can come later. Ready?

Several members voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-113 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	yes
Rep. Norman S. Palacios	absent
Rep. Daniel O. Quitugua	yes
Rep. Andrew S. Salas	yes
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	yes

Vice Speaker Tenorio: Mr. Speaker, we have named buildings for people who are still alive and we'll take the risk and whatever they will do in the future. So I think it's similar to this. I think a person that deserves to be recognized ought to be recognized the time where his contribution is. My vote is yes.

Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	yes
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 17 "yes", 1 "absent", H. B. NO. 13-113 is hereby passed by the House on First and Final Reading. Floor Leader.

Floor Leader Attao: I move for the passage of H. B. NO. 13-038 on First and Final Reading.

Rep. Babauta seconded the motion.

H. B. NO. 13-038: A BILL FOR AN ACT TO ENABLE AND TO FACILITATE A VIABLE ECONOMIC DEVELOPMENT IN THE NORTHERN ISLANDS OF ANATAHAN, SARIGAN, ALAMAGAN, PAGAN, AND AGRIHAN; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass H. B. NO. 13-038 reference Northern Islands Economic Development Incentive Act on First and Final Reading has been seconded. Discussion on the bill.

Several members voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-038 on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
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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	yes
Rep. Norman S. Palacios	absent
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By the way, members, there are many bills that we have passed and remain to be passed and I noticed that sometimes like this particular bill is only sponsored by the author. So if you care to co-sponsor please do so before it is transmitted to the Senate.

Rep. W. Torres: Mr. Speaker, I know that Precinct III will cosponsor.

Speaker Hofschneider: By a vote of 17 “yes”, 1 “absent”, H. B. NO. 13-038 is hereby passed by the House. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 13-244 on First and Final Reading.

Rep. Babauta seconded the motion.

H. B. NO. 13-244: A BILL FOR AN ACT TO REGULATE RECONNECTION FEES WHICH THE COMMONWEALTH UTILITIES CORPORATION, THE CABLE AND TELEPHONE COMPANIES MAY CHARGE TO ITS SUBSCRIBERS; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass H. B. NO. 13-244 reference CNMI Reconnection Act on First and Final Reading has been seconded. Discussion on the bill.

Rep. Ada: CNMI Reconnection?

Speaker Hofschneider: Utilities reconnection.

Rep. Ada: Oh, the fees?

Speaker Hofschneider: CUC, the local cable and telephone companies.

The Chair recognized the Vice Speaker.

Vice Speaker Tenorio: Just for the record, Mr. Speaker, this is a consumer protection bill and this refers to CUC as well as the local cable, other utilities and telephones companies. Often times, Mr. Speaker, some companies make more money in reconnection fees than they actually do in providing the service and we try to discourage this. For instance, you have pay \$70 a reconnection fee for CUC utility services even if the amount to pay is only \$15. So we want to discourage this. These companies charge the actual cost of reconnection and like telephone companies a lot of these are all by a click of the switch. So it's a consumer

protection bill to prevent or to stop this practice of companies generating funds or making money through excessive reconnection fees.

The Chair recognized Representative Castro.

Rep. Castro: Thank you, Mr. Speaker. I agree with the Vice Speaker. Mr. Speaker, normally when a customer is delinquent there is a late charge. But when the service is limited, for example the telephones, sometimes they have mechanical breakdowns but still the monthly payment is billed to the customer.

Speaker Hofschneider: Such as power outage for one day there is no proration as to the consumer being addressed. At times you have cable TV down in one area for a week as a result of typhoon but yet the billing is the same. So these are concerns that must be raised to this legislation.

The Chair recognized Representative Deleon Guerrero.

Rep. Deleon Guerrero: Mr. Speaker, I do not disagree with the intent of the bill. I do want to raise a question to the author about Section 4 Enforcement whether the Consumer Counsel as the enforcement branch may conflict with some of our legislation. For example, we know that the Commonwealth Telecommunication Commission is the primary agency regulating telephones. We know that CUC is the public utility commission regulating cable, whether this may infringe upon their authority.

The Chair recognized the Vice Speaker.

Vice Speaker Tenorio: If I recall correctly, Mr. Speaker, I did raise this issue with the legal counsel then and we do have a consumer counsel at the Office of the Attorney General. So I don't see how this thing will conflict. I don't make the connection. They're the ones that do the enforcement so I don't see where that would conflict with CTS or...

Rep. Deleon Guerrero: Let me give you an example.

Speaker Hofschneider: Representative Deleon Guerrero, there must be a distinction between the two. When it comes to the Commonwealth Telecommunication Commission, I think under the prescription of that they should regulate but the cardinal enforcer of all Commonwealth laws and constitutional provisions of the Office of the Attorney General and that is not delegated. You cannot delegate that responsibility prescribed to the Office of the Attorney General under the Constitution. So we have to make a distinction here. In the enforcement of the laws, I think it's appropriate that the Attorney General enforces the laws of the Commonwealth. When it comes to details of enforcement of the regulation under CTC, that is the rightful domain of CTC.

Rep. Deleon Guerrero: In this issue because rates are the issue here, for example, the telephone company is for CTC and we're looking at putting a cap on the reconnection fess.

Speaker Hofschneider: No cap on reconnection. The mandate to cost recover the actual and not anything beyond the actual cost of either flicking a switch, turning on your telephone or simply the man-hours attributed to a utility person climbing up disconnecting the cable and then thereby coming back and connecting it computed in man hours. You're not setting the cap. So if a person who climbs up is paid \$15 an hour that's prorated in how much time a person disconnects and reconnects.

Rep. Deleon Guerrero: Mr. Speaker, if I'm not mistaken, one of CTC's responsibility is to review the tariff. No?

Speaker Hofschneider: Yes.

Rep. Deleon Guerrero: Does that include services that it provides?

Speaker Hofschneider: Yes.

Rep. Deleon Guerrero: Does connecting and reconnecting include as service that is...

Speaker Hofschneider: Yes.

Rep. Deleon Guerrero: So isn't that something that it regulates or it...

Speaker Hofschneider: It regulates but the enforcement of laws is really the domain of the Office of the Attorney General under the Constitution. You may delete the Attorney General and transfer the responsibility of monitoring and enforcing the set rates. But since there are no set rates this bill is merely forcing the entities, CUC, cable and telephone companies to declare what it cost to connect, disconnect and reconnect.

Rep. Deleon Guerrero: As long as it doesn't conflict, Mr. Speaker. I guess that was whole point is that as long as the way the bill was written does not conflict with existing laws or statutes that already governed these bodies.

Speaker Hofschneider: I think that we can all feel safe that enforcement of laws in the Commonwealth is vested in the Attorney General. You can one or the other but not both. So if you want the CTC to be the enforcer of those rates then we have to amend this section and give it CTC. But the way it is written, this law is giving the Attorney General the charge to enforce it so one of the two. Representative Torres.

Rep. W. Torres: I think CTC is at its infancy state at this point and obviously probably in the future there may be a point of transitioning but the Office of Consumer Counsel at the Office of the Attorney General is really the appropriate unit to enforce these things because these have to do with consumer protection. Before I get there I have to depart slightly from the rate setting concept of these reconnection fees. I don't really see these as part of the function of that commission but at any rate, the Consumer Counsel really should be the unit enforcing these and increasingly this Legislature is putting a lot of reliance of that particular unit in the Office of the Attorney General. A case in point, the recent enactment of the Sin Tax Law where we provided some funding for that office to oversee the Tobacco Master Settlement and I think in the future we'll be amending the law governing the consumer protection in the Office of the Attorney General so we can expand that responsibility even more all in the name of consumer protection. Thank you.

Speaker Hofschneider: Before we proceed, I'd like to offer an oral floor amendment just to polish up the bill. On page 1, line 1 strikeout the following words after fee "of the Commonwealth of the Northern Mariana Islands" and insert "Act" with an open/close quotation on the bold words "Reconnection Fee Act". Understood? On line 3 right after Purpose and Findings insert "T" in lieu of "t" and on line 11 insert "and" after the "comma". On page 2, line 4 strikeout "man" and insert "labor". On line 7 strikeout "will" and insert "shall" and on line 22 drop the "s" on "its" and it shall read "it". Any second?

Rep. Babauta seconded the motion.

Rep. W. Torres: Mr. Speaker, further on line 21 on the same page on the word "its" on the first line after the word upon.

Speaker Hofschneider: No. It's okay.

There was no further discussion, and the oral floor amendment offered by Speaker Hofschneider to H. B. NO. 13-244 was carried by voice vote.

Speaker Hofschneider: Motion carried. Ready?

Several members voiced, "ready."

Speaker Hofschneider: We're voting on H. B. NO. 13-038 as amended. Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-244, 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	yes
Rep. Norman S. Palacios	absent
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 17 “yes”, 1 “absent”, H. B. NO. 13-244 as amended is hereby passed by the House on First and Final Reading. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 13-320, HD1 on Second and Final Reading.

Rep. Babauta seconded the motion.

H. B. NO. 13-320, HD1: A BILL FOR AN ACT TO REAPPROPRIATE \$1,000,000.00 FROM PUBLIC LAW 11-119, SECTION 5(c)(3) KAGMAN HOMESTEAD-WASTEWATER SYSTEM FOR THE CONSTRUCTION OF SEWER DISTRIBUTION LINES FROM NORTHERN MARIANAS COLLEGE TO TUN ANTONIO APA ROAD TUN JOAQUIN DAI ROAD; AND FOR OTHER PURPOSES.

Speaker Hofschneider: I thought we agreed to kill the bill.

Rep. Ada: Yes, we’re going to kill it, Mr. Speaker.

Speaker Hofschneider: The motion to pass H. B. NO. 13-320, HD1 on Second and Final Reading has been seconded. Discussion on the bill. Representative Deleon Guerrero.

Rep. Deleon Guerrero: Mr. Speaker, I was not present when this bill was introduced or discussed but I just want to make it clear for the record, that I cannot in any way support, endorse or even consider a bill that will attempt to remove any funding from a project one that is underway. Two, that is insufficient at present and three the said issue. I don’t want to repeat that, Mr. Speaker.

Speaker Hofschneider: Thank you. Representative Ada.

Rep. Ada: Mr. Speaker, even I attempted to re-appropriate money from this project for various Precinct I road projects only to find out after receiving a copy from the good Vice Speaker in detail what this \$9 million is about and good conscience to the people of Kagman where all our families are being asked to occupy their homesteads I cannot support this bill. Thank you.

The Chair recognized Representative Stanley Torres.

Rep. S. Torres: I yield to my right hand here.

The Chair recognized the Floor Leader.

Floor Leader Attao: Mr. Speaker, first of all, I would like to ask the Vice Speaker pertaining to the meeting with CUC. I learned that the Vice Speaker and two members of Precinct I called CUC to meet regarding the \$1 million re-appropriation from the wastewater. Before I make my decision I would like the Vice Speaker to enlighten us on the status of their meeting.

The Chair recognized the Vice Speaker.

Vice Speaker Tenorio: Thank you, Mr. Speaker. Mr. Speaker, I don't have the figures in front of me or the minutes of that meeting but I recall that on a similar bill that we tried to pass that when we met with CUC they told us that the project is already in progress, the design has been completed and that come October the structure is going to be put into motion. Not only that but the distribution lines as well as the sewage treatment plant is going to be done at the same time so they need the funding, Mr. Speaker, and they have already used some of the funding for the A & E design. So based on their estimation, Mr. Speaker, even the funding that we have available now is only enough to do the distribution for – is that a distribution or they call it...

Rep. Aldan: Collection.

Vice Speaker Tenorio: Collection for two hundred sixty seven houses in that area and they need additional funding to do the second phase. But they're going to do this on a phase-by-phase basis, Mr. Speaker, so please don't try to take this away without even finishing the first phase. I don't see any reason at all for any of us here, Mr. Speaker, to try to take this money away when it's still in progress.

Speaker Hofschneider: Okay.

Vice Speaker Tenorio: Not only that, Mr. Speaker, but it's really a slap on the face for some of us who recognize there's a need to do this other project.

Speaker Hofschneider: Okay.

Vice Speaker Tenorio: And this is our Precinct so we're asking you to please withdraw this particular bill because it's not in the best interest of the people in Precinct I who stays in Kagman. Thank you.

The Chair recognized Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. I'm sure that everybody notices that this project is for Precinct I. During the series of meetings that we have had with the Public School System and the recent bill that we just passed on the shortages of classrooms we just found out that we're still short. Most of those classrooms are in Precinct I and this was one of the things that I had attempted with our Precinct I colleagues to at least move money if not for these specific projects on H. B. NO. 13-320, HD1 then let's look at PSS on the shortage of classrooms. So we have to come and make a tough decision and relief that.

The Chair recognized Representative Palacios.

Rep. A. Palacios: Just for some information, Mr. Speaker. I'd like to ask our good Vice Speaker how much does it cost or is the sewer treatment plant going to cost – is this sewer treatment plant going to be a plant that's going to be able to accommodate all the household and all the lots in the Kagman area or is it going to be only big enough to accommodate two hundred fifty lots?

The Chair recognized the Vice Speaker.

Vice Speaker Tenorio: Thank you, Mr. Speaker. I just mentioned that they're doing this on a phase-by-phase basis because one, the lack of funding to do all at the same time. Two, you can't do it all at the same time. But the phase I that they're doing now is the money that we have appropriated is enough to do phase I. Like I said, it should accommodate about two hundred sixty seven house lots on that area and we hope we can appropriate in the future another CIP funds to continue the sewer treatment plant because that area is fast growing and the schools needs to have a decent sewer treatment plant.

Rep A. Palacios: I understand, Mr. Speaker, but my question is this phase I inclusive of sewer collection system for two hundred sixty one lots and a sewer treatment plant only for two hundred sixty seven lots? That's what I'm trying to clarify here because what I understand is the collection system is going to be two hundred sixty seven lots.

Vice Speaker Tenorio: And the sewer treatment plant.

Rep A. Palacios: So it's good enough for two hundred sixty seven lots and the sewer treatment plant is only going to be big for two hundred sixty seven?

Vice Speaker Tenorio: No. I stand corrected, Mr. Speaker, the treatment plant itself is not for this whole entire area but the collection system with the money that's available now. That's what it's supposed to cover but the phase II project we still have to address that in the future. But we have to do phase I before we do phase II, Mr. Speaker.

The Chair recognized Representative Castro.

Rep. Castro: Thank you, Mr. Speaker. I was with the group from CUC when we were discussing the \$10 million funding and in order to fully complete the proposed project they need an additional \$12 million to accommodate the entire Kagman area. So we still need to identify \$12 million more for the completion of the entire project that Kagman.

The Chair recognized the Floor Leader.

Floor Leader Attao: Mr. Speaker, with that, it is crystal clear the Precinct I needs the \$1 million and for that reason, I move to file H. B. NO. 13-320, HD1.

The motion was seconded.

Speaker Hofschneider: Subsidiary motion to file H. B. NO. 13-320, HD1?

Floor Leader Attao: Yes, Mr. Speaker.

Vice Speaker Tenorio: Thank you, Mr. Floor Leader.

Speaker Hofschneider: The subsidiary motion to file H. B. NO. 13-320, HD1 has been seconded. Clerk, roll call.

The roll called on the motion to file H. B. NO. 13-320, HD1 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	yes

Rep. Norman S. Palacios	absent
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 17 “yes”, 1 “absent”, H. B. NO. 13-320, HD1 is hereby filed by the House. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 13-155 on First and Final Reading.

The motion was seconded.

H. B. NO. 13-155: A BILL FOR AN ACT TO AMEND § 6205 (c) OF PUBLIC LAW 12-18; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading H. B. NO. 13-155 reference Election Act Amendment has been seconded. Discussion on the bill. I recognize Representative Aldan.

Rep. Aldan: Mr. Speaker, this bill is very controversial and I’d like to move to file this bill instead of passing it.

Rep. Ada seconded the motion to file H. B. NO. 13-155 and was carried by voice vote.

Speaker Hofschneider: H. B. NO. 13-155 is hereby filed by the House. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-144 reference SEN. COMM. 13-266.

Rep. Babauta seconded the motion.

S. B. NO. 13-144: A BILL FOR AN ACT TO AMEND 2 CMC § 4323: TO REQUIRE THE MARIANAS PUBLIC LAND AUTHORITY TO GRANT TITLE TO PUBLIC LAND FOR QUALIFIED INDIVIDUALS WHO DEMONSTRATED FIFTEEN (15) YEARS OF CONTINUOUS AND ACTUAL OCCUPANCY OF PUBLIC LAND, BUT DID NOT RECEIVE SUCH TITLE DESPITE BEING QUALIFIED BECAUSE OF THEIR EXCLUSION FROM THE LIST OF QUALIFIED PERSONS ESTABLISHED BY MPLA; TO MANDATE THAT MPLA REVIEW ALL PAST AND PENDING CLAIMS AND GRANT SUCH TITLE TO QUALIFIED INDIVIDUALS; TO AMEND 2 CMC § 4324 TO EXTEND THE TIME LIMITATION FOR NEW CLAIMS MADE PURSUANT TO 2 CMC § 4323 FROM TWELVE (12) TO TWENTY-FIVE (25) YEARS; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading S. B. NO. 13-144 reference SEN. COMM. 13-266 has been seconded.

Rep. Ada: Move to file.

Speaker Hofschneider: In essence doing away with requirements. Discussion on the bill. Representative Castro.

Rep. Castro: Thank you, Mr. Speaker. I don’t have the copy of the bill with me but I reviewed at the office and I came up to the some of the names that are very confusing, Mr. Speaker. For example, those recipients from the islands of Pagan, Anatahan, Alimagan and Agrihan were not included in the bill. There

were only very few names and I believe MPLA have other individuals who are qualified under that same intent. So I recommend that this bill be referred back to the Committee on Natural Resources for further review.

Vice Speaker Tenorio seconded the motion.

Vice Speaker Tenorio: Subsidiary motion.

Floor Leader Attao: Before you entertain that motion, Mr. Speaker, I'd also like the Committee on Natural Resources to take into consideration the issue of Monica Lizama and Pedro Togawa.

Speaker Hofschneider: So noted. The motion to refer H. B. NO. 13-144 to the House Standing Committee on Natural Resources and to include inconsideration of Monica Lizama and Pedro Togawa...

Floor Leader Attao: Let me make a correction. Mr. and Mrs. Joaquin Cruz Lizama and Mr. and Mrs. Pedro P. Togawa.

Speaker Hofschneider: Clarification. To include inconsideration of the bill, Mr. and Mrs. Joaquin C. Lizama and Mr. and Mrs. Pedro P. Togawa.

Rep. S. Torres: Mr. Speaker, can I make a recommendation? Put (Monica) *enaos* i Lizama because there may be another...

Speaker Hofschneider: So noted. Discussion on the motion to refer S. B. NO. 13-144 to the committee. Representative Aldan.

Rep. Aldan: Can we add, Mr. and Mrs. Ereneo B. Dela Cruz to that list?

Speaker Hofschneider: Discussion on the motion to refer to the committee?

Several members voiced, "ready."

There was no discussion, and the motion to refer S. B. NO. 13-144 to the House Standing Committee on Natural Resources was carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-006 reference to SEN. COMM. 13-234 on First and Final Reading.

The motion was seconded.

S. B. NO. 13-006: A BILL FOR AN ACT TO FORGIVE EDUCATIONAL FINANCIAL ASSISTANCE LIABILITY OF RETURNING COLLEGE STUDENTS WHO CANNOT FIND EMPLOYMENT WITH THE COMMONWEALTH DUE TO BUDGETARY LIMITATIONS; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading S. B. NO. 13-006 reference SEN. COMM. 13-234 has been seconded. Discussion on the bill. Representative Ada.

Rep. Ada: Mr. Spaker, for those who have paid their dues it would be unfair. I don't think the economic situation dictates the liability of an individual. That's all I can say.

Rep. Cabrera: Can we just defer it?

Speaker Hofschneider: There's an imbalance of fairness here. We're only forgiving those who cannot find employment in the government. What about those that cannot find employment in the private sector or both?

Rep A. Palacios: Or find one in the private sector but cannot find in the government.

Rep. Aldan: We're discouraging them from looking for jobs in the private sector.

Rep. Deleon Guerrero: And what happens if they do find jobs after certain period of time? Are they forgiven already or we need to post the...

Speaker Hofschneider: Perhaps giving the discretion to the Scholarship Office for being the collector. The discretion of the Board to extend waivers until such time that they find employment either in the private sector or in the government, I think it's only fair. Refer to Committee on Education?

Rep. Ada: Yes.

Rep A. Palacios: So moved.

Rep. Ada seconded the motion.

The Chair recognized Representative Quitugua.

Rep. Quitugua: [end of recording...beginning of recording]... and it haunts us later. Every time we do this we may satisfy our small population by doing this but in the future it continues to haunt us. I don't know, Mr. Speaker, I think I would rather collect \$2 from the students than this idea of forgiveness. We need to teach responsibility wise. When you borrow, you borrow and that means you have to pay back.

Vice Speaker Tenorio: Pay what you can afford.

Rep. Quitugua: I understand the difficulty of the economy and everybody is suffering but we still have to pay it back.

Speaker Hofschneider: You recommend filing the bill?

Rep. Quitugua: No, I'm not recommending to file the bill. I'm recommending that we find alternative ways to deal with this situation other than forgiveness.

Speaker Hofschneider: Well, we have three options. File the bill, pass the bill or refer it to the committee.

Floor Leader Attao: Refer it to the committee, Mr. Speaker.

Rep. Quitugua: Well, as long as it is specified the sentiment with respect to the idea but I will be more than happy to accept the bill.

Floor Leader Attao: Mr. Speaker, the personnel policy is that if you graduate, return back to the Commonwealth and you landed a job in the government you don't pay anything. But once you get a job in the private sector you have to pay the loan.

Speaker Hofschneider: That's unfair.

Rep. Deleon Guerrero: Is that the current...

Floor Leader Attao: Yes, that's the current policy.

Speaker Hofschneider: So we need to balance the burden on...

Floor Leader Attao: This is very true because my son just finished his school. He's working for a private company and he's going to pay \$22,000.00 from the loan while the same student who landed a job in the government doesn't pay anything. So I think we have to refer it to the committee so they can work on it.

Speaker Hofschneider: Can I hear a motion to refer it to the Committee on Education?

Floor Leader Attao: Subsidiary motion to refer S. B. NO. 13-006 to the Committee on Education.

The motion was seconded and carried by voice vote.

Speaker Hofschneider: S. B. NO. 13-006 is hereby referred to the House Standing Committee on Education. Floor Leader.

Floor Leader Attao: I move for the passage of S. B. NO. 13-003 reference to SEN. COMM. 13-233 on First and Final Reading.

Rep. Babauta seconded the motion.

S. B. NO. 13-003: A BILL FOR AN ACT TO GIVE MEMBERS OF THE JUDICIARY THE RIGHT TO WAIVE THEIR SALARY AND INSTEAD RECEIVE THEIR RETIREMENT BENEFITS; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion for the passage of S. B. NO. 13-003 reference SEN. COMM. 13-233 on First and Final Reading has been seconded. Discussion on the bill. Representative Ada.

Rep. Ada: Is this the same one that's applicable to us? Thank you. No further question.

Speaker Hofschneider: Any further comments? Representative Deleon Guerrero.

Rep. Deleon Guerrero: Does anybody know what prompted such a bill?

Rep. Ada: Us.

Rep. Deleon Guerrero: I'm not retired so I don't know the difference.

Speaker Hofschneider: There's a double dipping clause in the Constitution that only nursing, doctors and teachers may return to full employment status with their pension unaffected meaning they can receive both the retirement pension and the salary returning after retirement to active service in the government. The rest of the class of retirees are prohibited from accessing a double dipping clause or status. There's also a restriction of retirees. They can return to serve in any capacity up to a total of sixty days in a year without affecting their pension. So currently a retiree wishing to be reemployed by the government can only be reemployed for a maximum of sixty days. This bill is allowing a retired individual to come back to active duty and making a decision which compensation is more advantageous to them obviously. So if the retirement pension is higher, then they opt to take the retirement pension and forgo the reemployment salary. If a retired individual is hired back in the government i.e. independent contract that would exceed sixty days either through the appointment process or forgoing the retirement pension and taking on the higher salary of being reactivated into government. So this is essentially giving the option for judges or anyone in the judiciary to come back to service by picking which is higher and more beneficial to them whether the pension they have or they're receiving is higher they get to keep the pension and serve in public capacity or if the salary offered inducing them to come back to active service is higher than the pension itself then they forgo the pension and take the higher salary.

Rep. Deleon Guerrero: How do you define members of the judiciary?

Speaker Hofschneider: Anyone who works in the judiciary but this one is specifically referring to judges. Representative Stanley Torres.

Rep. S. Torres: Mr. Speaker, I thought that once a judge retires, he can come back to work but on a part-time basis. How can he elect to forgo it – you're only getting paid \$60 an hour.

Speaker Hofschneider: The Constitution limits them to a maximum of sixty days total. They can't exceed sixty days.

Rep. H. Palacios: A year?

Speaker Hofschneider: A year.

Rep. Cabrera: Sixty—eight hour days?

Speaker Hofschneider: Correct. Sixty working days.

Rep. S. Torres: Is there any logic for them to come back and work after retiring?

Speaker Hofschneider: I think the judiciary has been taking advantage of sitting judges, pro-tempore and no one has ever raised that to them if in fact they've been sitting on the bench longer than sixty days total. But it is in fact being raised now particularly after several retired individuals being procured either through CPA or even here at the Legislature or across the street in the Executive Branch in variety of roles and in capacities exceeding sixty days. So to get around that this bill is proposing to give them the opportunity to choose one or the other and circumventing the restriction or the prohibition on double dipping in the Constitution. Refer it to the Committee? Can we hear a motion?

Floor Leader Attao: Subsidiary motion to refer S. B. NO. 13-003 to the Committee.

The motion was seconded.

Speaker Hofschneider: *Ta puno*?

Rep. Babauta: *Munga*.

Floor Leader Attao: *Hinasoku na para u ma refer guatu gi committee. Para ta bota?*

Rep. Babauta: *Hu'u*.

Rep. H. Palacios: *Esta ma second*.

Floor Leader Attao: *Hinasoku ilek-mu para u ma refer guatu gi committee*.

Speaker Hofschneider: Refer to committee.

Floor Leader Attao: *Ahe. Para guahu maolek ha. Bai hu supotta este lao...*

Speaker Hofschneider: Short recess.

The House recessed at 10:45 p.m.

RECESS

The House reconvened at 10:46 p.m.

Speaker Hofschneider: We're back to our session. This is politics. Nothing else. A person opting to retire once eligible has decided to terminate his active role in public service. That's the bottom line. To give him a back door is not a genuine service. It's a disservice to the public if you're asking to be paid.

Once you retire you sever your active role in the government because you want to move on. There's a subsidiary motion on the floor to refer S. B. NO. 13-003 to the Committee. It has been seconded. Discussion on the motion.

Several members voiced, "ready."

There was no further discussion, and the motion to refer S. B. NO. 13-003 to the Committee on Judiciary & Governmental Operations was carried by voice vote.

Speaker Hofschneider: S. B. NO. 13-003 is hereby referred to the Committee on Judiciary & Governmental Operations. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-54 reference SEN. COMM. 13-235 on First and Final Reading.

Rep. Babauta seconded the motion.

S. B. NO. 13-54: A BILL FOR AN ACT TO AMEND 1 CMC § 7723 OF THE GOVERNMENT SAFETY DEPOSIT ACT TO REQUIRE THAT ALL GOVERNMENT MONIES, FUNDS, AND REVENUES BE DEPOSITED WITH FINANCIAL INSTITUTIONS WHOSE DEPOSITS ARE INSURED BY THE FEDERAL INSURANCE DEPOSIT CORPORATION (FDIC) OF THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION (FSLIC).

Speaker Hofschneider: The motion to pass on First and Final Reading S. B. NO. 13-54 reference SEN. COMM. 13-235 has been seconded. Discussion on the bill.

Several members voiced, "ready."

The Chair recognized Representative Babauta.

Rep. Babauta: Mr. Speaker, I have a similar comprehensive legislation that have to do with the depository of Commonwealth funds. Did we pass this?

Rep. Ada: I think we passed that in the Twelfth legislature.

Rep. Babauta: No, the Thirteenth Legislature.

Speaker Hofschneider: No, in the Twelfth Legislature we passed a legislation making it lower for the deposit requirement. So instead of every dollar a depositor deposits in a particular non-FDIC bank for every dollar you deposit it used to be that the bank has to secure that with 1.25 ratio. So for every dollar the bank has to deposit \$1.25 as a security because they're not FDIC. In the Twelfth Legislature, that was passed to reduce the threshold of security to 1.21.

Rep. S. Torres: And as a result, may I?

Speaker Hofschneider: Yes.

Rep. S. Torres: As a result, the Bank of Saipan almost went down underground.

Several members voiced, "ready."

Speaker Hofschneider: Just a point of information. The value of FDIC banks is on the false assumption that if you have a million dollars in an FDIC bank and that bank collapses, a hundred thousand dollars is about the most that you can get. The value behind an FDIC is the auditing enforcement on banking regulations ensuring that the banking management and activities are adhering to Federal banking Regulations. That's the value. It's not the recovery of your total deposit because it's capped at \$100,000.00. So even if you have \$1 million, \$10 million, you're as lucky as a person who deposited

\$100,000.00 because that's all you can recover but the safety is that you can sleep well that the Federal Banking Institution is monitoring the activities. That's the value.

Several members voiced, "ready."

Speaker Hofschneider: Ready. Clerk, roll call.

The roll called on the motion to pass S. B. NO. 13-54 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	abstained
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	yes
Rep. Norman S. Palacios	absent
Rep. Daniel O. Quitugua	no
Rep. Andrew S. Salas	yes
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	yes

Vice Speaker Tenorio: Point of clarification.

Speaker Hofschneider: State your point.

Vice Speaker Tenorio: Mr. Speaker, if this bill is signed into law, does that mean that all the monies deposited in other banks that are not FDIC or FSLIC could be withdrawn and re-deposited in these other banks?

Speaker Hofschneider: Yes.

Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes

Rep. W. Torres: Mr. Speaker, just a point of clarification.

Speaker Hofschneider: State your point.

Rep. W. Torres: I believe the House has passed a similar bill and I wonder because...(inaudible.)

Rep. William S. Torres	yes
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: With a vote of 15 "yes", S. B. NO. 13-54 is hereby passed by the House on First and Final Reading. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-137 reference SEN. COMM. 13-241 on First and Final Reading.

Rep. Babauta seconded the motion.

S. B. NO. 13-137: A BILL FOR AN ACT TO AMEND 3 CMC §2225 AND 3 CMC §2227 TO ALLOW PHYSICIANS LICENSED IN JAPAN TO PRACTICE IN THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading S. B. NO. 13-137 reference SEN. COMM. 13-241 has been seconded. Discussion on the bill. Short recess.

The House recessed at 10:50 p.m.

RECESS

The House reconvened at 10:55 p.m.

Speaker Hofschneider: We're back to our session and we're discussing S. B. NO. 13-137 reference SEN. COMM. 13-241. Can we have a subsidiary motion to refer it to the Committee?

Floor Leader Attao: Subsidiary motion to refer S. B. NO. 13-137 to the Committee on Health & Welfare.

Rep. Cabrera seconded the motion and carried by voice vote.

Speaker Hofschneider: S. B. NO. 13-137 is hereby referred to the Standing Committee on Health & Welfare. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-146 reference SEN. COMM. 13-281 on First and Final Reading.

Rep. Babauta seconded the motion.

S. B. NO. 13-146: A BILL FOR AN ACT TO RESERVE THE AREAS OF PUBLIC LANDS ON THE ISLAND OF TINIAN THAT ARE SUITABLE FOR VILLAGE AND/OR AGRICULTURAL HOMESTEADS, SPECIFICALLY THE KASTIYU AND CAROLINAS AREAS; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading S. B. NO. 13-146 reference SEN. COMM. 13-281 has been seconded. Discussion on the bill.

Several members voiced, "ready."

Speaker Hofschneider: This is consistent with the Joint Session approving the MDC Lease and returning a substantial portion of the lease back to public land. Ready?

Several members voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass S. B. NO. 13-146 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	yes
Rep. Norman S. Palacios	absent

Rep. Daniel O. Quitugua	abstained
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 16 “yes”, 1 “abstention”, 1 “absent”, S. B. NO. 13-146 is hereby passed by the House on First and Final Reading. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-148 reference SEN. COMM. 13-283 on First and Final Reading.

Speaker Hofschneider: SEN. COMM. 13-283?

Floor Leader Attao: SEN. COMM. 13-283.

Speaker Hofschneider: It’s not included.

Floor Leader Attao: Subsidiary motion to include S. B. NO. 13-148 reference SEN. COMM. 13-283, Mr. Speaker.

Rep. Tebuteb seconded the motion.

Speaker Hofschneider: The subsidiary motion to include in the day’s calendar S. B. NO. 13-148 reference SEN. COMM. 13-283 – short recess.

The House recessed at 11:06 p.m.

RECESS

The House reconvened at 11:20 p.m.

Speaker Hofschneider: We’re back to our session. The subsidiary motion to include in the day’s calendar S. B. NO. 13-148 reference SEN. COMM. 13-283 has been seconded. Discussion on the subsidiary motion. Ready?

There was no discussion, and the motion to include S. B. NO. 13-148 reference SEN. COMM. 13-283 on the day’s calendar was carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13 148 on First and Final Reading.

Rep. Tebuteb seconded the motion.

S. B. NO. 13-148: A BILL FOR AN ACT TO AMEND THE SELECTIVE SERVICE COMPLIANCE ACT OF 1999 TO PROVIDE THAT A PERSON WHO HAS RECEIVED A DISHONORABLE DISCHARGE FROM THE UNITED STATES ARMED FORCES SHALL NOT BE ELIGIBLE TO BE EMPLOYED BY THE COMMONWEALTH GOVERNMENT; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading S. B. NO. 13-148 has been seconded. Discussion on the bill. Vice Speaker.

Vice Speaker Tenorio: Mr. Speaker, do I understand that individuals who have not registered with the Selective Service are prohibited from being employed in the Commonwealth government?

Speaker Hofschneider: Essentially.

Vice Speaker Tenorio: Individuals who have not registered with the Selective Service are prohibited from working for the government.

Speaker Hofschneider: The new amendment that adds subsection 8292 on page 2. Dishonorable discharge from the United States Armed Forces. No individual who received a dishonorable discharge from the United States Armed Forces is eligible for employment with any branch, agency, or government political subdivision.

Vice Speaker Tenorio: Mr. Speaker, is there any limitation on the time? What about those people that never registered?

Speaker Hofschneider: This is about seeking employment in government when you're discharged dishonorably.

Vice Speaker Tenorio: No, but in the Findings.

Speaker Hofschneider: Forget the Findings. The effective clause is on page 2.

Vice Speaker Tenorio: So the Findings is not accurate. On line 10 it says individuals who have not registered with the Federal Selective Service System are prohibited from being employed by the Commonwealth government. I have not registered.

Rep. Ada: You are already retired.

Vice Speaker Tenorio: You can't work for the government.

Speaker Hofschneider: 7 CMC § 8291 is an existing statute and it may in fact be referencing or citing that particular sentence, which prohibits currently and they're adding on to the prohibition dishonorable discharge.

The Chair recognized Representative Deleon Guerrero.

Rep. Deleon Guerrero: Mr. Speaker, again, I'm puzzled by the intent of this and if this is pass, does the federal government or stateside government have the same prohibition?

Speaker Hofschneider: I cannot answer you that.

Rep. Cabrera: Yes.

Rep. Deleon Guerrero: Is that why we're trying to pattern ourselves with that?

Rep. Babauta: Point of information, Mr. Speaker.

Speaker Hofschneider: State your point.

Rep. Babauta: Thank you. Does anyone in this chamber know whether or not any public employee is employed by the government be it local government, municipality of Saipan, Tinian and Rota that is dishonorably discharged?

Rep. S. Torres: There are a few.

Rep. Babauta: Do we know of any, Mr. Speaker?

Speaker Hofschneider: I think we can look further down the horizon and look at the author of the bill. Perhaps it's pertaining to the Second Senatorial District. I do not know what motivates this.

Rep. Babauta: That's my concern. The motivation of incorporating something like this and I'm afraid that if such is the case when a person has a contract with any public entity could be considered a detrimental reliance on the part of the contracting officer. I would recommend that we refer this to our distinguished Chairman on JGO.

Speaker Hofschneider: May I hear a motion?

Rep. Babauta: So moved, Mr. Speaker.

The motion to refer S. B. NO. 13-148 reference SEN. COMM. 13-283 to the Committee on Judiciary & Governmental Operations was seconded and carried by voice vote.

Speaker Hofschneider: S. B. NO. 13-148 is hereby referred to the Committee on Judiciary & Governmental Operations.

Rep. Babauta: Mr. Speaker, may I ask the Chair to include the numbers Commonwealth-wide whether or not we have – not the names but just the numbers. How many are affected if this bill becomes a law.

Speaker Hofschneider: I trust my House Standing Committee on Judiciary & Governmental Operations does a thorough investigation.

Rep. Ada: I'm the Chairman. I'll let him take care of that because he's a member of my committee.

Speaker Hofschneider: Thank you, Mr. Chairman. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 13-318 on First and Final Reading.

Rep. Babauta seconded the motion.

H. B. NO. 13-318: A BILL FOR AN ACT TO ESTABLISH A BAIL AND BOND FORFEITURE ACCOUNT WITHIN THE DEPARTMENT OF FINANCE.

Speaker Hofschneider: The motion to pass on First and Final Reading H. B. NO. 13-318 has been seconded. Discussion on the bill. Ready?

Several members voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-318 on First and Final Reading is as follows:

Rep. Ada: *Hunggan*, but I just thought this should go to the Special Revision Committee.

Speaker Hofschneider: Could you speak up, Representative Ada?

Rep. Ada: *Finance este no? Salape este?* I yield my comments. I think I'm too sleepy, Mr. Speaker. But this is establishing a bail and bond forfeiture account.

Speaker Hofschneider: Correct.

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	yes
Rep. Norman S. Palacios	absent
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 17 “yes”, 1 “absent”, H. B. NO. 13-318 is hereby passed on First and Final Reading. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 13-184 on First and Final Reading.

The motion was seconded.

H. B. NO. 13-184: A BILL FOR AN ACT TO SEPARATE THE DIVISION OF CORRECTIONS FROM THE DEPARTMENT OF PUBLIC SAFETY, AND TO ELEVATE IT TO DEPARTMENT WITHIN THE EXECUTIVE BRANCH.

Speaker Hofschneider: The motion to pass on First and Final Reading H. B. NO. 13-184 has been seconded. Chairman on JGO have you...

Rep. Ada: Mr. Speaker, your Standing Committee on JGO has polished the bill and all your requests have been met.

Speaker Hofschneider: Where’s your committee report on this?

Rep. Ada: No, we’re introducing this.

Speaker Hofschneider: I know that you held a public hearing and it’s a good public hearing. Did you take into consideration those recommendations?

Rep. Ada: Yes. The good author and the committee are almost ready with the committee report.

Speaker Hofschneider: Let me remind the Chairman that in the public hearing we mentioned that the new adult prison facility would have a separated accommodation for immigration detainees. The management, the administration of such detainees are under one supervision under the Department of Corrections. On page 5 you have a distinction, again, within the Department of Corrections for the Division of Immigration Detention. This is contrary to the suggested administration of the new prison facility by the U. S. Department of Justice. The way it works is that when the Division of Immigration apprehends a violator of the Commonwealth Immigration laws the Immigration Officers will bring that detainee to the Corrections facility, process them and transfer custody to the Division of Corrections. They remove themselves from the day-to-day management of an immigration detainee. But let me remind the good Chairman to refer to the programming done by the prison consultant. We have that established. Greg is fully aware of this.

Rep. Quitugua: Mr. Speaker, is that part of the consent decree agreement?

Speaker Hofschneider: Yes. Because the facility is inadequate for housing detainees that we are under consent decree with the Department of Labor & Immigration individuals. So the Division of Immigration people will do their part, bring that violator to the facility, process them and then they hand over custody to the Corrections facility. The Division of Immigration will have nothing to do with the day-to-day management of the facility and the welfare of those individuals.

Rep. Ada: But the basic thing is to separate them.

Speaker Hofschneider: If you look at the plan there is an immigration section congrated in the site. So we'll defer action?

Rep. Ada: Defer action.

Speaker Hofschneider: May we hear a motion to defer action on H. B. NO. 13-184?

Rep. Babauta: So moved.

Rep. Ada: Mr. Speaker, I move to defer action on H. B. NO. 13-184.

Rep. Babauta seconded the motion to defer action on H. B. NO. 13-184 and was carried by voice vote.

Speaker Hofschneider: Motion carried. Mr. Chairman, this is an important bill.

Rep. Ada: I know.

Speaker Hofschneider: May we please take action on this and finish it up?

Rep. Ada: Mr. Speaker, to be honest with you, I already called for a meeting about three times and no quorum has been set. I really urge the members to be serious about the JGO Committee. It seems like we can never come up together with the same schedule. Honestly, I am tired right now but I'm getting frustrated with the Committee if members don't come into the meeting and at least establish a five-member out of the eight. That'll do. But we have the record requesting for meetings, Mr. Speaker. Four cannot muster a quorum. Five will do out of eight. Thank you. I want that on the record. Thank you.

Speaker Hofschneider: May I remind the members, if you're a member of the committee and a meeting is called, please make every effort to attend because that's a public effort and it doesn't look good on the Standing Committees to be calling meetings and members are not coming to the meetings. Floor Leader.

Floor Leader Attao: I would like to make a subsidiary motion on my main motion for placing bills on the calendar to include H. B. NO. 13-112, HS1 reference S. C. R. NO. 13-095, H. B. NO. 13-168, HS1 reference to S. C. R. NO. 13-096 for action.

Rep. Babauta seconded the motion to include H. B. NO. 13-112, HS1 reference S. C. R. NO. 13-095, H. B. NO. 13-168, HS1 reference to S. C. R. NO. 13-096 and was carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 13-112, HS1 reference S. C. R. NO. 13-095 on First and Final Reading.

Rep. Babauta seconded the motion.

H. B. NO. 13-112, HS1: A BILL FOR AN ACT TO RESTRICT THE PLANTING OF TREES AND OTHER SUCH VEGETATION BELOW AND AROUND POWER LINES AND FACILITIES; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading H. B. NO. 13-112, HS1 reference to restrict the planting and other such vegetation below and around power lines and facilities; and for other purposes has been seconded. Ready?

Several members voiced, “ready.”

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-112, HS1 reference S. C. R. NO. 13-095 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	yes
Rep. Norman S. Palacios	absent
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 17 “yes”, 1 “absent”, H. B. NO. 13-112, HS1 is hereby passed by the House on First and Final Reading. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 13-168, HS1 reference S. C. R. NO. 13-096 on First and Final Reading.

Rep. Babauta seconded the motion.

H. B. NO. 13-168: A BILL FOR AN ACT TO ESTABLISH THE COMMONWEALTH RESPITE SERVICES PROGRAM; TO DESIGNATE THE CNMI COUNCIL ON DEVELOPMENTAL DISABILITIES AS THE PROGRAM ADMINISTERING AUTHORITY; AND TO PROVIDE FOR COMMUNITY RESPITE SERVICES PROGRAM; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading H. B. NO. 13-168 to establish the Commonwealth Respite Services Program; to designate the CNMI Council on developmental Disabilities as the program administering authority; and to provide for community respite services program; and for other purposes has been seconded. Discussion on the bill.

Several members voiced, “ready.”

Speaker Hofschneider: Ready. Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-168, 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	yes
Rep. Norman S. Palacios	absent
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 17 “yes”, 1 “absent”, H. B. NO. 13-168, HS1 is hereby passed by the House on First and Final Reading. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-75 reference SEN. COMM. 13-238 on First and Final Reading.

Rep. Babauta seconded the motion.

Speaker Hofschneider: SEN. COMM. 13-238?

Floor Leader Attao: SEN. COMM. 13-238.

Speaker Hofschneider: It’s not included. Subsidiary motion.

Floor Leader Attao: Subsidiary motion to include S. B. NO. 13-075 reference SEN. COMM. 13-283.

The motion was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-075 on First and Final Reading.

Rep. Babauta seconded the motion.

S. B. NO. 13-075: A BILL FOR AN ACT TO PROVIDE REQUIREMENTS AND CONDITIONS FOR TAX CREDIT FOR CONTRIBUTION TO THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS SCHOLARSHIP OFFICE; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading S. B. NO. 13-075 has been seconded. Discussion on the bill. Ready?

Several members voiced, “ready.”

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass S. B. NO. 13-075 on First and Final Reading is as follows:

Rep. Martin B. Ada	yes
Rep. Francisco DLG. Aldan	
Rep. Jesus T. Attao	yes
Rep. Oscar M. Babauta	yes
Rep. Gloria DLC. Cabrera	
Rep. Pedro P. Castro	yes
Rep. Joseph P. Deleon Guerrero	

Rep A. Palacios: Mr. Speaker, I'd like to make a clarification.

Speaker Hofschneider: State your clarification.

Rep A. Palacios: This is a tax credit issue and it's originated in the Senate. Is there a person perhaps the legal counsel...

Speaker Hofschneider: Can you speak into the mic? I can't hear you.

Rep A. Palacios: This bill basically looks at tax credit for constitution or donations to the scholarship. Since this is a tax issue basically a tax & revenue issue would it be proper that it originated from the Senate?

Speaker Hofschneider: Short recess. Good question.

The House recessed at 11:27 p.m.

RECESS

The House reconvened at 11:30 p.m.

Speaker Hofschneider: [beginning of recording]...of the House.

Floor Leader Attao: Move to file or motion to refer to the Committee on Ways and Means?

Speaker Hofschneider: Move to file. We can't entertain anything that is...

Floor Leader Attao: No, so the Chair can...

Speaker Hofschneider: Move to file.

Floor Leader Attao: Alright, thank you, Mr. Speaker. Subsidiary motion to file S. B. NO. 13-075.

The motion to file S. B. NO. 13-075 was seconded and carried by voice vote.

Speaker Hofschneider: Thank you. S. B. NO. 13-075 is hereby filed by the House. Representative Palacios.

Rep A. Palacios: Just so that some of the members know that your vote to support this bill is not in vain. I have a very similar bill that is pending somewhere in this house in fact it's almost verbatim.

Speaker Hofschneider: You want to add to the charge of pleasurism?

Rep. A. Palacios: No, maybe in our next session we can take a look at it.

Speaker Hofschneider: Okay. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-136 reference SEN. COMM. 13-240 on First and Final Reading.

Rep. Babauta seconded the motion.

S. B. NO. 13-136: A BILL FOR AN ACT TO AMEND 3 CMC § 4301 TO LOWER THE AMOUNT OF REQUIRED INVESTMENT FOR THE FOREIGN RETIREE INVESTMENT CERTIFICATE; TO AMEND 3 CMC § 4331 TO EXTEND THE DURATION OF ENTRY PERMITS FOR NON-RESIDENT SENIOR CITIZENS; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading S. B. NO. 13-136 reference SEN. COMM. 13-240 has been seconded.

Rep. Ada: Move to file.

Speaker Hofschneider: This is an investment certificate.

Rep. Babauta: It's an amendment to the prior law, Mr. Speaker.

Speaker Hofschneider: It's coming from the Senate.

Rep. Babauta: Yes. Its amending former Senator Juan Tenorio's bill or rather a law that...

Speaker Hofschneider: The question is is it appropriate for the Senate to be touching revenue legislation.

Rep. Babauta: Questionable, Mr. Speaker.

Floor Leader Attao: The answer to that is, no. Can you ask the legal counsel about this, Mr. Speaker?

Rep. H. Palacios: All appropriation measures should originate from the House, Mr. Speaker.

Speaker Hofschneider: It has to do with onvestment.

Rep. Ada: *Esta guaha taiguenao.*

Speaker Hofschneider: May we just suspend the motion on this until we clarify?

Rep. Babauta: I think so.

Floor Leader Attao: Just put it on the calendar?

Speaker Hofschneider: Yes. Subsidiary motion, Floor Leader.

Floor Leader Attao: Subsidiary motion to defer action on S. B. NO. 13-136 and leave it on the calendar for further review.

The motion was seconded carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-058 reference SEN. COMM. 13-237 on First and Final Reading.

Rep. Babauta seconded the motion.

S. B. NO. 13-058: A BILL FOR AN ACT TO AMEND PUBLIC LAW 9-2 TO REQUIRE THAT THE LEGISLATURE GIVE NOTICE TO ALL MEETINGS AND THE AGENDA TO BE DISCUSSED AT SUCH MEETINGS IN COMPLIANCE WITH THE OPEN GOVERNMENT ACT'S NOTICE REQUIREMENTS SET FORTH AT 1 CMC § 9910.

Speaker Hofschneider: The motion to pass on First and Final Reading S. B. NO. 13-058 reference SEN. COMM. 13-237 has been seconded. Short recess.

The House recessed at 11:58 p.m.

RECESS

The House reconvened at 11:59 p.m.

Speaker Hofschneider: We're back to our session. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move to defer action on S. B. NO. 13-058 and refer it to the Committee on Judiciary & Governmental Operations.

Rep. Babauta seconded the motion to refer S. B. NO. 13-058 to the Committee on Judiciary & Governmental Operations and was carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader, move to stop the clock at 11:59 p.m.

Floor Leader Attao: Why don't we stop now, Mr. Speaker, so we can have – oh, two more? Thank you.

Speaker Hofschneider: Move to stop the clock.

Floor Leader Attao: Now? Okay. Thank you, Mr. Speaker. Mr. Speaker, I move to recess...

Speaker Hofschneider: No. Move to stop the clock.

Floor Leader Attao: Move to stop the clock? So moved.

The motion to stop the clock at 11:59 p.m. was seconded carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 13-297 on First and Final Reading.

Rep. Babauta seconded the motion.

H. B. NO. 13-297: A BILL FOR AN ACT TO AMEND 4 CMC 5611; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading H. B. NO. 13-297 has been seconded. This Act may be cited as the Business License Application Improvement Act of 2003. Discussion on the bill. Representative Salas.

Rep. Salas: Congressman Torres and I discussed this bill four months ago and I believe that the bill is okay. The only thing is the bill is prorated. License fees are now being paid on an annual basis and this is changing it to two years. Congressman Torres and I agreed that it be prorated to two years.

Speaker Hofschneider: You want to fix it?

Rep. W. Torres: It's already fix.

Speaker Hofschneider: May we clean up the bill please? This is – can we keep it on the calendar and fix this section?

The Chair recognized Representative William Torres.

Rep. W. Torres: I'd like to offer an oral floor amendment unless you want to...

Speaker Hofschneider: Defer action.

Rep. W. Torres: Okay.

Speaker Hofschneider: Floor Leader, move to defer action.

Floor Leader Attao: Thank you, Mr. Speaker. I move to defer action on H. B. NO. 13-297.

Rep. Tebuteb seconded the motion and was carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 13-270 on First and Final Reading.

Rep. Babauta seconded the motion.

H. B. NO. 13-270: A BILL FOR AN ACT TO PROVIDE PERMITTING AND REGULATORY AUTHORITY OVER BEACHSIDE ACITIVITIES; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading H. B. NO. 13-270 has been seconded. Discussion on the bill. Representative Palacios.

Rep A. Palacios: I suppose to have cleaned up some portion of this bill with MPLA, CRM and Boating Safety. I'm sorry to say that we were not able to come up with a consensus of this certain issue and I'd like to be given more opportunity to try to clean up some of the portion of this.

Speaker Hofschneider: Move to defer action.

Rep A. Palacios: Thank you.

Rep. Tebuteb: So moved.

Rep. S. Torres seconded the motion to defer action on H. B. NO. 13 270 and was carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao: Mr. Speaker, if there's no objection from the members, I'd like to recall our action – short recess, Mr. Speaker.

Speaker Hofschneider: Short recess.

The House recessed at 12:05 a.m.

RECESS

The House reconvened at 12:07 a.m.

Speaker Hofschneider: We're back to our session and I recognize the Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. Mr. Speaker, I move for reconsideration on H. B. NO. 13-232. This particular bill was passed by the House on December 13, 2002 and was passed by the Senate on July 22, 2003. The bill has not been transmitted to the Governor. It is still with the clerk.

The motion was seconded.

H. B. NO. 13-232: A BILL FOR AN ACT TO PROTECT CONFIDENTIAL INFORMATION AND COMMUNICATIONS MADE TO A 'CRIME STOPPERS' ORGANIZATION; AND FOR OTHER PURPOSES.

Speaker Hofschneider: We can move to recall from the Senate and allow the Senate to recall their action and allow us to receive the bill.

Floor Leader Attao: You mean to recall from the Senate?

Speaker Hofschneider: Yes.

Floor Leader Attao: The Senate has passed the bill. We need to amend the bill and return it back to the Senate.

Speaker Hofschneider: Is it in the property of the House?

Floor Leader Attao: Right now, yes.

Speaker Hofschneider: Alright.

Floor Leader Attao: So for reconsideration on the bill.

Speaker Hofschneider: The amendment is not ready. Correct?

Floor Leader Attao: The amendment is ready.

Speaker Hofschneider: Short recess.

The House recessed at 12:09 a.m.

RECESS

The House reconvened at 12:15 a.m.

Speaker Hofschneider: We're back to our session and I recognize the Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. Mr. Speaker, I move for reconsideration on H. B. NO. 13-232.

Rep. Babauta seconded the motion and was carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao: Under discussion, Mr. Speaker.

The Chair recognized Representative Torres.

Rep. S. Torres: Mr. Speaker, I have a written floor amendment to offer on Section 6 Penalty Disclosure of the bill. Everybody has a copy?

The written floor amendment offered by Representative Stanley Torres to H. B. NO. 13-232 is as follows:

Section 6 of H. B. NO. 13-232 is amended as follows:

Section 6. Penalty for Disclosure. Disclosure of a privileged communication or protected privileged information in violation of this section shall be ~~a felony~~ punished by imprisonment for not less than one year but not more than two years or by a fine not more than \$500, or both. The Attorney General shall, to the extent possible, quash any subpoenas or other discovery efforts to obtain any protected information as defined in ~~subsection 23~~ above and shall to the extent authorized by law take whatever action is necessary to assure anonymity of the Crime Stoppers informant and to protect said protected information.

Rep. Babauta seconded the motion and was carried by voice vote.

Speaker Hofschneider: Motion carried. Ready?

Several members voiced, "ready."

Speaker Hofschneider: We're voting on H. B. NO. 13-232 as amended. Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-232, 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	abstained
Rep. Arnold I. Palacios	yes
Rep. Herman T. Palacios	yes
Rep. Norman S. Palacios	absent
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 16 "yes", 1 "abstention", 1 "absent", H. B. NO. 13-232 as amended is hereby passed on First and Final Reading. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. Mr. Speaker, if there's no objection, can we go to Item 13?

There being no objection; the House went to Item 13, Reports of Special and Conference Committees.

REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

The Chair recognized the Floor Leader.

Floor Leader moved for the suspension of Rule VII, Section 10, Rule IX, Sections 9, 10 and 11 for the adoption of Special S. C. R. NO. 13-004 and Special S. C. R. NO. 13-005, was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao moved for the adoption of Special S. C. R. NO. 13-004 and Special S. C. R. NO. 13-005 and was seconded by Rep. Babauta.

Special Committee Report No. 13-4: Reporting on the matter of Rep. Francisco Aldan's alleged violation of the Code of Official Conduct. *Your Special Standing Committee on Official Conduct and Ethics recommends that the House take disciplinary action.*

Special Committee Report No. 13-5: Reporting on the matter of Rep. Daniel Quitugua's alleged violation of the Code of Official Conduct. *Your Special Standing Committee on Official Conduct and Ethics recommends that the House take disciplinary action.*

Speaker Hofschneider: The motion for the adoption of Special S. C. R. NO. 13-004 and Special S. C. R. NO. 13-005 has been seconded. Discussion on the motion. Ready?

Vice Speaker Tenorio: Mr. Speaker, can we have copies of the committee reports?

Speaker Hofschneider: Ready? Discussion on Special S. C. R. NO. 13-004 and Special S. C. R. NO. 13-005. Representative Aldan.

Rep. Aldan: I was given a copy of this report about three weeks ago and my only objection to this report is on page 3 on the first paragraph where it says in examining the rules of conduct set forth in paragraphs (a) and (b) of Section 1 all the way on bottom that violation coupled with the impropriety of using an official House-sponsored trip to further personal business did not reflect creditably. Mr. Speaker, before I left, I requested and I asked you if I could bring these crabs back with me and you gave me your okay on that. You permitted me to do so. So this shouldn't be reflected on this report.

Speaker Hofschneider: Is it for business or non-business?

Rep. Aldan: It's for the zoo. But I did discuss this issue with you and I requested if I could bring the crab back with me and you permitted me to do so.

Speaker Hofschneider: If I did then it has no reflection on whether it's for business.

Rep. Aldan: As I recall, Mr. Speaker, I told you that I had a special permit to hunt crabs.

Speaker Hofschneider: Yes.

Rep. Aldan: For the purpose of displaying them at the zoo and you permitted me to bring back the crab on the trip.

Speaker Hofschneider: If I did then it shall reflect. If I did it shall reflect.

Rep. Aldan: But it doesn't reflect on the report.

Speaker Hofschneider: Do you want to strikeout the reference?

Rep. Aldan: Yes.

Speaker Hofschneider: Is that the pleasure of the members?

There was no objection.

Rep A. Palacios: Which, the whole bottom to be strikeout?

Rep. Aldan: The bottom section of the first paragraph.

Speaker Hofschneider: With all due respect, I do not recall the request specifically mentioned for business. I do recall that you have a permit.

Rep. Aldan: Mr. Speaker, the permit was given to me for the purpose of displaying the crab at the zoo.

Speaker Hofschneider: I never saw the permit.

Rep. Aldan: Otherwise, I wouldn't be given a permit for personal.

Speaker Hofschneider: Could be. What is the opinion of the House?

Vice Speaker Tenorio: Mr. Speaker, I have no objection of striking this out.

The motion was seconded.

Speaker Hofschneider: What is the contention of the House?

There was no objection.

Floor Leader Attao: Which paragraph are we striking out?

Rep. Aldan: Page 3. Not the whole paragraph, just the bottom.

Speaker Hofschneider: Beginning with the paragraph in examining. Go down to the last sentence of that paragraph. That violation coupled with the impropriety of using an official House-sponsored trip. Any motion?

Rep. Castro: So moved, Mr. Speaker.

Rep. Deleon Guerrero seconded the motion.

Speaker Hofschneider: The motion to strikeout that portion of the paragraph pertaining to that violation coupled and ending with the Rules of the House has been seconded. Discussion on the motion.

There was no discussion, and the motion was carried by voice vote.

Speaker Hofschneider: Motion carried. We're voting for the adoption of Special S. C. R. NO. 13-004 and Special S. C. R. NO. 13-005. Representative Quitugua.

Rep. Quitugua: Just a short comment, Mr. Speaker. I read the report by the committee and I thought they would take the time to, not only almost prevailingly look at the record of the Administrative Hearing, but also make the effort to give me the opportunity to present to them the facts as they have quoted in the hearing. Apparently that did not happen. I was disappointed that it took the committee this long to come up with a finding that has already been adopted during the Administrative Hearing. It is true that I did not plan on contesting the hearing simply because of the fact that as an elected official you are scrutinized more

so than an ordinary citizen. Not knowing what I know now, with the intent to turn that in to appropriate authorities, I would not have done that. I would not have done that. I thought I was doing a great service to the Division of Fish & Wildlife by turning the fruit bats once I discovered that it was not the items that I intended to bring to Saipan. I thought I was doing my civic duty to return it in. Apparently the language of the law does not excuse you and does not take into consideration good intention. It penalizes you for trying to do what you think is appropriate and proper. That's all, Mr. Speaker.

Speaker Hofschneider: Ready?

Floor Leader Attao voiced, "ready."

Speaker Hofschneider: For the record, I want to state that I do not recall permitting that on the assumption for purposes of business. I do not recall that. I do recall that you said you secured a permit. Ready?

There was no further discussion, and the motion to adopt Special S. C. R. NO. 13-004 and Special S. C. R. NO. 13-005 was carried by voice vote.

Speaker Hofschneider: House Special S. C. R. NO. 13-004 as amended and Special S. C. R. NO. 13-005 are hereby adopted by the House.

MISCELLANEOUS BUSINESS

None

ANNOUNCEMENT

None

The Chair recognized the Floor Leader.

Floor Leader Attao moved to recess until Wednesday, September 24, 2003 at 10:00 a.m., and was seconded by Rep. Ada.

Speaker Hofschneider: Floor Leader, can you rephrase your motion to recess subject to the call of the Chair.

Floor Leader Attao: Yes. Mr. Speaker, before I make that motion, if there's no objection from the members, I would like to make a withdrawal from the committee just to place on today's calendar.

Speaker Hofschneider: Continue.

Floor Leader Attao: Thank you, Mr. Speaker. I move to withdraw H. B. NO. 13-322, HS1 from the Committee on Judiciary & Governmental Operations and place it on the calendar.

H. B. NO. 13-322: A BILL FOR AN ACT TO BOOST THE ECONOMY OF THE CNMI BY ESTABLISHING A SPECIFIC NONIMMIGRANT ENTRY PERMIT CATEGORY IN THE IMMIGRATION CODE TO ATTRACT THE 'SILVER CLUB' MARKET IN JAPAN AND RETIREES FROM OTHER COUNTRIES; AND FOR OTHER PURPOSES.

Rep. S. Torres: Mr. Speaker, may I be recognized?

Speaker Hofschneider: May we dispense of the motion.

Rep. S. Torres: Correction.

Speaker Hofschneider: State your point.

Rep. S. Torres: The Floor Leader is a little bit heavy. This bill is not a substitute yet. It's H. B. NO. 13-322 to be withdrawn from the Committee on Ways & Means for calendaring purpose.

Floor Leader Attao: Ways & Means?

Rep. S. Torres: It's assigned to Ways & Means.

Speaker Hofschneider: Floor Leader, can you rephrase your motion?

Floor Leader Attao: Yes, Mr. Speaker. Forget about the first motion, Mr. Speaker. The motion is to withdraw H. B. NO. 13-322 from the Committee on Ways & Means and place it on the calendar for action on the next session. Thank you.

The motion was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao moved to recess subject to the call of the Chair, was seconded by Rep. Babauta and carried by voice vote.

Speaker Hofschneider: Recess subject to the call of the Chair.

The House recessed at 12:35 a.m.

Respectfully submitted,

Lavida S. Palacios, Journal Clerk
House of Representatives

APPEARANCE OF LOCAL BILLS

None

HOUSE OF REPRESENTATIVES • THIRTEENTH LEGISLATURE • COMMONWEALTH OF THE NORTHERN
MARIANA ISLANDS



House Journal

FOURTH REGULAR SESSION, 2003

Third Day

September 26, 2003

The House of Representatives of the Thirteenth Northern Marianas Commonwealth Legislature convened in its **Third Day**, Fourth Regular Session, on **Friday, September 26, 2003**, at **2:30 p.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), **fifteen** members were recorded present; Representatives **Oscar M. Babauta and Ramon A Tebuteb** were excused. Representative Daniel O. Quitugua was absent, and Representatives Arnold I. Palacios and Stanley S. Torres came in late.

Speaker Hofschneider: Representatives Babauta and Tebuteb are officially excused. Representatives Arnold Palacios, Quitugua and Stanley Torres are marked absent. I recognize the Floor Leader.

Floor Leader Attao moved to resolve into the Committee of the Whole for the swearing-in of Vice Speaker Tenorio as the President of the Association of Pacific Islands Legislature (APIL) by Chief Justice Demapan, and was seconded by two others.

Speaker Hofschneider: The motion to resolve into the Committee of the Whole to receive the Chief Justice of the Commonwealth Supreme Court, the Honorable Micheal S. Demapan to swear-in our good Vice Speaker ascending to the offer of the Presidency office for the APIL has been seconded. Discussion on the motion. Representative Palacios.

Rep. H. Palacios: I just want to have my mind cleared. I thought that the Vice Speaker was once sworn-in to withhold all the duties of...

Rep. Cabrera: Vice President.

Rep. Ada: President of APIL?

Rep. Aldan: As Vice President.

Rep. H. Palacios: No. But the fact that he was already sworn-in here already, is it necessary to do it again?

Floor Leader Attao: Yes.

Rep. H. Palacios: Not that I'm opposing anything, believe me, I just want to clear my mind.

Rep. W. Torres: Clarification.

Speaker Hofschneider: State your clarification.

Rep. W. Torres: That official act was indeed conducted in this august chamber but that was for the position of Vice Presidency. This time he has ascended, so we have to perform the ascendancy ceremony.

Speaker Hofschneider: I will entertain no further pulling of the string.

There was no further discussion, and the motion to resolve into Committee of the Whole to receive Chief Justice Demapan to swear-in Vice Speaker Tenorio as the President of APIL was carried by voice vote.

Speaker Hofschneider: Motion carried. We're under Committee of the Whole.

The House went into Committee of the Whole at 2:35 p.m.

COMMITTEE OF THE WHOLE

The House returned to plenary session at 5:06 p.m.

Speaker Hofschneider: Motion carried. We're back to our plenary session.

Rep A. Palacios: Privilege, Mr. Speaker.

Speaker Hofschneider: State your privilege.

Rep A. Palacios: I'd like the record to reflect my presence in this session.

Speaker Hofschneider: So as Representative Stanley Torres.

Rep. S. Torres: Thank you.

Speaker Hofschneider: Representative Norman S. Palacios is also present.

ADOPTION OF JOURNALS

None

PREFILED AND INTRODUCTION OF BILLS

None

PREFILED AND INTRODUCTION OF RESOLUTIONS

None

MESSAGES FROM THE GOVERNOR

None

SENATE COMMUNICATIONS

The Chair recognized the Floor Leader.

Floor Leader Attao moved for the acceptance of SEN. COMM. 13-287 relative to the Senate amendments to the appropriations for FY 2004, and was seconded by three others and carried by voice vote.

SEN. COMM. 13-287: Return of H. B. NO. 13-335, HD3 (Appropriations and Budget Authority Act of 2004), which was passed with amendments on September 26, 2003 in the form of H. B. NO. 13-335, HD3, SD3. [For action]

Speaker Hofschneider: SEN. COMM. 13-287 is hereby accepted by the House. We move to Bill Calendar.

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

None

REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

None

UNFINISHED BUSINESS

None

RESOLUTION CALENDAR

None

BILL CALENDAR

Floor Leader Attao: Mr. Speaker, the budget is finished, right? It's passed?

Speaker Hofschneider: Be nice and place it on the calendar.

Floor Leader Attao: Thank you, Mr. Speaker.

Speaker Hofschneider: Short recess.

The House recessed at 5:09 p.m.

RECESS

The House reconvened at 5:09 p.m.

Speaker Hofschneider: We're back to our session and I recognize the Floor Leader.

Floor Leader Attao moved for the placement of H. B. NO. 13-335, HD3, SD3 relative to SEN. COMM. 13-287 on the day's calendar for action, and was seconded two others.

H. B. NO. 13-335, HD3, SD3: A BILL FOR AN ACT TO MAKE APPROPRIATIONS FOR THE OPERATIONS AND ACTIVITIES OF THE GOVERNMENT OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS, ITS AGENCIES, INSTRUMENTALITIES, AND INDEPENDENT PROGRAMS AND TO PROVIDE FOR BUDGET AUTHORITY FOR PUBLIC CORPORATIONS FOR FISCAL YEAR 2004; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to place H. B. NO. 13-335, HD3, SD3 on the day's calendar for action on First and Final Reading has been seconded. Discussion on the bill.

Floor Leader Attao: Mr. Speaker, for the record, maybe for future reference, I would like to ask the Senate legal counsel to brief us on the amendments offered by the Senate during their session in Tinian to expedite our transaction tonight.

Speaker Hofschneider: We will recess but we will continue the recording so that we have a legislative history and allow the counsels to go step-by-step with us on the Senate amendments. We will do it methodically so that we give the opportunity to the counsels to clearly go line-by-line on those amendments. If you have a question please raise your hand during recess, and we will stop the counsels so that we can have a clear explanation. Agreed? Recess.

The House recessed at 5:11 p.m.

RECESS

The House reconvened at 5:52 p.m.

Speaker Hofschneider: We're back to our session after allowing the counsels to go line-by-line on the Senate's written amendments. We're under discussion on H. B. NO. 13-335, HD3, SD3 and I recognize Representative Cabrera.

Rep. Cabrera: Thank you, Mr. Speaker. As I stated earlier, having reviewed the budget that was just transmitted by the Senate, Mr. Speaker, I personally find it very difficult to vote on a very, very critical piece of legislation when the greater impact that is reflected in this particular budget is not represented today. In addition to that, as I stated earlier, you take away the politics, you take away the faces, Mr. Speaker, the faces of the individuals who will be impacted, the faces of the island that is going to be impacted taking into consideration the compromises that we all have to make and understanding the need for an across the board cut in order for us to meet our financial obligations. I cannot remove myself from feeling that what we're about to vote here if we do accept this piece of legislation and vote on the amendments that have been made that we will essentially be pushing or driving one part of this government down. I want to be able to help our people and when I say that, I mean it, our people, may that be Rota or Tinian or Saipan. This is clearly one opportunity where I have to push aside whatever differences I may have and, in good conscience, make the right decision. Mr. Speaker, with this kind of amendment with this body not having before it the factual information as to what impact this is going to have makes it very difficult for me personally to vote on this bill. I know that if I don't do that, then essentially it will also impact our ability as a body to carry out our obligations to our people by providing them with a just budget. I don't know how the rest of our good members feel but almost a million dollar cut specifically in personnel for one senatorial district is too much, Mr. Speaker, for me. If we must cut that much, then I would prefer to see that it's proportionate. There are critical services that will be impacted by that cut specifically in the area of health, in the area of public safety, and in the area of public education. Which of the three will be sacrificed the most? I don't know.

Speaker Hofschneider: Representative Cabrera, those specific concerns that you have raised are not impacted. The impact on the \$900,000 is specifically the Office of the Mayor, his staff.

Rep. Cabrera: Is that apart from the departments that are under the mayor as well, Mr. Speaker?

Speaker Hofschneider: The resident departments are budgeted and untouched.

Rep. Cabrera: Be it as it may, Mr. Speaker, I believe that there are people who will be greatly impacted and I personally do not want to be in the shoes of those people. Thank you, Mr. Speaker.

Speaker Hofschneider: For comparative reasoning, if you look at the Saipan Municipal Council and compare it with the Tinian Municipal Council and the Rota Municipal Council, you see a glaring disparity in the total appropriation. Any other comments? Representative Arnold Palacios.

Rep. A. Palacios: Thank you, Mr. Speaker. I also have the basic same reservation that Representative Cabrera has but, particularly, because if you look at where the money came from and where the money is going to go to. It's going to come from one senatorial district particularly an office of the local executive, the mayor's office, and it is to be used for retroactive payment of employees in another senatorial district. I really don't have any problem with paying up Public Law 7-31 retroactive pay. Let me remind ourselves that this senatorial district had to dip into its own local funds to pay for over \$7 million of the retroactive pay of employees on this senatorial district, the Third Senatorial District. We could have also used that to fund other projects but we have forgone that. Today, in fact, it's the last disbursement of fund and we have paid that off through our own local funds. Wouldn't it have been much easier if perhaps the Second Senatorial District also looks at its casino resources, local funds that it generates to pay for this retroactive payment? To take away funding from the general operations of the Mayor of Rota to pay for the retroactive for Tinian is a little bit hard to justify. Really. If the funds were going to other operations that justify the needed services on the island of Tinian, it probably would have been a different story, for example, if it is to operate the hospital. We have taken the position in our Third Senatorial District to pay for P.L. 7-31 retroactive payment ourselves. But basically what we have done is taken money from the General Fund, or the proposed amendment does that. We haven't voted, and I'd like to echo that sentiment. This is going to be a hard decision that will definitely impact the Rota Mayor's Office. Like the good Representative from Saipan indicated, if we take away the politics and the faces, then you still have a basic function of the Executive Branch, that executive office that you're going to impact is delivering services to these people.

The Chair recognized Representative Salas.

Rep. Salas: Thank you, Mr. Speaker. I just wanted to say that I, too, feel the same. This is a Commonwealth and we are many islands, and I'd like to believe that we are one people, one Commonwealth. If we need to sacrifice, then we need to do it fairly. I think that word here is being fair. \$900,000 for one office is a lot of money. If we're going to start thinking like one Commonwealth, then we should buckle down and share, and sacrifice not because of different senatorial district but because we are one Commonwealth and we are one people. I think this practice of taking money here...and we've seen what happened in the last four months in the Senate. I'd like to believe that this house, the Lower House is cognizant of what is happening in the Commonwealth. I'd like to believe that all of us will take a look at this bill and this amendment and try to come out with a fair and equitable way of distributing not just money but sacrifices for the betterment of our Commonwealth. Thank you, Mr. Speaker.

The Chair recognized Representative Deleon Guerrero.

Rep. Deleon Guerrero: Thank you, Mr. Speaker. Mr. Speaker, I can't help but see that in addition to the personnel cut that was done on the Office of the Mayor of Rota by \$1 million, which we all understand would have a significant adverse impact on the salary of his staff, it also proposes to remove \$100,000 from the \$108,000 all others budget or nonpersonnel budget. So basically what's left is \$800,470 for the nonpersonnel cost for the Mayor and we all know that that is not a realistic operating budget. The way the budget was cut is almost punitive. I agree with all three speakers, this is a little bit too drastic. I wanted to register that for the record.

The Chair recognized Representative William Torres.

Rep. W. Torres: Thank you, Mr. Speaker. When I decided to support the House version of the budget, I had to make my decision based on certain criteria. One, which I'm sure you remember quite fondly, because I asked you repeatedly in so many ways, in so many different corners, is, will this budget create a forced reduction in force, will this budget create unnecessary furlough, will this budget impact any personnel? And the resounding response is always consistent, which is no, it will not. So that was one guideline that I used in making my decision to support the House version of the budget. I know that the

concurrent resolution identifying the resources for the fiscal year is slightly less than what we had received from the Executive Branch. Nonetheless, I went ahead and followed the House version. Of course, I deliberated on a lot of other different programs, programs that mean a lot to me personally, and programs that I think are very important to the Commonwealth as a whole. One such program is the youth. I find the amended version to the House unacceptable. It touched an area that I consider rather sacred, which is the youth programs. Another area that was amended, changed, or modified from the House version is an area that I have a very big interest and respect for, and that is the Office of Women's Affairs. Again, it's unacceptable to see that office be reduced unnecessarily in terms of its resources. Another area that I see as being very inconsistent is in the area of salary ceiling. I don't know what is the rationale behind lowering the salary ceiling for the House and Senate employees and the Legislative Bureau and not the others. I can't see that. I don't see any rationale. Another program that I see as being the victim of this axing of the House version is in the area that we have all along fought for, even before my time, and that is the Free Trade Zone. For the life of me, I can't understand why we continue to dodge this issue when every time we go out and promote the CNMI, we all talk rather fondly about the Free Trade Zone and how the CNMI has this advantage. Well, we're putting it under the rug. Another program, which I make a point to attend every year, is the agricultural fair. I go there, I take my family to that fair because I think it's important. It's really important to the economy of this Commonwealth. Again, it has fallen a victim to whatever rhymes and reason. To me, I think we need maintain this. The people and the plant industry are hard working people. They help a lot. They help the farmers and the rest of the community. In particular, they are very responsive to the beautification efforts that are ongoing. Finally, the area of consumer protection. This is totally unacceptable. \$100,000 is a drop in the bucket for whatever these people are doing for the Commonwealth to protect the consumers. When we passed the "sin tax", I made it a point that this office is supported because for this office to be effective, it needs additional attorneys, needs the resources. This office doesn't even have a website, it doesn't even have email services and it's ridiculous. So all in all, Mr. Speaker, I share the same sentiment as the rest. Going through these items I decided not to ask any questions because it's all answered by just looking at the summary of the amendments. I think we need to go back to the House version. Thank you.

The Chair recognized Representative Ada.

Rep. Ada: Mr. Speaker, this reminded me of a song called, *Why can't we be friends*. It's very ironic because it was sung by a group called War. Like our colleague Congressman Salas said, this is just one Commonwealth. It's very clear with the \$900,000. I cannot say that it's not clear. It's so clear that it's like a retaliatory type of action made by the Senate. I think we should come to a point where we should chill down and come to terms. \$900,000 is too drastic. That's my opinion. Thank you.

The Chair recognized Representative Herman Palacios.

Rep. H. Palacios: No comment, Mr. Speaker.

The Chair recognized Representative Aldan.

Rep. Aldan: Mr. Speaker, our version of the budget is a balanced budget. What this proposal has done is it has taken away a lot of the programs that we have originally included in the budget. Other than the technical amendments, I think we should just reject the Senate version of the budget.

The Chair recognized Representative Seman.

Rep. Seman: Thank you, Mr. Speaker. Upon reviewing the Senate version, Mr. Speaker, and looking back at what we have approved last Monday, I felt for those departments who received very little funding because we were not able to give what they had requested. Today, I see them getting cut even more. I echo Representative Torres' comments regarding the youths. Once or twice a week, I would be approached or I would answer to a youth and say, I am for the youths. Today I see that program being deprived of the funding that they need to properly address these issues that we face in the Commonwealth. But then I feel for our brothers and sisters in Rota because I feel that these amendments are in the form of retaliation. But it's not their fault, Mr. Speaker. I looked at the \$900,000 cut that we're taking away from the Office of the

Mayor from Rota, I even took out my calculator and divided that by a salary of about \$25,000 and I came out with about 40 employees that may be losing their jobs or salaries drastically being reduced. I think we have done enough by cutting \$1 million from the island of Rota. We cut \$1 million from the island of Tinian and we also cut funding for the Third Senatorial District. I think that the House version is not very popular but it is very reasonable. I must remain in support of our version. I cannot support the Senate version, Mr. Speaker. Thank you.

The Chair recognized Representative Normal Palacios.

Rep. N. Palacios: No comment.

Speaker Hofschneider: Oh, please, a few words of gratitude would do.

Rep. N. Palacios: Okay. Thank you, Mr. Speaker. The original version that we passed on H. B. NO. 13-335 was really a good deal, but I did not vote for it. I understand that we have other obligations to pay such as the Retirement reduction, and CUC, plus we're giving education additional funds, but I was against it because Tinian is getting a big cut, \$1 million. Tinian already sacrificed \$1 million last fiscal year. That already makes \$2 million. But when the Senate version came, I am in full support of getting funds for retroactive pay for employees of Tinian. I will not say what's my vote now until we vote but we do need the funds to pay for P. L. 7-31 retroactive payment. It's just sad that it's coming from Rota. We're not governed there too...but we'll see. Thank you.

The Chair recognized the Vice Speaker.

Vice Speaker Tenorio: I don't understand the math, Mr. Speaker.

Speaker Hofschneider: While you're taking the privilege, Vice Speaker, continue while I tend to mother nature. Continue.

Vice Speaker Tenorio: You may continue, Mr. Speaker. Let the record show that I feel the same sentiments as most of the speakers here especially with regards to personnel for the people of Rota. Having voted on the budget version of the House, I find it very difficult to come back and see a lot of these changes. A lot of the budget has been reduced to satisfy other needs came from the First Senatorial District. I personally feel that I honestly cannot support the huge reduction of personnel totaling at \$1.2 million for the island of Rota. I did some very fast calculations, and on the Mayor's Office that the average salary and, I guess, this includes benefits on the budget that we passed the other day is in the vicinity of around \$21,000 per individual. If you cut it down by \$900,000 then an average individual will get about \$10,000. This is hardly a livable wage especially with a family of four, or a family of six. So I don't know, Mr. Speaker, but this is one area that I think we have to focus on. If this budget has to go to a conference committee to address this particular issue, let it go to a conference committee. Having said that, Mr. Speaker, I don't believe that if we have to pass this budget, as presented, as amended, doesn't mean that I have to vote it. Thank you.

The Chair recognized Representative Herman Palacios.

Rep. H. Palacios: I said I have no comment, Mr. Speaker. Thank you.

The Chair recognized Representative Stanley Torres.

Rep. S. Torres: Mr. Speaker, I thought I finished my responsibility by passing the House version. I'm not making any comment. I will leave it up to the seventeen members of this house to make their decision. Thank you.

The Chair recognized the Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. Mr. Speaker, after careful review of the budget prior to the passage of the appropriation by the House, when we put the budget on the floor I was so disappointed when the Representative from Rota voted no and so did Tinian for the reason of that \$1 million cut. We all know that everybody got cut, the First, Second and Third Senatorial Districts. Not only that, Mr. Speaker, when we passed the budget, it was voted almost unanimously and then it was transmitted to the Senate. We're all elected by our constituents to serve them. What happened in the Senate, Mr. Speaker, as a representative, you should always, at all times, as an elected official come to the session and defend what is good for your island. This didn't happen in the Senate. The new majority informed all the senators to come and attend the session. Forget about who's the right President, who's the real President. The fact of the matter is, you're elected by your constituents to serve them. This is what happens if you're not in the session and they make decisions. That's it. That's the bottom line. So now the amendment has been transmitted to the House. For me, Mr. Speaker, I will support the Senate amendment. The way I look at it, it's been done fairly. Why? Because nobody showed up. We're elected to protect the interest of our constituents and this is what happened. So to me, Mr. Speaker, I think the Senate has done what's supposed to be done. It's for us to accept it. And I want to go on record that I am supporting the Senate amendment. I've been here for 14 years, Mr. Speaker, and I have seen the budget tossed back and forth with the creation of a conference committee. It's always the case that we compromise on the budget. It's always the case with the exception of the FY 2003 when we passed it under your leadership. That went straight to the Governor. Although it was line item vetoed, it was signed. I'm asking the members to take a look one more time at this particular budget and make a decision tonight. We have spent so many hours discussing this budget I think it's only fair that we vote on the budget tonight and transmit it to the Governor. Let the Governor do his part. That's it, Mr. Speaker.

Speaker Hofschneider: Thank you, Floor Leader. Representative Herman Palacios, do you want to have an opportunity before I speak? If not, then I'll continue.

Rep. H. Palacios: Mr. Speaker, I feel exactly the same way that the Floor Leader has deliberated on. Where are the people that are representing the people of Rota? Where are the Senators to protect the interest of the people that voted them into office...[end of recording...beginning of recording]...that they were absent from representing the people of Rota. What is the very, very serious cause that they cannot at least attend the session for them to protect their people of Rota? This is why, Mr. Speaker, I will support it if you place this before the House today because they are not interested in representing their constituents. Thank you.

The Chair recognized Representative Castro.

Rep. Castro: Thank you, Mr. Speaker. I feel, Mr. Speaker and members, that whatever political agenda these senators have should be set aside and together work for the common good of all the Commonwealth people. Looking at the Senate's proposed amendments to the budget bill, Mr. Speaker, especially taking \$900,000 from the Office of the Mayor of Rota, it will definitely affect those people working under that department. I believe I have seen the figures changed from the Senate compared to the House version and I personally feel that only with the House version, Mr. Speaker, immediately after passing this the next day I was approached by many individuals from many departments asking me why these figures were reduced and I can't hardly explain it. The justification I had was that the economy in Saipan is very poor and we have to sacrifice in order for us to equally distribute whatever resources we have. But looking at this Senate version, Mr. Speaker, I am unable to personally make a decision to support it today. Thank you.

Speaker Hofschneider: May I be permitted to take the time and rationalize this budget from the day it was submitted by the Governor?

There was no objection.

Speaker Hofschneider: Vice Speaker, please rise.

At this time, Speaker Hofschneider stepped down from the dais and Vice Speaker Tenorio chaired the Floor.

Speaker Hofschneider: If the members wish to take a five-minute recess and get your Integrated Fiscal Plan, it would really help in understanding the budget in where we are today.

Vice Speaker Tenorio: Five minutes recess.

The House recessed at 6:30 p.m.

RECESS

The House reconvened at 6:50 p.m.

Vice Speaker Tenorio: We're back to our session. Speaker Hofschneider, before we proceed, I'd like to get the consensus from the members, if there's no objection, we'll take this opportunity to work overtime.

There was no objection.

Vice Speaker Tenorio: Is that acceptable to everybody?

Floor Leader Attao: Yes.

Vice Speaker Tenorio: Or do you want to time him and give him 15 minutes?

Rep. H. Palacios: No problem.

Vice Speaker Tenorio: I'll take that as a yes? We'll proceed with the deliberation of Speaker Hofschneider. If anybody has any question at any time we can stop the Speaker for you to pose your question(s).

Speaker Hofschneider: Thank you, Mr. Vice Speaker. On April 1, 2003, the Governor submitted a budget to the House for consideration for FY 2003-2004 in the amount of \$228,963,000. The House and tonight the Senate is concurring and amending did not change the total revenue to be appropriated on H. C. R. NO. 13-003 in the amount of \$213,953,000. The difference between the Governor's submission on April 1st of this year and the House and Senate version is \$15,000,000, which can be attributed to the difference regenerated under the proposed Integrated Fiscal Plan that the Governor submitted on February 19, 2003, roughly 15 days before the constitutional timetable to submit a budget to the Legislature. Included in the Governor's IFP are numerous revenue-generating recommendations. One is increasing the user fee of the garment industry. Also included is the recommendation to increase the hotel occupancy tax from 10% to 11%. If I'm not mistaken, the user fee being 3.7% to 5%. Sorry, it's not 5%. I believe the proposal was to increase it .07%.

Rep. Tebuteb: It's 3.5% to 5%.

Speaker Hofschneider: No. The House version was to increase it 3.7% to 5%. The Governor's version was a nominal I believe .07%.

Floor Leader Attao: .07%.

Speaker Hofschneider: Correct?

Floor Leader Attao: Yes.

Speaker Hofschneider: And also in his IFP proposal, are several internal mechanisms that can in fact translate to savings and in fact generating revenue indirectly. One is the suspension of holidays, differential pay, overtime, suspension of merit pay, within-grade increases and suspension of the 30% retirement bonus. So these are internal suspensions that are accorded with the employees. This is an

ongoing austerity measure simply by the Administration issuing a directive and withholding those merit increases, within-grade increases and maintaining tight controls with differential pays, holidays and overtimes. There are several departments that the Governor is quite strapped in the sense that it's a necessity of the community. One is the overtime with DPS and the other is obviously the hospital. But that also technically can be corrected and translates into savings just by merely having a more efficient management of the human resources for those two departments. For instance, under the current budget, there are FTEs and funding provided to adequately staff the hospital with nurses without subjecting overtime pays for existing employees to cover shortfalls in the manpower area. Likewise in DPS, there are ways, management approaches that can be applied to minimize overtimes with DPS. There is a reality though and it is a fact that there must be an increase in the funding of DPS. That's where the balancing act, the Constitution played. This is where we are that is critical for us tonight. We are approving a \$213,953,000 versus the Governor's proposed budget of \$229,000,000. By the way, the \$228,000,000 has already taken away the anticipated debt service of existing obligations with numerous bonds, the \$16,000,000 for PSS, the \$60,000,000 for the Capital Improvement Programs matching and the yet to materialize, land compensation bond. All in all, it's anticipated that outside the \$228,000,000 a \$10,000,000 debt service has been reserved. So in essence, there is technically a \$238,000,000 proposed budget. We're only looking at what the expenditure that has been identified and prepared in his letter on April 1st accompanying the budget to the House. So in difference of \$15,000,000 the amount that we are quite **moot** tonight by way of the Senate amendment is roughly \$1.2 million resulting from numerous realignment or reshuffling from Rota Senatorial District to Tinian Senatorial District of roughly about \$900 to \$1.2 million to pay for their retroactive pay. So we're not that far. In other words, if we are desirous of producing a budget on time, we have a few more days before October 1st kicks in. And if \$1.2 million – this evening I heard all of you members – is going to create a rift or division in the House that is far deeper than the Marianas Trench and obviously forcing us to have no budget and subject this government into a continuing resolution, then I say \$1.2 million is not really monumental or daunting of an amount to argue. But this \$1.2 million has 2 components attached to it. One is the physical impact – obviously \$1,200,000 – that I can honestly say that we can find the \$1.2 million. The other that I'm not sure if we can be able to surmise by saying that we can resolve that is the political component attached to it. The physical component, the dollar component – easy. The political component – this house I heard this evening wants no part in it. Eloquently put, Representative Gloria Cabrera sees the human side of it and all that have spoken is the decency of this house to maintain its level headedness. Therefore, we can put aside the political component attached to \$1.2 million argument and let's focus on the physical component. Where can we find \$1.2 million and resolve this budget, get it to the Governor and let the Governor decide. Honestly, this Senate amendment, is tethering on a thread that is thinner than what the eye can see that would move the Governor to veto this part. So why are we exercising in futility this evening if we all know deep in hearts that the Governor faster than blinking our eyes or his eyes, will strike it down and send the veto message to the House? We worked very hard all through the last four or five months in getting a budget. Let's not break that condition. Let's not break that decker of insuring, promising the people that we will that we will get budgets on time so that we prevent any deficits. So it is easy if we're all willing to work and sacrifice. It is easy to find the \$1.2 million. We will not deal with the political component. We can restore the \$1.2 million back to Rota still give Tinian \$1.2 million to pay its retroactive and that would be the difference. In other words, it is Tinian's time. We will give the retroactive. Next fiscal year God willing that we all come back and with legislative history make a promise that the following fiscal year it'll be Rota's turn to get the retroactive out. That is the right way of doing this. The most accurate description of this budget is Representative Cabrera's -- with the uncertainty that we know that we do not know who and how many will be impacted under the Mayor's Office in terms of personnel. We can only assume that the Mayor may take one or two options. One, reduce all the salaries of that 115 FTEs under his office proportionately and still maintain employment for 115 without the \$900,000 or the Mayor may take the worst case scenario. And that is, proportionately remove the number of people employed under his office to equal the \$900,000 taken from his account. That is one too many gifts for us really and I view based on your comments that you're not willing to go that route this evening. But I believe that if we talk about finding the \$1.2 million and restoring it to Rota it may not be totally \$1.2 million but if we can come close to \$1.2 million the sacrifice itself is the key. We all said that we didn't want to pass nor consider when Representative Quitugua tried to make a motion the other night and forced the House to consider the IFP. We did not think it was appropriate and logically because we did not know what the impact of the Senate actions so it'll be premature for us to be talking. Now that we know for sure what the impact is it is attainable but we

have to make some really critical decisions. In the IFP the Governor is suggesting that we pass legislations. One, to increase vehicular registrations and drivers' licenses and if you see the projected revenue based on just increasing vehicle registration fee, driver's licenses and gun licenses it significantly projects very close to what our target is, the \$1.2 million. We can also contribute on other sense of sacrifice and that is to provide additional clause in the administrative provision of the budget to suspend all increase in government so that everyone sees that 4,000 government employees are contributing to maintaining and sustaining a reasonable and realistic budget. The \$213 million is not based on a hypothetical scenario. The \$213 million is based on months and months and months of submission by the Department of Finance on actually revenues. The economy to date cannot generate beyond \$213 million. If anyone tells you otherwise, it's a darn lie. This is the capacity of the CNMI economy. So the least impacting proposal under the Governor's IFP are the vehicle related fees and licenses, controls on merit increases, 30% bonus and overtimes. You can also attempt to include holiday suspensions. That's not politically closure given 30 days before election but we're not elected into this office to first consider the political fallout without seeing the greater picture of our responsibility and that is to have a realistic budget. In as much as this house wants to work with the Senate I know deep down in your heart some of us may say, oh goodie, it's Rota's turn to be taught a lesson. But what – the following fiscal year it's Tinian's time to be taught a lesson. It is almost impossible for that to be said of Saipan and Northern Islands Senatorial District because 16 out of the 18 members and budgets originate in the House. So it does not necessarily apply. The vicious cycle somehow must be prevented occurring or we must contribute to doing away. The First and Second Senatorial Districts must come to reality that the \$15 million budget or the \$13 million budget that is continually given is based on an economy of the 1990, 1991 and 1992 when significantly from \$268 million budget in 1994 during Froilan Tenorio's Administration to now down to \$213 million. But look at the proration of reduction of the First and Second Senatorial Districts appropriation. It's not significant to the overall reduction of the entire CNMI budget from \$268 million to \$213 million. The economy is not supporting the expected budget needs of Tinian, let alone, Saipan or the Third Senatorial District or entire Commonwealth. But the art of politics and the art of legislation in the Legislature is to find a workable compromise and if we're going to allow a \$1.2 million difference kill the budget, veto the budget by the Governor then I think that the blame should be rightfully be given to the House. Consider what I'm saying. I'm not asking you to follow me and vote no. I'm not asking you to follow me and vote yes. I heard your true feelings. If we're going to allow \$1.2 million we can vote this budget and send it to the Governor but what message are we giving? First, Governor, here's a budget you don't like. Please veto it and save us from grace. Two, Rota, good for you. It's about time you're given a lesson. Tinian, I don't know. We give you the retroactive but then what? What's the wrong turn message here? When is it going to be Tinian's turn to be taught a lesson and are we also going to be complicit when that time comes so we continue to be broaden to this embattlement of political differences? I thought we started off looking at the budget and making the hard decision of cutting some departments and agencies even if it hurts and even if we disagree. But collectively we did a good job. It's not a perfect budget. It's not the ideal budget but that's what the economy is giving us. To dream of \$228 million will subject to agreeing to all of the proposed tax increases submitted by the Governor under the Integrated Fiscal Plan. Are we ready for this? Are we ready to increase those taxes, hope the Governor approves it and put aside our contention with our original destinations or competing destinations, Guam, Honolulu, Bali and elsewhere? Maybe 1% is insignificant but now a days I think without any increase we're getting beaten in the marketing environment with Guam taking a 2 to 1 advantage with a 10% hotel occupancy today. User fee? We tried. The House made a decision not to support the user fee. The window of opportunity passed us. Do we want to revisit that?—0.70%. 7 times of 1%. 110 of 1%. What is the temperament of that manufacturing industry? What is the global appetite for apparels? Is it going to contribute to an increase in revenue or cumulatively a decline within a given year? We can meet the projection by increasing the tax in one single year but it's the subsequent years that we have to worry about. So I say to you this evening that if the argument is really the \$1.2 million then it's not that far away and it's not that difficult to find. But we have to send a strong message to our brothers and sisters in Rota and Tinian. To Tinian, let's be honest and let's be realistic. Can the Tinian Gaming Commission start contributing to the greater need of Tinian? Rota, there's no appreciable economic activity but the government cannot be the single source of employment. One hundred fifteen employees under the Mayor's Office and look at the representation of that office for a 2,000 to 3,000 population verses 60,000 for less than 100 employees of the Mayor of Third Senatorial District with a less appropriation given to Third Senatorial District Mayor. If we have to adjust then we adjust proportionately. The Mayor of Saipan, Tinian and Rota should get the same proportionate

appropriation. Let's not argue about lack of employment opportunities. We have our own unemployment. We can realize a few hundred thousand dollars just by treating the mayoral offices of the Commonwealth, all four Mayors proportionate appropriation by limiting FTEs. If 65 for 60,000 population for the Third Senatorial District then we allow the same to the Mayor of Rota, Tinian and the Northern Islands. We will realize several hundred thousand dollars there just with a fairness in formula. If that translates to furloughs or unemployment, hey, we're forgetting that the Mayor also has reprogramming authorities from other departments and other accounts. But we can honestly say to all the people of the Commonwealth we would like to employ and safeguard the current employees and hire more because there are more kids looking for jobs but we just cannot pay. So we must be honest and realistic and tell everyone. Sixty-five employees for any mayor's office and the proration of that should be applied equally and no one is going to object to that. The retroactive – we can take turns or we can give a few or some to Rota and most to Tinian and reverse the pattern the next fiscal year until it's paid off. What is totally injustice, totally unfair is that we are able to pay off our \$9 million retroactive pay from our local delegation ability but then we understand there is no appreciable economic activity in the two other islands. That's the more humane way of approaching this budget. Let's not give more reason than necessary for the Governor to veto this budget. Let's not go to the exercise of passing and meeting constitutional requirement of passing a budget for the sake of the exercise but not a workable and realistic budget. I recommend that we revisit finding \$1.2 million. If we have to cut, if we only find \$800,000 then Tinian has to be sacrificed \$400,000 to balance it out \$800,000 and \$800,000 and still give them the full retroactive pay. Again, we told most branches of this government in this budget, most agencies and most programs that we have to cut because we don't have the money. No one in their right mind will raise taxes in a static economy. That's the rule. If we're not willing to raise taxes then the most, I guess, less innocuous way of doing taxing will be **nine**, tax increase will be to look at the vehicular fees and licenses.

Rep. W. Torres: May I raise a question?

Vice Speaker Tenorio: Go ahead.

Rep. W. Torres: May I be on record?

Speaker Hofschneider: Yes.

Rep. W. Torres: I listened very intently to your enunciations of principles and I cannot help but count the number of times you used the word sacrificed, I think 10 or 15 times. It is for that reason, that I, too, decided to support the House version because I feel that nobody should be spared, nobody. Tinian, Rota, Saipan. Everyone should be treated fairly and equitably. I think what this amendment is doing is just the reverse. I think we need to practice that word. We continue to use it, we continue to say it but we need to practice it and act upon it. I really feel for the departments here on the island of Saipan although these departments are not just serving the island of Saipan but serving everybody and they too we're sacrificed. For what reason?—To transfer funds from one to the other. We sacrificed, as you mentioned, \$9 million of local funds, which we could have used for the youths, which we could have used for interscholastic sports but we decided to sacrifice that for the sake of those who we feel are entitled to their retroactive pay from the island of Saipan. Mr. Speaker, I really cannot accept the logic that we need resources from jurisdiction to the other to accommodate that political appetite if you will. It's just so unfair to that and I think we need to sacrifice. Everybody should be sacrificed and if the resources are there, local that is, to take care of the retroactive pay then let that take care of it. I think there's enough sacrifice already in the central government and principally the departments, the principle departments. Everybody is crying. You saw the AG, the Supreme Court coming here and God knows who else. Everybody is asking questions but we felt that we need to justify the House version and I, too, am ready, prepared to defend the House version but to turn around and kind of do a dance on this to me it's totally unjust and everybody needs to sacrifice. It's time for that. I know it is political time but, Jesus, we better start living to what we can generate. So I would like to pursue that line that everybody should sacrifice and that includes all senatorial districts.

Speaker Hofschneider: Lastly, if you look at the projected revenues to be generated, there are five proposals. The user fee, hotel occupancy tax, vehicle related fees, nonresident workers fee by a \$100 and a 10% reduction of the income tax rebates. On the vehicle related fees, the reason why I picked this out

simply is the projection will hold through still from the day this IFP is submitted. The user fee may have subsided. The activity of the consumer of those franchise that consume the garment manufacture in the Commonwealth may have change significantly so that the projection will no longer hold. But on a hotel occupancy tax this may also not hold simply because of the hotel occupancy rates today. The last year it has not significantly improve to a near normal level and that's given in the HANMI and MVA reports. So we can't really project that the 1% will hold through to the projected revenue of about \$409,000 in the same year. However, the vehicle related fees will still hold through. There are more cars sold and therefore those existing vehicles are still running. The rate of attrition is insignificant to the rate of addition every year. Therefore, the proposed vehicle related fee is projected to generate about \$2.1 million in a single year, more than what we need. That single item proposed by the Governor will accommodate the difference in restoring Rota maybe not entirely if we use the proration formula and take the principal for the FTEs and appropriation for personnel costs for the Mayor of Saipan and apply that to the three islands. We may not need \$1.2 million but if we do have to follow that \$1.2 million and restore that to Rota then we still have a significant amount of leftover of about \$900,000 that now we can attend to restoring back those that we have cut particularly one agency that was cut over \$3,500 on 4 personnel, the Office of Adult Probation. We need to attend more to that. That's revenue-generating necessity of the Judicial System so we may in fact think about increasing those appropriations for the Office of Adult Probation and Parole. That is all, Mr. Vice Speaker and members. I do not pose to you something that honestly may spell an invitation for a veto by the Governor with this bill. It's going to be a totally futile effort on our part to consider just voting for the sake of voting. There is a remedy. We can do it and it's up to the members.

Rep. Deleon Guerrero: Recess.

Vice Speaker Tenorio: Recess for five minutes.

Rep. Deleon Guerrero: That's too long.

Vice Speaker Tenorio: Three minutes. Do we have time to do this? The vehicle...

Speaker Hofschneider: We cannot act on this.

Floor Leader Attao: So let's – Mr. Speaker...[end of recording]

The House recessed at 7:35 p.m.

RECESS

The House reconvened at 8:05 p.m.

At this time, Speaker Hofschneider returned to the dais.

Speaker Hofschneider: We're back to our session and Floor Leader, recognized.

Floor Leader Attao: Thank you, Mr. Speaker. Mr. Speaker, the PIO from the Executive Branch came out publicly last week on *Marianas Variety* that the House passed the budget without any committee report and without the benefit without conducting a budget hearing. Just to correct that, Mr. Speaker, we did conduct a resources hearing. In that hearing, Mr. Speaker, we raised several questions, and believe me my good colleagues about 70% to 80% were unanswered. That's why the Chairman asked to just go ahead and forget about the budget hearing from the departments. If you're going to a budget hearing, these people will ask for money and we don't have resources. That's why we just put as submitted by the Governor. We went ahead and entertained what the Governor submitted to the Legislature but reduced those proposed legislation that will increase taxes. As you recall, we rejected the IFP submitted by the Governor. I don't it's fair to tax the business right now because our economy is bad and all of us supported that. Going to the budget, Mr. Speaker, the Governor has the power to line item veto the budget. If the Governor doesn't agree or is not supporting the \$1.2 million that was taken from Rota to accommodate the retroactive and overtime payment for the employees of Tinian he has that power. That single line item is there so if he

doesn't want that, he could veto it. That \$1.2 million becomes available. So, to me, discussing the \$1.2 million right now is irrelevant so let's vote.

Rep. N. Palacios: Move for the previous question.

Rep. W. Torres: Point of information.

Speaker Hofschneider: State your point.

Rep. W. Torres: I'd like to pose this question to the legal counsel.

Speaker Hofschneider: You may.

Rep. W. Torres: Was that provision, floor amendment that dealt with lapsed funds, which we approved in the House, incorporated in the Senate version?

Floor Leader Attao: Yes, it's on page 50.

Rep. W. Torres: Counsel?

Speaker Hofschneider: Short recess.

The House recessed at 8:09 p.m.

RECESS

The House reconvened at 8:10 p.m.

Speaker Hofschneider: We're back to our session. Representative Torres.

Rep. W. Torres: Mr. Speaker, I think the response was it was incorporated but then some, again, were taken out of that proposed amendment. The other question, Mr. Speaker, which I think you answered already, but for clarification, when an item is line item vetoed, does that money automatically transferred to a desired program?

Speaker Hofschneider: It becomes an available resources identified within the \$213 million.

Rep. W. Torres: So in essence, the Legislature has to come back again and go through the motions? So it's basically lost for...

Speaker Hofschneider: In other words, it cannot be used.

Rep. Deleon Guerrero: Clarification, Mr. Speaker.

Speaker Hofschneider: State your clarification.

Rep. Deleon Guerrero: If he vetoes both provisions or the provision taking away \$900,000 from the Mayor of Rota, if he line item vetoes that, that \$900,000...

Speaker Hofschneider: That will remain available.

Rep. Deleon Guerrero: No. That would not be earmarked for the Mayor of Rota?

Floor Leader Attao: No.

Rep. Deleon Guerrero: It's still short \$900,000?

Floor Leader Attao: Yes.

Rep. S. Torres: Doesn't that reinstate back to Rota?

Speaker Hofschneider: No.

The Chair recognized the Vice Speaker.

Vice Speaker Tenorio: But the Governor can reprogram. He's given an authority to reprogram funds to that.

Speaker Hofschneider: Yes.

Rep. W. Torres: Not that one.

Vice Speaker Tenorio: Yes.

Rep. W. Torres: Not that one. You have to re-appropriate it.

Vice Speaker Tenorio: But he has that 25% reprogramming authority?

Speaker Hofschneider: Yes.

Vice Speaker Tenorio: So we can replace that.

Speaker Hofschneider: He has 25% reprogramming on those approved budget items.

Floor Leader Attao: The Governor can do that. It's easy.

Rep A. Palacios: Mr. Speaker, are we still in recess?

Speaker Hofschneider: No, we're in session. In other words, for instance, if scholarship is appropriated \$2 million and the total impact is \$2.1 million, there's a running deficit of \$100,000 for the scholarship. The Governor can still reprogram within the approved budget ceiling using his 25% reprogramming authority and give over to the scholarship the additional \$100,000. So in this sense also the \$213 million if signed into law and he line item vetoes the \$900,000 under Tinian retroactive pay then Tinian will not get the \$900,000 but that \$900,000 remains available for the Legislature to appropriate.

Rep. W. Torres: And that \$900,000 will reduce the overall budget by that amount.

Speaker Hofschneider: Correct. The provision and the money goes together.

Rep. W. Torres: The total budget will go down.

Speaker Hofschneider: And the shortfall in this \$900,000 the Governor can still reprogram if he wants to help replenish back the \$900,000 he can still use his 25% reprogramming and reprogram up to \$900,000 if he wishes to restore the cutback. But that \$900,000 he cannot use because that has to be appropriated by the Legislature.

Rep. W. Torres: So the overall budget then is reduced by \$900,000.

Speaker Hofschneider: Reduced proportionately. Ready?

Floor Leader Attao voiced, "ready."

Speaker Hofschneider: For passage?

Floor Leader Attao: For passage.

Speaker Hofschneider: The motion on the floor is for acceptance of the Senate amendments. If the members wishes to refer to the committee, you must make the appropriate motion or vote no because the motion is for passage.

Rep. Castro: And what would be our response?

Rep. W. Torres: So if it's no it goes to conference committee?

Speaker Hofschneider: Short recess.

The House recessed at 8:14 p.m.

RECESS

The House reconvened at 8:16 p.m.

Speaker Hofschneider: We're back to our session. Representative Palacios.

Rep. A. Palacios: I offer a subsidiary motion, Mr. Speaker, to refer this legislation to a Conference Committee.

Rep. W. Torres seconded the motion.

Floor Leader Attao: Objection to that, Mr. Speaker.

Speaker Hofschneider: That motion is – what was your motion?

Rep. A. Palacios: To refer the legislation to a Conference Committee.

Speaker Hofschneider: You're out of order. That motion is out of order. You must reject the Senate amendments and refer it to Conference Committee. The main motion is to the pass.

Floor Leader Attao: The motion is for the acceptance of the Senate amendments. So let's deal with that motion first.

Speaker Hofschneider: He's offering a subsidiary motion.

Floor Leader Attao: Yes, but objection is on the floor now on the subsidiary motion.

Speaker Hofschneider: Division on the floor. We will vote on the motion to reject the Senate amendments and refer it to Conference Committee. So if you vote "no", you're voting against the referral. If you vote yes, you're supporting the referral since there is a subsidiary motion on the floor and the main motion has been objected. The move for the main motion is objected on the floor. We have a division on the floor.

Rep. W. Torres: Say that again.

Speaker Hofschneider: Since the main motion has been amended, the main motion is to accept the way it is amended by the Senate, Representative Palacios, offered a subsidiary motion and has been seconded. There's a division, an objection on the floor by the Floor Leader on the subsidiary motion. Now we have a division on the floor. We must dispose of the division. Those voting in favor of the subsidiary motion you must vote yes. If you vote "no" on the division, then you're going on rejecting the Senate amendments and referring it to a Conference Committee. Understood?

Rep. W. Torres: Yes, means Conference Committee?

Speaker Hofschneider: Yes, means Conference Committee. No, means the main motion for the acceptance of the Senate amendments. Ready?

Several members voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to reject the Senate amendments to H. B. NO. 13-335, HD3, SD3 and to refer to a Conference Committee is as follows:

Rep. Martin B. Ada	yes
Rep. Francisco DLG. Aldan	yes
Rep. Jesus T. Attao	no
Rep. Oscar M. Babauta	excused
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	no
Rep. Norman S. Palacios	no
Rep. Daniel O. Quitugua	absent
Rep. Andrew S. Salas	yes
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	excused

Vice Speaker Tenorio: Mr. Speaker, I want to give this budget another chance and keep it to rethink their decision. I vote yes for a Conference Committee.

Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	no
Rep. William S. Torres	yes
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 11 "yes", 4 "no", 3 "absent", H. B. NO. 13-335, HD3, SD3 the Senate amendments is rejected by the House and referred to a Conference Committee to be called.

Floor Leader Attao: Mr. Speaker, I don't think we're going to have FY 2004 budget.

Speaker Hofschneider: It looks like it but we will try to appoint a Conference Committee on immediately Monday. We still have several days to deal with the budget. I believe that we can resolve this and pass before October 1st or maybe on October 1st.

Floor Leader Attao: Also, Mr. Speaker, may I ask that you do not appoint me on that conference?

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

Rep. S. Torres: Can we move to Miscellaneous Business, Mr. Speaker?

Floor Leader Attao: Mr. Speaker, can we pass S. B. NO. 13-152?

Speaker Hofschneider: Representative Norman Palacios, please don't go. Floor Leader.

Floor Leader Attao: Yes, Mr. Speaker?

Rep. Castro: Privilege.

Speaker Hofschneider: Recognize the privilege.

Rep. Castro: Can we go back to Prefiled and Introduction of Bills? I have one local bill to introduce if there's no objection from the members.

There being no objection; the House went back to Prefiled and Introduction of Bills.

PREFILED AND INTRODUCTION OF BILLS

The Chair recognized Representative Castro.

H. L. B. NO. 13-047: A Local Bill for An Act to appropriate \$20,000 to support the first 2003 Saipan International Motocross Race Competition; and for other purposes. [First appearance]

Offered by: Rep. Pedro P. Castro

Rep. Castro: Thank you.

Speaker Hofschneider: Thank you. We're back to Bill Calendar. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker.

Rep. H. Palacios: Mr. Speaker.

Speaker Hofschneider: Oh, I'm sorry. Representative Herman Palacios.

Rep. H. Palacios: I have an unnumbered bill to introduce, Mr. Speaker.

Speaker Hofschneider: Continue.

H. B. NO. 13-336: A Bill for An Act to require joint legislative approval before emergency regulations by any executive branch agency can take effect; and for other purposes.

Offered by: Rep. Herman T. Palacios and eight others

Rep. H. Palacios: Thank you.

Speaker Hofschneider: Thank you.

BILL CALENDAR

The Chair recognized the Floor Leader.

Floor Leader Attao moved to place on the day's calendar S. B. NO. 13-152 reference SEN. COMM. 13-268, S. B. NO. 13-127 reference SEN. COMM. 13-160, S. B. NO. 13-144 reference SEN. COMM. 13-266 and H. B. NO. 13-322, HS1, was seconded by three others and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader moved for the suspension of Rule VII, Section 10, Rule IX, Sections 9, 10 and 11 for the passage of S. B. NO. 13-127, S. B. NO. 13-144, S. B. NO. 13-152 and H. B. NO. 13-322, HS1, was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 13-322, HS1 on First and Final Reading.

The motion was seconded.

H. B. NO. 13-322, HS1: A BILL FOR AN ACT TO BOOST THE ECONOMY OF THE CNMI BY ESTABLISHING A SPECIFIC NONIMMIGRANT ENTRY PERMIT CATEGORY IN THE IMMIGRATION CODE TO ATTRACT THE “SILVER CLUB” MARKET IN JAPAN AND RETIREES FROM OTHER COUNTRIES; AND FOR OTHER PURPOSES.

Speaker Hofschneider: Floor Leader.

Floor Leader Attao: Yes, Mr. Speaker?

Speaker Hofschneider: Could we just make a correction on that motion? Could we put it out of the committee? It should be just H. B. NO. 13-322 and then the substitute should be offered.

Floor Leader Attao: Alright, Mr. Speaker. I offer a subsidiary motion to correct my main motion on H. B. NO. 13-322, HS1 to H. B. NO. 13-322.

The motion was seconded.

Speaker Hofschneider: The subsidiary motion is to correct the main motion. The subsidiary motion is to suspend the Rules for passage on H. B. NO. 13-322.

Floor Leader Attao: No. I’ve already suspended the motion. Now it’s for passage.

Speaker Hofschneider: For passage?

Floor Leader Attao: Yes.

Speaker Hofschneider: The subsidiary motion for the passage of H. B. NO. 13-322 has been seconded. Discussion on the main motion.

Several members voiced, “ready.”

Rep. S. Torres: Mr. Speaker, I have passed the copies of the substitute to every member. Everybody has a copy.

Speaker Hofschneider: Any second?

The motion was seconded.

The House Substitute 1 offered by Representative Stanley T. Torres to H. B. NO. 13-322 is as follows:

H. B. NO. 13-322 is hereby substituted as shown below:

To boost the economy of the CNMI by establishing a specific nonimmigrant entry permit category in the Immigration Code to attract the “silver club” market in Japan and retirees from other countries and for other purposes.

Be it Enacted by the thirteenth Northern Marianas Commonwealth Legislature:

Section 1. Short Title. This Act may be cited as the “Foreign Retiree Entry Permit Act.”

Section 2. Findings. The Legislature finds that there is an urgent need to stimulate economic development by providing incentives for foreign retirees set up residence in the Commonwealth and remain here longer than the stay authorized for ordinary visitors. The Legislature has identified the advantages of tapping into the “silver club” market in Japan to diversify the economic base of the CNMI. Such opportunities include, among other things, increasing our tourist arrivals by targeting this new market segment to travel to the CNMI, by enhancing the potential for capital investment in the construction of retirement communities for such a market, and by increasing the prospects of the local business community to engage in new ventures to accommodate this new market. To accomplish these objectives, the Legislature has determined that a new nonimmigrant entry permit must be enacted to permit qualified members of this specific market group to stay in the CNMI for periods longer than that generally authorized under 3 CMC § 4303(q)(2), for visitors for business or pleasure. The Legislature thus finds that 3 CMC § 4303(q), should be amended accordingly to add a new definition to the term “Nonimmigrant” and that 3 CMC § 4321 (c) also should be amended to authorize the promulgation of regulations consistent with this Act.

Section 3. Amendments.

1. 3 CMC § 4303, subsection (q) is amended by adding a new paragraph (11) to read as follows:

“(11) an alien who has been granted a foreign retiree entry permit by the Division of Immigration and alien spouse and children under the age of 18 years accompanying him or her, or if following to join him or her.”

2. 3 CMC § 4331(b)(2) is amended as follows:

“(2) The duration of the permit’s validity and its expiration date. Provided that the validity of a foreign retiree entry permit and its renewal pursuant to § 4303(q) of this chapter may be established by regulation for a period of no more than two years.”

3. 3 CMC § 4332(b)(1) and (4) are amended as follows:

“(1) The length of stay or period of validity of an entry permit for each class of nonimmigrant aliens defined in § 4303(q) shall be fixed by regulation and shall appear on any issued entry permit or visa. Provided that the validity of a foreign retiree entry permit and its renewal may be established by regulation for a period of no more than two years.”

. . . .

“(4) Except as provided in paragraph (5) No entry permit shall be modified, nor shall a nonresident worker certificate be issued, which would permit a person who has entered in the Commonwealth as a visitor or tourist to be employed in the Commonwealth.

“(5) Foreign Retiree Entry Permit.

(a) An alien over the age of 55 years who enters the Commonwealth as a visitor for business or pleasure may apply for a foreign retiree entry permit while lawfully in the

Commonwealth provided the alien is receiving a pension of more than \$50,000, or equivalent, annually. To qualify for the permit, the alien shall not have been convicted in the Commonwealth or another jurisdiction of a felony, or a crime which would be a felony in the Commonwealth. The alien shall satisfy all Commonwealth health entry requirements and shall have conditionally procured residential arrangements for the length of the validity of the permit.

(b) The eligibility of an alien applying for a foreign retiree entry permit shall be based on the following submission:

(i) proof of citizenship of a country determined by regulation by the Division of Immigration to be suitable to extend the privilege of a foreign retiree entry permit to its citizens;

(ii) police clearance from the country of citizenship;

(iii) certified birth certificate from the country of citizenship as proof of age;

(iv) proof of relationship with alien spouse and any children under the age of 18 years accompanying the alien who shall be citizens of the same country as alien;

(v) proof of initial health clearance from the country of citizenship including health clearance for accompanying alien spouse and any qualified alien children;

(vi) proof of health insurance covering alien, accompanying alien spouse and qualified children with a minimum aggregate coverage of \$100,000;

(vii) proof that alien applicant has conditionally procured residential arrangements for the length of the validity of the permit; and

(viii) proof that alien applicant is receiving a pension of at least \$50,000, or equivalent, annually.

(ix) notarized declaration from the alien applicant accompanied by a certificate of genuineness of signature(s) by a secretary of embassy or legation, consul general, vice consul, or consular agent of the United States, or a diplomatic or consular official of the foreign country assigned or accredited to the United States; the declaration shall include, but not be limited to, attestation to the authenticity of any documents submitted in compliance with subsections (a) and (b) of this section and verification of statements made thereto;

(c) All required documents shall be submitted to the Division of Immigration for review prior to the issuance of the foreign retiree entry permit. A fee of no more than \$100 shall be prescribed by regulation by the Division of Immigration.

Section 4. Severability. If any provisions of this Act or the application of any such provision to any person or circumstance should be held invalid by a court of competent jurisdiction, the remainder of this Act or the application of its provisions to persons or circumstances other than those to which it is held

invalid shall not be affected thereby.

Section 5. Savings Clause. This Act and any repealer contained herein shall not be construed as affecting any existing right acquired under contract or acquired under statutes repealed or under any rule, regulation or order adopted under the statutes. Repealers contained in this Act shall not affect any proceeding instituted under or pursuant to prior law. The enactment of the Act shall not have the effect of terminating, or in any way modifying, any liability, civil or criminal, which shall already be in existence on the date this Act becomes effective.

Section 6. Effective Date. This Act shall take effect upon its approval by the Governor, or its becoming law without such approval.

Speaker Hofschneider: The House Substitute that's been offered by Representative Stanley Torres has been seconded. Discussion on the House Substitute. Ready for the question?

Several members voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-322, 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	excused
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	yes
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	absent
Rep. Andrew S. Salas	yes
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	excused
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	yes
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 15 "yes" H. B. NO. 13-322, HS1 is hereby passed by the House on First and Final Reading. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-152 on First and Final Reading.

The motion was seconded.

S. B. NO. 13-152: A BILL FOR AN ACT ALLOW THE GARMENT INDUSTRY TO MAKE APPROPRIATE ADJUSTMENTS TO THE QUOTA ELIMINATION IN 2004; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading S. B. NO. 13-152 has been seconded. Discussion on the bill. Ready?

Several members voiced, "ready."

Vice Speaker Tenorio: Can we have copies?

Speaker Hofschneider: Short recess.

The House recessed at 8:30 p.m.

RECESS

The House reconvened at 8:55 p.m.

Speaker Hofschneider: We're back to our session. Short recess.

The House recessed at 8:55 p.m.

RECESS

The House reconvened at 8:56 p.m.

Speaker Hofschneider: We're back to our session and we're discussing S. B. NO. 13-152. Discussion on the bill.

Several members voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass S. B. NO. 13-152 on First and Final Reading is as follows:

Rep. Martin B. Ada	no
Rep. Francisco DLG. Aldan	yes
Rep. Jesus T. Attao	yes
Rep. Oscar M. Babauta	excused
Rep. Gloria DLC. Cabrera	yes
Rep. Pedro P. Castro	yes
Rep. Joseph P. Deleon Guerrero	no
Rep. Arnold I. Palacios	yes
Rep. Herman T. Palacios	yes
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	absent
Rep. Andrew S. Salas	absent
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	excused
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	yes
Rep. Heinz S. Hofschneider	no

Speaker Hofschneider: By a vote of 11 "yes", 3 "no", 4 "absent", S. B. NO. 13-146 is hereby passed by the House on First and Final Reading. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker.

Speaker Hofschneider: Recess?

Floor Leader Attao: *Ahe, uno ha, Mr. Speaker.*

Speaker Hofschneider: Shoot.

Floor Leader Attao: Thank you, Mr. Speaker. Mr. Speaker, I move for the passage of S. B. NO. 13-127, this is relative to amend Title 4, Division 5, Chapter 4, by adding a new Article 5 entitled "Petroleum Product" a new Article relative to the sale and measurement of petroleum product; and for other purposes.

The motion was seconded.

S. B. NO. 13-127: A BILL FOR AN ACT TO AMEND TITLE 4, DIVISION 5, CHAPTER 4, BY ADDING A NEW ARTICLE 5 ENTITLED "PETROLEUM PRODUCT" A NEW ARTICLE RELATIVE TO THE SALE AND MEASUREMENT OF PETROLEUM PRODUCT; AND FOR OTHER PURPOSES.

Speaker Hofschneider: Who wants a copy? Short recess.

The House recessed at 8:58 p.m.

RECESS

The House reconvened at 9:06 p.m.

Speaker Hofschneider: We're back to our session. We're discussing S. B. NO. 13-127 and I recognize Representative Ada.

Rep. Ada: This is a good bill, Mr. Speaker. It's about time that we are treated fairly in terms of buying the actual amount rather than the ordered amount. Thank you.

Speaker Hofschneider: Thank you. Representative Deleon Guerrero, you have a comment?

Rep. Deleon Guerrero: I yield to whoever would like to comment, Mr. Speaker.

Speaker Hofschneider: Thank you. Ready?

Several members voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass S. B. NO. 13-127 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	excused
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	yes
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	absent
Rep. Andrew S. Salas	absent
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	excused

Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	yes
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 14 “yes”, 4 “absent”, S. B. NO. 13-127 hereby passed by the House on First and Final Reading. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of S. B. NO. 13-144 reference SEN. COMM. 13-266 on First and Final Reading.

The motion was seconded.

S. B. NO. 13-144: A BILL FOR AN ACT TO AMEND 2 CMC § 4323: TO REQUIRE THE MARIANAS PUBLIC LAND AUTHORITY TO GRANT TITLE TO PUBLIC LAND FOR QUALIFIED INDIVIDUALS WHO DEMONSTRATED FIFTEEN (15) YEARS OF CONTINUOUS AND ACTUAL OCCUPANCY OF PUBLIC LAND, BUT DID NOT RECEIVE SUCH TITLE DESPITE BEING QUALIFIED BECAUSE OF THEIR EXCLUSION FROM THE LIST OF QUALIFIED PERSONS ESTABLISHED BY MPLA; TO MANDATE THAT MPLA REVIEW ALL PAST AND PENDING CLAIMS AND GRANT SUCH TITLE TO QUALIFIED INDIVIDUALS; TO AMEND 2 CMC § 4324 TO EXTEND THE TIME LIMITATION FOR NEW CLAIMS MADE PURSUANT TO 2 CMC § 4323 FROM TWELVE (12) TO TWENTY-FIVE (25) YEARS; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion for the passage of S. B. NO. 13-144 on First and Final Reading has been seconded. Discussion on the bill. Representative Arnold Palacios.

Rep A. Palacios: Thank you, Mr. Speaker. When this was transmitted to the House, Mr. Speaker, it was referred to the Committee on Natural Resources. I remember that several members mentioned other names. I'd like to offer an oral floor amendment to include 6 additional names. The oral floor amendment should be on page 3 of the bill, line 2 delete the word “and” and after the word “Aldan” add “Mr. Pedro P. Togawa; Mr. and Mrs. Joaquin C. Lizama; Mr. Felipe SN. Camacho; Mr. Erneo B. Dela Cruz; Mr. Santiago V. Castro; Rep. Pedro P. Castro”.

Floor Leader Attao seconded the motion.

Speaker Hofschneider: Our Congressman?

Rep A. Palacios: Yes.

Speaker Hofschneider: Any second?

Floor Leader Attao seconded the motion.

Speaker Hofschneider: The motion to include the following individuals on page 2 striking out the word “and”, striking out the “period” and add “semicolon” and add the following names: “Mr. Pedro P. Togawa; Mr. and Mrs. Joaquin C. Lizama; Mr. Felipe SN. Camacho; Mr. Erneo B. Dela Cruz; Mr. Santiago V. Castro; Rep. Pedro P. Castro” has been seconded. Discussion on the amendment.

Floor Leader Attao: I offer a subsidiary motion to that, Mr. Speaker, to include “Mr. Mark I. Palacios.”

The motion was seconded. There was no discussion, and the oral floor amendment offered by Floor Leader Attao to S. B. NO. 13-144 was carried by voice vote.

Speaker Hofschneider: Motion carried. We're back to the main motion and I recognized Representative William Torres.

Rep. W. Torres: If I'm in order, can I make a subsidiary motion?

Speaker Hofschneider: Can we dispose the main motion? Representative Arnold Palacios offered an oral floor amendment. It has been seconded. Discussion on the main motion.

There was no further discussion, and the oral floor amendment offered by Representative Arnold Palacios to S. B. NO. 13-144 was carried by voice vote.

Speaker Hofschneider: Motion carried. Representative William Torres.

Rep. W. Torres: Mr. Speaker, I'd like to make an amendment to the series of amendments and the purpose of this amendment, Mr. Speaker, if I may explain it is to include all of those whom we did not identify that MPLA may qualify should they provide documentations.

The motion was seconded.

Speaker Hofschneider: Continue.

Rep. W. Torres: The amendment after all of those names listed "and all other persons deemed qualified by the Marianas Public Lands Authority who are similarly situated."

The motion was seconded. There was no discussion, and the oral floor amendment offered by Representative William Torres to H. B. NO. 13-144 was carried by voice vote.

Speaker Hofschneider: Motion carried. Ready?

Floor Leader Attao voiced, "ready."

Speaker Hofschneider: Representative Castro, you have to recuse yourself from voting. Clerk, roll call.

The roll called on the motion to pass S. B. NO. 13-144, HD2 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	excused
Rep. Gloria DLC. Cabrera	yes
Rep. Pedro P. Castro	Conflict of interest
Rep. Joseph P. Deleon Guerrero	yes
Rep. Arnold I. Palacios	yes
Rep. Herman T. Palacios	yes
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	absent
Rep. Andrew S. Salas	absent
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	excused
Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	yes
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 13 "yes", 4 "absent", 1 "conflict of interest", S. B. NO. 13-144 as amended by the Senate is hereby passed by the House on First and Final Reading. Floor Leader, recess.

Rep. S. Torres: Mr. Speaker, under Miscellaneous Business for three minutes.

MISCELLANEOUS BUSINESS

The Chair recognized Representative Stanley Torres.

Rep. S. Torres: Thank you, Mr. Speaker. This is in regards to an issue on Public Law 10-4. My reaction to today's *Saipan Tribune* regarding MVA's Managing Director Jonas Ogren statement by Mr. Eric Smith the legal counsel for MVA. Mr. Speaker and members of the House, I say, so what if Jonas Ogren is from Cornell or even if he's from MIT. The issue is about Public Law 10-4, the Nonresident Worker Extension Act of 1996. The law has been violated by our own MVA trusted and law abiding citizens. Ray Yumul has all the required qualifications for the position and being a local, he is protected by Public Law 10-4 to have preference over a nonresident worker. It has nothing to with racial discrimination as what Mr. Eric Smith have stated. It's about obeying the law. I say, so when will MVA take Ray Yumul if Jonas Ogren is perpetually renewing? Did MVA honestly prove that Jonas Ogren is more qualified than Ray Yumul? MVA needs to hire Ray Yumul and put him to test first before they say that Ray Yumul did not possess qualifications that more closely match their Board requirements. Holding a degree from Cornell on hotel management doesn't necessarily super qualify Jonas Ogren or even if he worked for an international hotel in China. The hotel in China is a Scandinavian Airline operated known as SAS Radisson. It's a transient for airline flight crews and a complimentary room for the airlines passengers on transit similar to Radisson Hotel in Narita operated by Northwest Airlines. MVA did not go deep enough on Jonas Ogren's background check. MVA should have known that Jonas Ogren might have a traffic violation in Rota. Was it a DUI violation or something major? I also understand that Mr. Ogren may been driving illegally without a driver's license for about six months during and prior to his employment with MVA last year. Mr. Speaker and members, Ray Yumul must be hired as the new Managing Director. Let's put our own people to work. Thank you.

Speaker Hofschneider: Thank you. Floor Leader, move to recess subject to the call of the Chair.

Floor Leader Attao moved to recess subject to the call of the Chair, was seconded by two others and carried by voice vote.

Speaker Hofschneider: Recess subject to the call of the Chair.

The House recessed at 9:18 p.m.

Respectfully submitted,

Lavida S. Palacios, Journal Clerk
House of Representatives

APPEARANCE OF LOCAL BILLS

None

**HOUSE OF REPRESENTATIVES • THIRTEENTH LEGISLATURE • COMMONWEALTH OF THE NORTHERN
MARIANA ISLANDS**



House Journal

FOURTH REGULAR SESSION, 2003

Fourth Day

September 29, 2003

The House of Representatives of the Thirteenth Northern Marianas Commonwealth Legislature convened in its **Fourth Day, Fourth Regular Session**, on **Monday, September 29, 2003**, at **11:42 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 **Daniel O. Quitugua** was excused.

Speaker Hofschneider: Representative Quitugua is hereby excused due to inclement weather.

ADOPTION OF JOURNALS

None

PREFILED AND INTRODUCTION OF BILLS

The Chair recognized Representative Arnold Palacios.

H. L. B. NO. 13-048: A Bill for an Act to establish a Saipan and Northern Islands Municipal Scholarship Board; and for other purposes. [First Appearance]

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

Rep A. Palacios: Those who are willing to co-sponsor are welcome to do so. Thank you, Mr. Speaker. Any other bills? None.

PREFILED AND INTRODUCTION OF RESOLUTIONS

The Chair recognized Representative William Torres.

H. R. NO. 13-176: A House Resolution relative to petitioning the Board of Public Lands to issue permits for village homestead lots in the Northern Islands pursuant to Public Law 1-42; and for other purposes.

Offered by: Rep. William S. Torres and seventeen others

Rep. W. Torres: If there's no objection, I'd like to place this on the day's calendar for action.

There was no objection.

Speaker Hofschneider: So noted. Any other resolutions? None.

MESSAGES FROM THE GOVERNOR

Gov. COMM. 13-573 – September 25, 2003 – Informing the Legislature that he disapproved H. L. B. NO. 13-044 (re. naming of public buildings and appropriation to defray costs).

There was no discussion.

SENATE COMMUNICATIONS

SEN. COMM. 13-286: Return of H. C. R. NO. 13-003 (Identifying and Approving FY 2004 Revenues and Resources), which was adopted without amendment on September 26, 2003. [For info]

There was no discussion.

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 SPECIAL AND CONFERENCE COMMITTEES

None

UNFINISHED BUSINESS

None

RESOLUTION CALENDAR

The Chair recognized the Floor Leader.

Floor Leader moved for the suspension of Rule VII, Section 10, Rule IX, Sections 9, 10 and 11 for adoption of H. R. NO. 13-176, was seconded by Rep. Babauta and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao moved for the adoption of H. R. NO. 13-176, and was seconded by three others.

H. R. NO. 13-176: A HOUSE RESOLUTION RELATIVE TO PETITIONING THE BOARD OF PUBLIC LANDS TO ISSUE PERMITS FOR VILLAGE HOMESTEAD LOTS IN THE NORTHERN ISLANDS PURSUANT TO PUBLIC LAW 1-42; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion is for the adoption of H. R. NO. 13-176 relative to petitioning the Board of Public Lands to issue permits for village homestead lots in the Northern Islands pursuant to Public Law 1-42; and for other purposes. Discussion on the motion. Representative Stanley Torres.

Rep. S. Torres: Mr. Speaker, can we ask the author to consider that to be sponsored by the Committee of the Whole?

Speaker Hofschneider: If there's no objection, it'll be introduced by the Committee of the Whole.

There was no objection.

Speaker Hofschneider: Clerk, please take note. Ready?

There was no further discussion, and the motion to adopt H. R. NO. 13-176 was carried by voice vote.

Speaker Hofschneider: H. R. NO. 13-176 is hereby adopted by the House.

BILL CALENDAR

Speaker Hofschneider: Floor Leader, under Bill Calendar, motion for reconsideration of the House action on H. B. NO. 13-335, HD3, SD3 and bring it back to the floor.

Floor Leader moved for the reconsideration of the House action on H. B. NO. 13-335, HD3, SD3, Appropriation for FY 2004, was seconded and carried by voice vote.

Speaker Hofschneider: H. B. NO. 13-335, HD3, SD3 is now before the floor. Floor Leader, motion for the passage of H. B. NO. 13-355, HD3, SD3.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 13-335, HD3, SD3.

The motion was seconded.

H. B. NO. 13-335, HD3, SD3: A BILL FOR AN ACT TO MAKE APPROPRIATIONS FOR THE OPERATIONS AND ACTIVITIES OF THE GOVERNMENT OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS, ITS AGENCIES, INSTRUMENTALITIES, AND INDEPENDENT PROGRAMS AND TO PROVIDE FOR BUDGET AUTHORITY FOR PUBLIC CORPORATIONS FOR FISCAL YEAR 2004; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading H. B. NO. 13-335, HD3 as amended by the Senate in the form of SD3 has been seconded. Discussion on the 2003-2004 budget. Before I recognize any speaker, I will submit communications that just came in relative to the discussion of the budget. One from the Senate President, Senator Pete P. Reyes, in response to the House request for a Conference Committee, the Office of the Mayor of Rota a request for reconsideration and the Office of the Washington Representative, likewise, on the budget issue. Discussion on the budget. Representative William Torres.

Rep. W. Torres: Thank you, Mr. Speaker. I believe this budget, again, does not address the issues that I have reiterated or listed in our session on Friday. This amendment to the House version, which I wholeheartedly support, does an unfair treatment to a population here in the CNMI, not just Saipan, but throughout the CNMI and I'm specifically referring to the youth population. It reduces the budget for the youth programs. At the same time...

Speaker Hofschneider: For clarification, we're discussing the Senate amendments. So are you referring to the Senate amendments affecting the youth programs?

Rep. W. Torres: Yes.

Speaker Hofschneider: Thank you.

Rep. W. Torres: At the same time, the significant reduction is very glaring on the budget for the Office of Women's Affairs. That is an objection that I raised in our session last Friday. The other concern is the inconsistent and unfair treatment on the salary ceiling particularly on the staff of the Legislative Bureau in which everybody is raised as far as salary ceiling, or cap is concerned but the salary cap for the staff of the Legislative Bureau was significantly reduced. Another reason that I voted against the amendment on Friday is the inconsistent identified funding source for retroactive payments for the different islands. As we all know, the retroactive payments for the island of Saipan is being paid out of the local revenue sources from the island itself as compared to what is being amended. The other item that I see in the in the House version as amended is the treatment wherein for years and years we have tried to revive the Free Trade Zone and for some reason, we still don't want the Free Trade Zone to do its work. Another reason is the agricultural program that we all know is a priority in this Commonwealth, yet its budget is being taken away. Finally, the Office of the Attorney General under the Division of Consumer Protection. We all know how important this Division is, yet, the funding for this Division has been substantially reduced for no reason. And for all of these reasons, Mr. Speaker, I remain in support of the House version. Thank you.

Speaker Hofschneider: Any further comments?

Floor Leader Attao voiced, "ready."

Speaker Hofschneider: For the record, our action on Friday was to refer the budget to a conference committee hoping that we may in fact come to some compromise on the concerns raised on Friday. But by way of the Senate President's letter in regards to the action of the House of Representatives to reject the Senate amendments to H. B. NO. 13-335, HD3 and refer the bill to a conference committee dated this morning September 29, I will read it for the record. While it's the Senate's desire that both houses work harmoniously, please be informed that the consensus of the Senate is for the House of Representatives to reconsider their action and pass H. B. NO. 13-335, HD3, SD3. And for the Legislature not to enact a FY 2004 budget and instead go on a continuing resolution is a poor fiscal management and policy and I'm pretty sure you "agree". This is why we met this morning and the Senate President and Senator Guerrero were present and we heard that their positions still remain the same. In their opinion a conference committee is not necessary and they've articulated their position as to why the Senate does not agree in forming a conference committee. And for that, we have to move on and make a decision otherwise we face the possibility of the Legislature acting and not having a budget one way or another. And that's for the record. Any further comments or discussion on the bill? Representative Babauta.

Rep. Babauta: Thank you, Mr. Speaker. Representative William Torres has taken away part of my concern with respect to the amendment on the House version. But I would like to just further clarify, Mr. Speaker, the amendment primarily on the retroactive salary created by Public Law 7-31. There's no question, Mr. Speaker, that I will continue to support any necessary funding and for that matter identifying additional resources to once and for all remove and pay those long overdue compensation to public employees in the Commonwealth. But the process that is of great concern to me as my colleague from Precinct III outlined is not to – on my part, on my opinion this is not fair enough if we are to continue to fund such a program. And not only does the retroactive is being funded, but it makes mention about overtime, past overtime, uncompensated overtime and compensatory time. Mr. Speaker, as we all know the Governor have issued a directive in December restricting overtime payments and compensatory time, or rather salary adjustments and whatnot. I question the motive of such amendment whether or not it is beneficial to a sector of public employees or the entire Commonwealth government employees. Don't get me wrong, I support the repayment of the retroactive to these people that are involved primarily in the Second Senatorial District, but why can't we apply it across the board? What we have done on the Third Senatorial District by creating a reserve fund and equally apply it across the board. I think we can do this, Mr. Speaker, to include not only the Second Senatorial District but also the First and Third Senatorial Districts and perhaps who knows we have employees from the Municipality of the Northern Islands that can avail themselves. One thing I would like to clarify, Mr. Speaker, is...

Speaker Hofschneider: Representative Babauta, for clarity, I think that you have to reiterate your statement. We have in fact – the Third Senatorial District have fulfilled its retroactive pay through the local revenue. So please make sure that we don't mix facts.

Rep. Babauta: Yes, just for clarity. I understand but I'm trying to get to a point, Mr. Speaker, where if we are to find sources. What I'm trying to say is we managed to find sources to so-call augment the remaining public sector employees be it the First or the Second Senatorial District, we could have done this a long time ago if we are to seriously consider earmarking funds generated. For instance, the Second Senatorial District, we have the Casino Commission. I understand roughly from my colleague Representative Norman Palacios that approximately \$4 million is generated to the local coffers but forget about that. It's the process that I'm trying to get into, Mr. Speaker, because I see overtime and compensatory time is being included on that line item.

Speaker Hofschneider: For the Second Senatorial District.

Rep. Babauta: Yes. The clarification that I would like to point out is a footnote has been added. In previous experience normally footnotes are not being taken seriously because the identified amendment failed to add a specific section in the bill.

Speaker Hofschneider: What page are you on?

Rep. Babauta: I'm reading the provided list of amendments from the Senate, Mr. Speaker, amendment 20, page 40, line 28. I was going through it and I reflected line 28 to be the smaller paragraph of a footnote indicated by an asterisk on line 16.

Speaker Hofschneider: Anyone who ignores what's written in the Appropriation Act is in violation of the law.

Rep. Babauta: I just want to make sure that the amendment is sufficient enough or will suffice in case of questions.

Speaker Hofschneider: I think it's more than clear. The paragraph begins with the sentence starting with an asterisk this amount shall be used only for the payment of retroactive salary adjustments. I don't believe that we can get any clearer than that.

Rep. Babauta: Okay, thank you, Mr. Speaker.

Speaker Hofschneider: Any further comments or discussion? Representative Cabrera.

Rep. Cabrera: Thank you, Mr. Speaker. Mr. Speaker, I just want to read through a statement for the record. First of all, I want the record to reflect that I maintain the same humanitarian position that echoed prior to voting on the Senate amendment on the budget last Friday. It is not the fault of the people of Rota that their elected officials have failed to represent them through the crucial period of deliberating on the CNMI budget. Furthermore, the absence of the Rota Delegation does not take away our responsibility to insure the interest of the people of the CNMI as a whole. Today, having heard the arguments on both sides, the only clarity on the issue of the budget that I have been able to reconcile with is our responsibility via our Constitution to deliver a sound, working budget to our people and to prevent further spending of funds that we do not have. Therefore, Mr. Speaker, since the Senate is steadfast on its position with respect to their amendment to take away more than \$900,000 from the First Senatorial District and transfer to the Third Senatorial District my vote on the budget today speaks solely...

Speaker Hofschneider: The Second Senatorial District.

Rep. Cabrera: I'm sorry. I stand corrected. ...on the premise that it is incumbent upon I, as a representative of the people to consider the greater need of the Commonwealth, thus not to contribute to

further deficit for the CNMI but to be misconstrued to as condoning the politicking that has become a constant reality in both houses by any of the three senatorial districts. Thank you, Mr. Speaker.

The Chair recognized Representative Arnold Palacios.

Rep. A. Palacios: Thank you, Mr. Speaker. I, too, Mr. Speaker, reflected on the issues even over the weekend, and this session to reconsider our position perhaps is an attempt to see whether we have indeed reflected on this very important issue. Mr. Speaker, I find it conscionable to deny public service to the First Senatorial District of Rota to transfer it into another senatorial district not for operations for lack of public service, not to fund other public services in this senatorial district but to pay off a long standing debt of the government and that is the retroactive pay for the Second Senatorial District. As my colleagues Representative Babauta and Representative Torres have reiterated, the Third Senatorial District of Saipan and the Northern Islands forgone close to \$9 million of its local revenue to pay off the retroactive pay for those employees living in the Third Senatorial District. And I reiterate my good colleague Representative Babauta's comment that the Second Senatorial District perhaps generates probably the most local funds in all the three senatorial districts generates and that is its casino gaming funding. I don't think it's only \$4 million. I believe it's beyond \$6 million. Those funds go to their local medical referral, goes to their local scholarship. If this \$1.2 million that we are taking from the First Senatorial District was for a critical public need, such as medical referral or any government operations that is really critical, I probably will not have a lot of problem with this. If you reflect in the distributions of fund to each of the Mayors, you will see a glaring disproportionate distribution of funds coming from the Second Senatorial District of \$4.4 million versus \$2.2 million that we fund the Mayor of Saipan. If there's any office and if there's any senatorial district that needs funding, it's the Third Senatorial District. It's the Saipan Mayor's Office. So as I reflect on this, if we're going to move money I think we should move money to the Third Senatorial District and put it in the Saipan Mayor's Office. We represent a population of 60,000 people. Ten, fifteen maybe twenty times the population of the Second Senatorial District and I reflect the impact of those employees that are going to be affected by the cuts that we're proposing to make in the First Senatorial District Mayor's Office. With all due respect, I mean due respect to the Senate President and the Senate leadership I find it very difficult in my conscience to deny the people of the First Senatorial District the public service that they need. Thank you, Mr. Speaker.

The Chair recognized Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. The Senate amendment is almost like water, just like politics. Whether you like it or not, you need to drink water. The amendment asked to cut a lot of very critical areas. We all know that we have to do that. What we have done is basically cut the Rota Mayor's Office, as Representative Torres has also alluded, the Executive Office and the Office of the Attorney General. This will go to the Tinian Mayor's Office as such in the amendment. This amendment will also affect the courts, the Judiciary and it'll also go the Washington Representative's Office for good reasons especially on the issue of the submerged lands. We have hear from Attorney General Sutton on the submerged lands concern were recommendations as such in lieu of the Senate amendment. We have yet to even hear from the committee of the respective and especially the affected agencies in regards to the budget that we're looking at. We have also rejected the Governor's IFP and I note that Section 3 is still somewhere in this house.

Speaker Hofschneider: What is Section 3?

Rep. Tebuteb: Section 3 is the holiday suspension and the 14 days holiday for 1-year suspension equates to about \$6 million. What the Senate did, which we're looking at now, is about plus \$3 million. For the record, Mr. Speaker, I'm ready to cast my vote.

The Chair recognized the Vice Speaker.

Vice Speaker Tenorio: Mr. Speaker and members, we are caught in this late hour trying to make a final decision on whether or not to pass this budget or to reject it. And the past 2 hours, Mr. Speaker, we spent in the leadership meeting debating on what action to take, I learned a lot that I never learned throughout the

entire budget process. I keep maintaining that perhaps the members would have been better informed if more have been done in terms of checking or asking the various agencies what they need for this particular budget. In times of austerity, as we are now experiencing, money has become very, very scarce and this issue that we're facing today is nothing. The bottom line is money. Who wants to spend? Who can get the most out of it? And who is willing to share what he has to share? Mr. Speaker, for the longest time I can recall our people here in the Third Senatorial District have been more than generous in sharing the resources that we have available with us. Unfortunately, our system of government does not allow this house, which is supposed to be so-called responsible for the purse, the budget stage starts here. Yet, we have no control at all. Sixteen members of this house absolutely have no control on where majority of the funds is going to be spent because they have the other part, the Senate and I that this have been challenged in court. It's something that we have agreed upon under the Covenant amongst ourselves to establish these two houses. Yet, to me, this is a big setback to the people of Saipan. I feel, Mr. Speaker, and not without worrying about the other senatorial districts also, I, too, have humanitarian concern. I'm concerned that the people of Rota, those that will be affected by the cut are going to be hurt. That there'll be food on the table, that there'll be no school supplies for their children among other humanitarian necessities. At the same time, in retrospect, if you look back at what's happening here in Saipan, almost 2 years of the Thirteenth Legislature we have resources, we have budgeted appropriation bills that got stuck in the Senate for no good reasons at all. Appropriation bills that belong to Saipan, belongs to certain precincts in Saipan. In our case Precinct I, we were held hostage for whatever reason. The Senate now has a composition that favors the Third Senatorial District. I feel, Mr. Speaker, that we owe it to our people here that we give them the opportunity to benefit from the resources of this island, or that senatorial district under which it comes out. Remember there was petition to have an 80/20 share. Why is this thing coming out at this time? Why? You ask yourself that question. There's a continuous fight up in the Senate maybe for power or for whatever reason that's holding back progress. The bottom line is money and this has, in many ways, separated us. I think if you look around there's not one single Representative here that wants to see the CNMI break apart because of funding but in a situation like this, Mr. Speaker, we have to be also mindful of our obligation to pass a balanced budget. We have decided that none of us would accept any increase in taxes or fees. There are bills that ask for those things. For that reason that we reject the Governor's proposal, the IFP. We want to go into conference committee to see if we can reconsider the Senate's action if there's a way to compromise because none of us would like to see the people of Rota or any people in our area suffer. It is the Senate's response to us that they're not willing to go and review this in a conference committee. So it's our job now to make a final decision on what to do with this budget. This is not the end of the world. This is going to the Governor. The Governor can do a lot of things to the budget under the Constitution and under the Budgeting Act, Public Law 3-66, if I'm not mistaken, Mr. Speaker, but this is not the end of the world. The Governor can line item veto it. He can veto the entire bill for that matter. But what are we to do? Are we satisfied to go on a continuing resolution and austerity at a higher expense than this economy can hold? Are we responsible for that if we should go into continuing resolution? We have to place the cuts where it's necessary. The Senate decided to do so. While we disagree with the cuts in particular the Mayor's Office, we have to look at the bigger picture. We have to look at the budget. We have to look at how this would affect the entire CNMI. That's where I'm coming from, Mr. Speaker. I know that I voted "no" when we first addressed this and that is to put this under consideration with the Senate but obviously we cannot take route. I encourage the rest of my colleagues to speak out their minds on this issue because this is important. It's something that we, as leaders, have to make a decision. With that, Mr. Speaker, I shall end my comment. Thank you very much.

The Chair recognized Representative Salas.

Rep. Salas: Thank you, Mr. Speaker. I wasn't going to say anything this morning because I truly lost all my energy in the leadership meeting. But let me just try to remember and reiterate what I said earlier. I think it's important that the CNMI government turn over a new leaf and try to solve the problems that we have with the other islands. I think these are people can no longer tolerate the ganging up of Saipan by Rota and Tinian. That is inexcusable. But for many, many years this practice has continued and I think the Thirteenth Legislature needs to solve this issue. We cannot in all honesty, as a government, as a people continue to be so reckless in the way we treat each other. We are one Commonwealth. We are one people. And the only way we can survive, the only way we can bring about and realize the promises of our people's ability in our region and us as a community is to move and get away from this ganging up or forming

coalitions whether it's Saipan and Tinian, or Rota and Tinian, or Saipan and Rota. That practice is old news. It's old school. It's got to stop. The way that we compose right now is inherently wrong, is inherently disadvantageous to anyone who doesn't want to form a coalition. Mr. Speaker, I voted for the House bill and I voted against the Senate amendment and the reason is that I don't believe that the methodology that we use in the past is correct. I think it's time for a change. I think that the competing islands would always gang up on the other island for their vested interest and that has got to stop. This morning I challenged the members by taking a look at the CNMI state plan put together by Governor or by the Speaker or by the President, whichever. The state plan would look at all the priorities of the islands whether it be a hospital or a school or a church or whatever. Once we come up with a state plan, we prioritize what the CNMI government needs then we as a Commonwealth can surely start working together. Mr. Speaker, you and the rest of the members, know how I'm going to vote on this. I just want to say this one more time. We can no longer afford to fight amongst each other. That practice is old. It's got to stop. I don't have the luxury of having the history that Floor Leader Attao, you, Mr. Speaker, and Representative Herman Palacios has. But this I know that this great Commonwealth will never realize its potential if we continue to say let's punish Rota now and next year we'll punish Tinian because Saipan has been punished in the past. That is not the way we figure things out. We need to come together as a people and put aside all of that insane blaming and finger pointing and come together because that's what we are here for. We're public servants. I cannot, in all honesty, vote to take away money from Rota to give to Tinian. That is not the way it works. If you want to resolve this issue we can start from day one since everybody knows that Saipan's Mayor is not getting anything compared to Rota and Tinian. But are we making a big thing out of it? Mr. Speaker, that's all I got to say this morning. Thank you.

The Chair recognized Representative Seman.

Rep. Seman: Thank you, Mr. Speaker. Please allow me to read some of my notes that I've jotted down since our leadership meeting this morning. Mr. Speaker, it's very unfortunate that it has come to this morning's session to reconsider our decisions with regards to the FY 2004 budget. When I took office, I promised myself that I would not let politics dictate how I make my decisions when it comes to protecting the interests of my constituents and the people of the Commonwealth. But this morning I am being made aware that politics is the reason. Rejection of the Senate amendments will lead to no budget for FY 2004, therefore, allowing the government to operate under continuing resolution or on \$217 million budget and clearly see that it is a way of increasing our deficit and at the same time putting the prison project and funding for emergency school buses in jeopardy. Mr. Speaker, I am aware that in the past the Senators from the First and Second Senatorial Districts have manipulated how we distribute equal appropriations of our revenues. Even if the Third Senatorial District of Saipan is appropriating local generated funds, the First and Second Senatorial Districts representatives in the Senate will hold such bill hostage so that they can get something out of what is rightfully ours, the people of Saipan. I still don't agree that we should give Senator Cing what he wants, but reality check tells me that he will not be amendable to any changes to the Senate amendments. The proposed amendments made by the Senate, clearly, is not in the best interest of the First Senatorial District and certainly not the Third Senatorial District given the fact that it did not ask the Mayor of Tinian to reduce its staff of...[end of recording...beginning of recording]...the Mayor of Tinian has 67 community workers receiving between \$14,000 to \$25,000 per annum while the less than 20 community workers for Rota and a few in Saipan are receiving much less. If I'm not mistaken, they're receiving between \$12,000 to \$13,000 per annum. Having said this, I am voting my conscience to fulfill my constitutional obligation to have a budget emplace and I'm reconsidering my decision to vote in favor of the Senate amendments so that we can have a budget. Lastly, Mr. Speaker, I want to see a budget emplace for FY 2004 so we can avoid deficit spending. I personally do not feel that going into another continuing resolution based on the current spending is in the interest of the Commonwealth. Thank you.

The Chair recognized Representative Deleon Guerrero.

Rep. Deleon Guerrero: First of all, thank you, Mr. Speaker, for allowing me to voice out my concerns. First I'd like the record to reflect that I have in no way reconsidered my concerns that I raised when we last deliberated on this budget. The same concerns that I made, which were also published in the paper are still with me. I still have the same concerns. However, I want to take this opportunity in light of the recent decision by the Senate to deny our request to hold a conference things have changed. I feel that we are now

backed into a corner to make a decision. I applaud and I commend the members of this house during the last session for choosing the decision that it did. I saw that the members were truly concerned not just for the people of Saipan, not just for the agencies that were affected, but it reflected a genuine concern for the entire people of the Commonwealth and I commend everybody in here for that. Nonetheless, we're now faced with a decision that we are not afforded the opportunity to compromise, to raise alternative solutions, and we have to decide whether not to have budget for FY 2004 or to have one. Our choice is basically limited to that either yes or no. I will reconsider my decision, Mr. Speaker, for several reasons and some of those reasons have already been mentioned by my good colleagues. One, is our duty, our responsibility to have a balanced budget first and foremost and that is one of our main reasons for being here. Second, I will not vote in favor of this budget if there were no further alternatives. I still have hope that the concerns that we raised can be addressed through various ways, through the Governor's actions, through reprogramming. There are different ways of addressing it and I still have hope that that can be addressed. Mr. Speaker, I hope that this house and the Senate will be amenable in the future when such opportunity arises. With that, Mr. Speaker, I'll keep it pretty short. I think all of us should be mindful that we need to pass a budget. We cannot afford to continue to raise the deficit and by not having a budget and by having a continuing resolution we may be forced to consider alternatives such as new taxes or other sources of revenue, increasing fees to address the deficit that may be coming forth. Thank you, Mr. Speaker.

Speaker Hofschneider: Thank you, Representative Deleon Guerrero. Any other comments?

Several members voiced, "ready."

Speaker Hofschneider: If I may be permitted, I'd like to state for the record the position of the leadership?

There was no objection.

Speaker Hofschneider: First of all, it is standard parliamentary procedure that if differences arises between the House and the Senate on a particular legislation that they recommend that a conference be called. A conference is to iron out the differences but it takes both houses to have a fruitful conference committee to convene. Having a written message from the Senate President and the members it is obvious that they will not reconsider their position on the their amendments and agree to a conference committee. Simply put, this morning as we received the President and Senator Guerrero that speaking for the rest of the members in the Senate that they are not inclined to supporting any tax increase. So that throws out the opportunity to replenish the \$1.2 million taken from Rota by way of the option on Friday night that I jotted down. Second of all, in the view of the Senate, there is no way that a budget can go through without accommodating one or both senatorial districts because of the equal representation issue. Saipan, if wants to move on, must align itself with either Rota or Tinian or both, which leads me to talk about what is fundamentally the cause of where we are today. First, it is the position of the House, and now the position of the Senate being very clear, that in spite of our desire to give the departments and agencies, the branches of the government of the Commonwealth what it requested in the budget submission, we took a different view because of the economic state that we are in, that it's not prudent for the Thirteenth Legislature, both houses, to consider passing an increase in tax for user fee, for hotel occupancy or any vehicular or other licenses and adding on specifically raising the nonresident fee by \$100. What this amounts to is a fundamental shift in terms of the economic policy of the Commonwealth lacking thereabout a fundamental and sound economic policy that we can adhere to, i.e. instead of raising the Commonwealth revenue through expansion of the economic base what is being proposed before by way of the budget being submitted is increasing the revenue through increasing taxes. What is spells is a greater burden on consumers and businesses. I think it'll be inline with what the Senate President's letter remarked in stating that it will be fiscally irresponsible and not in the best interest of the people of the Commonwealth if we have to follow the proposal that the increase in revenue is by way of increasing taxes. Anyone who doubts this needs to just drive around the island of Saipan, Tinian and Rota and see the real scenario of the economic state we are in. We have many meetings, documents being requested to ascertain the validity of the claims by the Chamber of Commerce when they stated that something has to be done with the economic state. We requested revenue projections. We requested actual revenue collected. If we do not believe, nor we are inclined not to believe the reporting from the Department of Finance, then who are we to believe? I think the fundamental question before us is the uncertainty of the political election year, and it behooves one to go against the grain in

common sense. Putting aside the political realities of this upcoming election, I can honestly say that having heard since Friday and this morning in the leadership meeting, if I had the authority for all of you to come back to office, I think that you have what it takes. After saying what you said on Friday's session and in the leadership meeting, there is a balance in your heart in your two years here in the House of what it takes to really fulfill your responsibility as an elected official. I'm saying that you've started to see what the whole game is. And being diplomatic, you chose to use words that are more passive in the description of what is fundamentally in flaw and I'm going to say the way it is. It is a total breakdown of leadership in the Commonwealth. It's the perpetuation of pity of one senatorial against the other. The decent thing to do as the Third Senatorial District Representatives for the last 12 years is to fulfill for the greater good. That is to have budget in spite of the shortfalls or shortcomings of one particular department, one particular agency and now a shortcoming of one particular senatorial district. What is important to realize is that it is not the people of Rota that is in question nor is it the people of Tinian that is in question nor is it the people of Saipan that is in question. What is central to this problem is really leadership in all three islands in this government. When we start behaving and we start showing before the people that we like one and we dislike the other, we end up with this situation that we're faced with. This Thirteenth Legislature is in such turmoil and it's reflected by the lack of leadership of the Commonwealth. We have come to conclude that in order for good governance as you have stated, Representative Salas, for example, in the leadership that we have to rise above all these. He suggested that we look into how the State of Hawaii resolve itself by adopting a state plan and the state plan is premised on what is a priority of each island including the central island that generates the revenue or more populous or in control of one house. What is central to this today is the institutionalized manipulation of the institution itself. It is not a secret that when election year comes around innocent and ignorant individuals who are only looking for an opportunity to provide food on the table are subjected to the political manipulations in employment. They're given short termed employment only to be monitored if they're loyal and showing support for whoever is in office. We, in the Third Senatorial District, are somewhat complicit to those acts by permitting the appropriations to go all for one reason. Is that they have read the Third Senatorial District. The First and Second Senatorial Districts have studied us and have our bible by heart. They know us. How we behave and how we would react. So when they hostage the budget, they know that they will get what they want, and we continue to do this for the sake of the Commonwealth not for the sake of the Third Senatorial District. We have a budget in spite of the things that came with it, that we object. We have to have a budget. Be reminded that the Constitution when it comes to the Legislature is the authority to pass laws. But there's one specific law that we're required with a timetable specified under the Constitution, the budget. All good things starts with the budget. All bad things starts with the budget. It is unfortunate that because of the leadership of Rota and Tinian, they have parted and one of them has to follow the other. So now Tinian in a longtime has sided with Saipan. We cannot have the Legislature be paralyzed. We have to move on. We have a third branch of government and that's the purpose by design. In the event of disagreement the courts listen. It is hard for us to cast our vote in the affirmative and pass this budget in spite of all the shortcomings, in spite of the disagreements on how and where the money was removed. But are we to forgo the hospital? Are we to forgo the Public School System? Are we to forgo public safety of the people of the Commonwealth because of \$1.2 million that was taken away from the Office of the Mayor? Let's ask how did it get to be that big in the first place? Fair is fair. But when the leadership breaks down these things become important and exposed. We have to do what is right for the entire people of the Commonwealth not only for one senatorial district. Let the people decide if we all made a mistake. Make your decision on the basis of your conscience and what you think is truly right. That's the most important decision that we can ever make. Forget the election. Forget the election. The Constitution calls that whatever haggling we have in the Legislature and the Executive Branch, the Constitution mandates free public education, or compulsory education. It did not state that only until such time that you agreed to agree. You must appropriate for free compulsory education. You must ensure a public safety. You must ensure a good environment and healthy society. Are we to subject the three essential public services for a contentious argument between the leadership of Rota and Tinian and maybe Saipan? Are we to subject that? Are you doing the decent thing and making the right decision? In the long-term, the necessity to pass a budget is simply to prevent a deficit because this budget includes appropriation for the newly constructed and ready to be occupied juvenile facility under the consent decree. That's not budgeted under the continuing resolution. Therefore, we cannot afford a continuing resolution because it's not addressed. The immediate need of PSS to procure buses so that kids do not come home at 5:00 in the afternoon and be picked up at the proper time and be at school before the start of their classes. These are things that are new in the budget. Are we to let go

because of leadership breakdown? It's not about recognizing Senator Reyes as the President now or the legitimacy of the Senate. It's not about that. They have their own sets of rules. We have our own sets of rules. So long as the parliamentary procedure is right, we have the responsibility not to contribute to the incapacitation or paralysis of this branch of government. And with that, I hope that everyone makes a decision on the basis of what is needed and truthfully looking at the greater good of the Commonwealth. We would never see a change of leadership if we don't talk about these things and take action. With that, I close, and I again remind that we are voting on the reconsideration of the rejection of the Senate amendments and moving it to conference. We're voting on the reconsideration of the rejection. That means we need to vote to recall our vote and place back the Senate amendments before we vote on the bill itself. Ready?

Several members voiced, "ready."

The Chair recognized Representative Stanley Torres.

Rep. S. Torres: Just to clarify, Mr. Speaker. Did I hear you say that the State of Hawaii is controlled by one house in the Legislature?

Speaker Hofschneider: No. By the majority of representation...

Rep. S. Torres: Both houses?

Speaker Hofschneider: That's the island of Oahu.

Rep. S. Torres: Both Houses, the Senate and the House. Thank you.

Speaker Hofschneider: Ready? We're voting to bring back from the conference committee and reconsider our rejection of the Senate amendments. So if you vote yes that means that the Senate amendments are brought back to the bill. Is that clear?

Floor Leader Attao: That's the passage of the budget?

Speaker Hofschneider: No. The main motion would be to pass as amended. Short recess.

The House recessed at 12:05 p.m.

RECESS

The House reconvened at 1:10 p.m.

Speaker Hofschneider: We're back to our session. We were discussing the reconsideration of our actions on Friday and that is to recall the bill back from the Conference Committee. We've done that and now we're discussing the reinstatement of the Senate amendments. Ready?

Several members voiced, "ready."

Speaker Hofschneider: We're voting for the reinstatement of the Senate amendments that was rejected on Friday's session. Clerk, roll call on the reinstatement of the Senate amendments.

The roll called on the motion to reconsider the Senate amendments to H. B. NO. 13-335, HD3, SD3 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. H. Palacios: For and in the interest for the majority of the people of the CNMI, yes.

Rep. Herman T. Palacios	yes
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	excused
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. W. Torres: Is this for recall?

Speaker Hofschneider: Reinstatement of the Senate amendments that was rejected.

Rep. W. Torres: For voting?

Speaker Hofschneider: We're not voting on the bill as amended. We're just reinstating the rejection on the Senate amendments.

Rep. W. Torres: Okay.

Rep. William S. Torres	yes
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 17 "yes", 1 "absent", the rejected Senate amendments on Friday's session is hereby reinstated and now on the floor for discussion is H. B. NO. 13-335, HD3, SD3. Discussion on the bill.

Several members voiced, "ready."

Speaker Hofschneider: Ready. We're now voting on the budget as amended by the Senate . Clerk, roll call.

The roll called on the motion to accept the Senate amendments to H. B. NO. 13-335, HD3, SD3 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 (For the greater need of the Commonwealth)

Rep. Castro: Thank you, Mr. Speaker. Let me just say – after hearing the presentation this morning by the Senate President and Senator Guerrero and looking at the figures that were cut from various agencies and putting it to where it's most needed my vote today will be yes. Thank you.

Rep. Pedro P. Castro	yes
Rep. Joseph P. Deleon Guerrero	yes (For a balanced budget)

Rep A. Palacios: Mr. Speaker, before I vote, may I say a few words?

Speaker Hofschneider: Yes.

Rep A. Palacios: Thank you, Mr. Speaker. We're put in a very, very difficult position at this moment to vote on this particular budget. We talk about how this house and the Third Senatorial District have been in the past hostaged by the old leadership of the Senate. We reflect on this today and see how we feel. We are basically forced for the greater good of the Commonwealth to vote on the passage of this bill. Isn't that just another bail or hostage? Aren't we just perpetuating the same vicious act? That's how I feel as I reflect on it. And yes, the Speaker eloquently pointed out that we hate to pass this budget. But we need to pass it because we have to fund some very critical facilities that are now going to be online that is not in the FY 2003 budget. So, yes, our hands are being forced on this issue. Our hands are being forced because the House version injected a million dollars to fund for the school busses that are needed. What the Senate did injecting to the Second Senatorial District and taking away \$1.2 million from the First Senatorial District is unconscionable in my humble opinion. It did not fund any needed public service and I remind you again and I will continue to remind you that we in the Third Senatorial District sacrificed \$9 million of our own local funds so that we can pay our people. And I ask you again why cannot the Second Senatorial District of Tinian do the same thing, they generate \$9 million in gaming money. But no, we have to steal, basically steal funding from the First Senatorial District to fund their retro pay. That's what we're doing here. I am being asked to vote my conscience. Of course, that's how I always vote. I appreciate the Speaker pointing that we have to pass a budget because in this budget those line items, which funds the extremely critical programs or services, funding for the DYS facility and the school buses are new items that we cannot fund unless we pass this budget. In fact, with a heavy heart, I will vote yes and hope that the Governor line item veto the \$1.2 million. That's it.

Speaker Hofschneider: You're vote is?

Rep A. Palacios: Yes.

Rep. Arnold I. Palacios	yes
Rep. Herman T. Palacios	yes (For reasons stated earlier)

Rep. N. Palacios: I dedicate my vote to the Tinian Military Land Lease. I vote, yes.

Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	excused

Rep. Salas: With a heavy heart, Mr. Speaker...

Speaker Hofschneider: Can you turn your mic on?

Rep. Salas: Mr. Speaker, once again, with a heavy heart, for the betterment of the CNMI, I'm voting yes on this bill. But I will not tolerate what is happening on the other islands in regards to the transferring of money. Thank you, Mr. Speaker.

Speaker Hofschneider: Thank you.

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. W. Torres: Mr. Speaker, I, too do not want to put the students in jeopardy. As you know, I, for one, am a very strong supporter of this busing. That's a new item. It's a million dollar. Whatever differences the Senate has with the other senatorial district I think should be solved at that level. I still remain firm in

my opinion regarding the fairness of the House version but then again we still have the Governor to decide on whether or not to concur with the action of both houses and for the sake of having a budget, I will go along at this point in time to have a budget for FY 2004. I know it's going to be extremely difficult and I hope that the Governor do veto certain provisions of that bill that take away money from the Office of the Attorney General, from the plant industry, from the Free Trade Zone, from the Youth Affairs Office and from the Women's Affairs Office so, yes.

Speaker Hofschneider: His vote is yes.

Rep. William S. Torres	yes
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 17 "yes", 1 "absent", H. B. NO. 13-335, HD3, SD3 specifically referred as, A Bill for An Act to make appropriations for the operations and activities of the government of the Commonwealth of the Northern Mariana Islands, is hereby accepted by the House. Thank you, members. We will take a recess up to 2:30 p.m. and we'll back to continue the session. Recess.

The House recessed at 1:20 p.m.

RECESS

The House reconvened at 3:22 p.m.

Speaker Hofschneider: We're back to our session. We're under Bill Calendar and I recognize the Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. Mr. Speaker, if there's no objection on the floor, I would like to place on the day's calendar H. B. NO. 13-036 for First Reading, H. B. NO. 13-037 and H. B. NO. 13-336.

There was no objection.

Speaker Hofschneider: H. B. NO. 13-336?

Floor Leader Attao: Yes.

Speaker Hofschneider: For First Reading?

Floor Leader Attao: First Reading on H. B. NO. 13-036, First and Final Reading on H. B. NO. 13-037 and H. B. NO. 13-336. Also, Mr. Speaker, H. L. I. NO. 13-13 reference S. C. R. NO. 13-094. This is relative to the election of the attorney general.

Speaker Hofschneider: H. L. I. NO. 13-13?

Floor Leader Attao: H. L. I. NO. 13-13.

Speaker Hofschneider: The motion for the passage on First Reading H. B. NO. 13-036 – any second on the motion?

The motion was seconded.

H. B. NO. 13-036: A BILL FOR AN ACT TO ESTABLISH A RURAL HOMESTEADING PROGRAM FOR THE NORTHERN ISLANDS OF ANATAHAN, SARIGAN, ALAMAGAN, PAGAN, AND AGRIGAN; AND FOR OTHER PURPOSES.

There was no discussion, and the motion was carried by voice vote.

Speaker Hofschneider: H. B. NO. 13-036 is passed on First Reading only. Floor Leader.

Floor Leader moved for the suspension of Rule VII, Section 10, Rule IX, Sections 9, 10 and 11 for the passage of H. B. NO. 13-037 and H. B. NO. 13-336 on First and Final Reading, was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 13-336 on First and Final Reading.

The motion was seconded.

H. B. NO. 13-336: A BILL FOR AN ACT TO REQUIRE A JOINT LEGISLATIVE APPROVAL BEFORE EMERGENCY REGULATIONS BY ANY EXECUTIVE BRANCH AGENCY CAN TAKE EFFECT; AND FOR OTHER PURPOSES.

Speaker Hofschneider: There's a motion to pass H. B. NO. 13-336, entitled, A Bill for An Act to require a joint legislative approval before emergency regulations by any executive branch agency can take effect; and for other purposes. Discussion on the bill. This bill will require that any emergency regulations will have to go by way of a joint approval by the House and the Senate. For the members, we have this bill with us in the last session. Representative Herman Palacios introduced it in the last session. Discussion on the bill. Representative Arnold Palacios? Can we take a short recess for the benefit of the members?

The House recessed at 3:28 p.m.

RECESS

The House reconvened at 3:32 p.m.

Speaker Hofschneider: We're back to our session and we're discussing H. B. NO. 13-336. It is on the floor. Discussion on H. B. NO. 13-336. Representative Palacios.

Rep A. Palacios: Mr. Speaker, I'd just like to get some sort of guidance in terms of the definition and the criterion that the Executive Branch uses to promulgate rules and regulations on an emergency basis. What is the criterion at this point in time? What constitutes an emergency promulgation of rules?

Speaker Hofschneider: Can we take a short recess and request for a legal question? I don't want to put the legal counsel in a position but I think this is a bit of a usurpation of executive function. Short recess.

The House recessed at 3:35 p.m.

RECESS

The House reconvened at 3:41 p.m.

Speaker Hofschneider: We're back to our session and we need an oral floor amendment to line 4 by striking out "this chapter" and inserting the word "law".

Floor Leader Attao seconded the motion.

Speaker Hofschneider: Representative Babauta, do the honor of the oral floor amendment.

Rep. Babauta: So moved, Mr. Speaker.

The motion was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. We're discussing the bill as amended.

Several members voiced, "ready."

Speaker Hofschneider: Ready. Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-336, 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	yes
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	excused
Rep. Andrew S. Salas	absent
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 16 "yes", 2 "absent", H. B. NO. 13-336 as amended is hereby passed by the House on First and Final Reading. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 13-037 on First and Final Reading.

The motion was seconded.

H. B. NO. 13-037: A BILL FOR AN ACT TO AUTHORIZE THE COMMONWEALTH GOVERNMENT TO BORROW FUNDS FROM THE NORTHERN MARIANA ISLANDS RETIREMENT FUND, COMMONWEALTH DEVELOPMENT AUTHORITY, OR FROM THE U.S. RURAL DEVELOPMENT PROGRAM FOR THE PROCUREMENT OF RELIABLE HIGH SPEED OCEAN-GOING VESSELS FOR TRANSPORTATION USE BETWEEN SAIPAN AND NORTHERN ISLANDS, AND TO CONSTRUCT SEAPLANE RAMPS, AIRPORT RUNWAYS, PORT FACILITIES, AND GOVERNMENT BUILDINGS AS A GENERAL OBLIGATION BY THE COMMONWEALTH GOVERNMENT; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading H. B. NO. 13-037 has been seconded. Since this is a borrowing legislation we need two-thirds votes. Discussion on the bill. Vice Speaker.

Vice Speaker Tenorio: Mr. Speaker, this bill is really a substantive bill that it will...

Speaker Hofschneider: Economic development.

Vice Speaker Tenorio: I know it's for economic development but it will also burden the CNMI government as a whole. My question is on Section 5, page 4 of the bill, the approval.

Speaker Hofschneider: Yes?

Vice Speaker Tenorio: This will authorize borrowing of an amount up to, but not to exceed, \$15 million from the Northern Marianas Retirement Fund. Mr. Speaker, we have received voluminous communications from the Retirement Fund the health of the Fund. For all we know, it's not in the best of health right now and putting additional \$15 million to borrow from the Retirement Fund to me at this stage is premature. While I understand that we want to develop the Northern Islands because of its potential in some of the resources that we have available. I think we should try to at least review this bill, refer it to a committee to have some physical studies done as to whether or not at this time we should treat this as a priority and open ourselves to further indebtedness by borrowing money. I just wanted to make sure that all language are looked at, and a serious study is conducted to see whether we actually need – there's no question that we need to develop the Northern Islands but to what extent and to what type of indebtedness do we want to give the CNMI government.

Speaker Hofschneider: Vice Speaker, thank you for that observation but this is merely an authorization and approval. We cannot dictate what NMI Retirement Fund should do with their money. It is spelled out in the enabling laws and the fiduciary of the Board would be for them to look at what is prudent in terms of their capability to undertake borrowing from an individual or an entity. Be as it may, consistent with the recent changes of investment policy that the Retirement Fund has adopted, they have now what they call...

Rep A. Palacios: Targeted Economic Investment.

Speaker Hofschneider: Targeted Economic Investment and that's for intents and purposes. They want to be able to also use whatever amount that the Board sees good for the fund to reinvest back into the Commonwealth. The first initiative that they have done with that particular portion of their new investment policy is they have in fact forked out on the controversial scholarship program to Rota. For instance, I think they have released \$230,000 if I'm not mistaken. And that's part of the new policy to make available up to \$5 million on a targeted economic development program and that is to allow within the Commonwealth some of the assets that they have to be loaned out. So consistent with the policy I don't believe that this is a mandatory language. It is an authorization to allow the Retirement Fund to look at the proposal and if it's feasible and economically sensible, then the Retirement Fund Board will consider granting the loan. Otherwise, it's just an enabling language that would allow consideration by other than the Northern Marianas Retirement Fund such as the CNMI government and the U.S. Rural Program to also look at possible loan applications by the CNMI government for the purposes of the Northern Islands as stipulated in this bill.

Vice Speaker Tenorio: All I'm asking, Mr. Speaker, is for review of this bill because number one, I don't think this gone through any scrutiny by the committee and this is a very serious undertaking. If you read page 2 from line 37 down, I'm just going to shortcut this, project funds are sufficient to cover.

Speaker Hofschneider: Look at the date it was introduced. I have no reason at all not to entertain this bill on the floor. Everyone was given more than sufficient time to address this. This is one of those things that I keep reminding the committees, if you cannot deal with the bills, then we have to give the authors the privilege to bring it back on the floor. We cannot continue holding for more than 90 days. That is our initial Rule. So if we have to make changes, we'll make changes on the floor but we cannot continue holding back authors and bills. We can no longer do that. Vice Speaker, you still have the floor before I recognize others.

Vice Speaker Tenorio: Thank you, Mr. Speaker. I was just referring to page 2 of the bill. I'm sorry that this bill was not entertained by the Committee. I don't know which responsible committee but...

Speaker Hofschneider: Committee on Ways and Means.

Vice Speaker Tenorio: I was reading partly from line 37 down. However, to enable the loan agreement to proceed, the full faith and credit commitment under this Act will guarantee repayment from the general fund if the Legislature does not make the necessary appropriations. So one thing that we're committing is to make appropriation and then if we don't do that then we have to guarantee that the repayment of this

loan, whatever the amount is up to \$15 million, be guaranteed from the general fund. But, like I said, Mr. Speaker, I don't know what commitment we're getting ourselves into by going with this but the ideal itself does not bother me. I think it's time to start looking at other areas to develop in the CNMI and certainly the Northern Islands offers a big potential for development. At the same time, we should not rush our decision in trying to commit public funds at a time when we're having the most austere economic situation facing the CNMI right now. So that's my concern, Mr. Speaker.

Speaker Hofschneider: Thank you, Vice Speaker. Representative Castro.

Rep. Castro: Thank you, Mr. Speaker. This is just for the members' information. Presently there are people from CPA and MPLA on the island of Pagan and I believe the mission is to survey and assess the feasibility of rebuilding the airstrip. This is very unofficial but I believe CPA and MPLA are presently negotiating for the land at the airstrip to be transferred over to CPA. There's an estimated amount of about \$15 million from the federal funds to be used to construct the Pagan runway. MPLA is also surveying the areas that are to be open for homestead. There are people from these two departments who are presently there. This is unofficially, Mr. Speaker, but just for the information of the members.

The Chair recognized Representative Palacios.

Rep. A. Palacios: Mr. Speaker, I have concern not necessarily the intent of the legislation but particularly on page 4, line 12 wherein we're going to basically set aside 20% of highway safety grants for the payment of this obligation. I don't know what the funding level is every year for...

Rep. Deleon Guerrero: \$3.2 million.

Rep. A. Palacios: We ought to understand that today we still struggle with ourselves with each senatorial district is fishing over this federal highway funds. To put aside 20%, I would like to have the author consider deleting this subsection and I believe that the subsection (c) would be an appropriate identified source of funding to repay this and the general fund.

Rep. W. Torres: Point of clarification, Mr. Speaker.

Speaker Hofschneider: State your point.

Rep. W. Torres: Mr. Speaker, I believe the choice of words here are rather clear and I stand to be corrected. This is merely an authorization, which is basically an option. It's not an obligatory or part of this section to obligate that percentage. It's one of many considerations. In no way would this, in my mind...

Speaker Hofschneider: Obligatory?

Rep. W. Torres: Yes. It's not obligatory. It's one of the options being listed. It's merely an authorization. It's not...

Speaker Hofschneider: Thank you for that clarification. Vice Speaker?

Vice Speaker Tenorio: Thank you. Just one more concern, Mr. Speaker, and I'll relax. We still have problems. The questions still remains whether or not it is safe to inhabit the Northern Islands because of the volcanic activity. But I guess this body would have to rely on hearsay or scientific studies or what. But the island of Anatahan has just recently erupted and it's also mentioned as one of the islands to be developed including Pagan. I'd feel safer, Mr. Speaker, that we get a complete study from the volcanologist and the scientist who are monitoring the activities in the Northern Islands and have them clear the islands as safe for rehabilitation and construction of permanent structure. Again, although this is just a plan, but it's committing this government and once the money is available and it's passed into law then we're going to have to do it. So either we get the clearance from them now or at a later date, I don't

which is a priority but I still think that those are considerations that we have to look at before we embark in this bill. Thank you.

Speaker Hofschneider: Thank you.

Rep. W. Torres: Point of information.

Speaker Hofschneider: State your point.

Rep. W. Torres: Mr. Speaker, there is a U.S. scientific study already commissioned over a year or two ago and it's readily available for the inspection of the Vice Speaker if he so wishes. At the same time, Mr. Speaker, have been other numerous studies that I was fortunate to be a part so as Congressmen Castro and Arnold Palacios in which CRM is undertaking a major wholistic study of the entire island for purposes of how to develop and best settle the islands. I think that is one of the reasons, one of the impetus for the various agencies being up there in the Northern Islands as we speak because of in anticipation of the write up of the final report. So these islands has been heavily studies. It's so much studied that I think the study itself is kind of keeping us back.

Speaker Hofschneider: The study is being studied?

Rep. W. Torres: Restudied. So it's heavily studied.

Speaker Hofschneider: Thank you. Ready? Representative Aldan.

Rep. Aldan: Thank you, Mr. Speaker, this loan is obligating the full faith and credit of our general fund. But if you look on page 4, Section 5114 on the last sentence, which starts on line 31, it says, the Legislature, however, shall earmarked annually to the general fund to the Northern Islands Mayor's Office the minimum amount required to safely man, operate, and maintain the passenger and cargo ferry operations. So this is obligating additional funding. Mr. Speaker, I just wanted to point out that every trip, every charter that we make to the Northern Islands is costing us about \$10,000 per trip. I don't know how many trips a month the Mayor intends on making when this ferry is available but we're talking more a million dollars just to operate this vessel, Mr. Speaker. Thank you.

Speaker Hofschneider: Thank you. Representative Torres.

Rep. W. Torres: Mr. Speaker, this is just a standard language as part of the Northern Islands Mayor's annual budget that we'll be appropriating anyway. Much of the expenses that we have been incurring through ocean transportation will substantially be reduced once we have a usable runway. And again, Congressman Castro has alluded to a collaboration of various agencies to an intergovernmental operation going up to the Northern Islands for purposes of assessing the islands, the potential sites for different public purposes, public functions and that would be consistent with the comprehensive Marianas Public Land Authority land use plan. So this is not an haphazard piece of legislation. I think it has been very much considered by the Office of the Mayor, the former Mayor and now the present Mayor. So it's not something that all of a sudden came out of the blue sky. It has been in the works for quite some time already.

Speaker Hofschneider: Thank you. Representative Tebuteb.

Rep. Tebuteb: Thank you, Mr. Speaker. Regarding Congressman Aldan's concern on line 32, if you even go further up to line 23, that all expenses and debts of this project is completed then you go all the way down to line 31, that it'll be deposited into general fund. That is fine. Line 32 came into the picture itself. Thank you.

Speaker Hofschneider: So it's self-paying. Ready? Floor Leader.

Floor Leader Attao: On page 3, Section 5112, this is the Management and Control of the Northern Islands Transportation and Infrastructure Fund. Mr. Speaker, I have some reservation on the provision giving the Governor the blanket authority without the blessing of the Legislature in the appropriation for whatever revenue comes in to this particular infrastructure funds. And with this, Mr. Speaker, I'd like to offer a floor amendment to strikeout "Section 5112".

Speaker Hofschneider: In its entirety?

Floor Leader Attao: Yes, Mr. Speaker.

Speaker Hofschneider: Okay. Representative Torres.

Rep. W. Torres: Will the Floor Leader be amenable to a language? I think he pointed out a good concern here. If we added after the word "Governor" insert "as appropriated by the Legislature"...

Floor Leader Attao: Yes.

Rep. W. Torres: So moved.

The motion was seconded.

Rep. Cabrera: Can you read the amendment?

Rep. W. Torres: On line 44 after the word "Governor" insert "as appropriated by the Legislature in accordance with the Planning and Budgeting Act". If we want to change the other phrase we could but this is probably okay right?

Vice Speaker Tenorio: Can you repeat that?

Rep. W. Torres: Five words are added, "as appropriated by the Legislature".

Vice Speaker Tenorio: After the Governor on line 44?

Rep. W. Torres: Yes.

Speaker Hofschneider: Then strikeout the remaining portion. I think it goes without saying and therefore, the following portion of the sentence is not necessary to reiterate.

Rep. W. Torres: So period?

Speaker Hofschneider: Period after the word Legislature.

Rep. W. Torres: Okay, so strikeout the rest. So moved as amended.

Rep. Tebuteb seconded the motion and was carried by voice vote.

Speaker Hofschneider: The oral floor amendment is hereby adopted. Ready for the question?

Floor Leader Attao voiced, "ready."

Speaker Hofschneider: Clerk, roll call.

The roll called on the motion to pass H. B. NO. 13-037, 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	yes
Rep. Norman S. Palacios	yes
Rep. Daniel O. Quitugua	excused
Rep. Andrew S. Salas	absent
Rep. Benjamin B. Seman	yes
Rep. Ramon A. Tebuteb	yes

Vice Speaker Tenorio: Mr. Speaker, I don't want to be a stumbling block to any development or impediment but I want to be sure that the issue of public safety is addressed before anything proceeds on this particular bill. Although, the intent of the bill is okay, I, therefore, vote yes.

Speaker Hofschneider: Thank you. Clerk, continue. His vote is yes.

Rep. Manuel A. Tenorio	yes
Rep. Stanley T. Torres	yes
Rep. William S. Torres	yes
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 16 "yes", 2 "absent", H. B. NO. 13-037, HD1 is hereby passed by the House on First and Final Reading. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. B. NO. 13-184 on First and Final Reading.

The motion was seconded.

H. B. NO. 13-184: A BILL FOR AN ACT TO SEPARATE THE DIVISION OF CORRECTIONS FROM THE DEPARTMENT OF PUBLIC SAFETY, AND TO ELEVATE IT TO DEPARTMENT WITHIN THE EXECUTIVE BRANCH.

Speaker Hofschneider: The motion to pass on First and Final Reading H. B. NO. 13-184 has been seconded. Discussion on the bill. Short recess.

The House recessed at 4:15 p.m.

RECESS

The House reconvened at 4:25 p.m.

Speaker Hofschneider: We're back to our session and I recognize the Floor Leader.

Floor Leader Attao moved to defer action on H. B. NO. 13-184, was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Mr. Chairman, please report no later than Friday. We'll take action on Friday.

Rep. Ada: Thank you, Mr. Speaker.

The House went back to Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

The Chair recognized the Floor Leader.

Floor Leader moved for the suspension of Rule VII, Section 10, Rule IX, Sections 9, 10 and 11 for the placement and adoption of S. C. R. NO. 13-094 reference H. L. I. NO. 13-013 was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao moved for the adoption of S. C. R. NO. 13-094, and was seconded by three others.

S. C. R. NO. 13-094: Reporting on H. L. I. NO. 13-013, entitled, "To amend Article II Section 11 of the Constitution of the Commonwealth of the Northern Mariana Islands and authorize for the election of an Attorney General; and for other purposes." *Your Committee on Judiciary & Governmental Operations recommends the passage of the initiative.*

Vice Speaker Tenorio: Can we have copies, Mr. Speaker?

Speaker Hofschneider: *I elected Attorney General.* We all have a copy because it was distributed last session.

Rep. Deleon Guerrero: *Ti ma calendar nai.*

Speaker Hofschneider: Short recess.

The House recessed at 4:28 p.m.

RECESS

The House reconvened at 4:48 p.m.

Speaker Hofschneider: We're back to our session. We're still under suspension motion?

Floor Leader Attao: No, we have already suspended that. It's ready for adoption under discussion.

Speaker Hofschneider: Under discussion, I recognize the good Chairman on JGO.

Rep. Ada: I'd like to offer a substitute for S. C. R. NO. 13-094, Mr. Speaker.

The motion was seconded.

Speaker Hofschneider: A substitute in the form CS1 has been offered by Representative Ada to S. C. R. NO. 13-094. It has been seconded. Discussion. Representative Ada.

Rep. Ada: The addition is on page 2, line 14...

Speaker Hofschneider: Of the report or the bill?

Rep. Ada: The bill. We have added the recall petition on lines 14 thru 28.

Speaker Hofschneider: Any changes to the Committee Report?

Rep. Ada: That's under the recall petition, Mr. Speaker.

Speaker Hofschneider: On page 5. That's for the additional language. Correct?

Rep. Ada: Yes.

There was no further discussion, and the motion to adopt S. C. R. NO. 13-094 was carried by voice vote.

Speaker Hofschneider: S. C. R. NO. 13-094 is hereby adopted by the House.

The House went back to Bill Calendar.

BILL CALENDAR

The Chair recognized the Floor Leader.

Floor Leader Attao moved to place H. L. I. NO. 13-013, CS1 on the day's calendar for action, was seconded and carried by voice vote.

Speaker Hofschneider: H. L. I. NO. 13-013, CS1 is hereby placed on today's calendar. Floor Leader.

Floor Leader moved for the suspension of Rule VII, Section 10, Rule IX, Sections 9, 10 and 11 for the passage of H. L. I. NO. 13-013, CS1, was seconded and carried by voice vote.

Speaker Hofschneider: Motion carried. Floor Leader.

Floor Leader Attao: Thank you, Mr. Speaker. I move for the passage of H. L. I. NO. 13-013, CS1 on First and Final Reading.

Rep. Babauta seconded the motion.

H. L. I. NO. 13-013, CS1: A BILL FOR AN ACT TO AMEND ARTICLE II SECTION 11 OF THE CONSTITUTION OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS AND AUTHORIZE FOR THE ELECTION OF AN ATTORNEY GENERAL; AND FOR OTHER PURPOSES.

Speaker Hofschneider: The motion to pass on First and Final Reading H. L. I. NO. 13-013, CS1 has been seconded. Discussion on the initiative.

Several members voiced, "ready."

Speaker Hofschneider: Ready. Clerk, roll call.

The roll called on the motion to pass H. L. I. NO. 13-013, CS1 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	yes
Rep. Norman S. Palacios	absent
Rep. Daniel O. Quitugua	excused

Rep. Andrew S. Salas	absent
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
Rep. Heinz S. Hofschneider	yes

Speaker Hofschneider: By a vote of 15 “yes”, 3 “absent”, H. L. I. NO. 13-013, CS1 is hereby passed by the House on First and Final Reading. Floor Leader, recess until Wednesday at 10:00 a.m.

Floor Leader Attao moved to recess until Thursday at 10:00 a.m., and was seconded by Rep. Babauta.

Speaker Hofschneider: Wednesday. There’s a funeral on Thursday. I just received the notice.

Floor Leader Attao: Rock the Boat is on Wednesday.

Speaker Hofschneider: Short recess.

The House recessed at 4:46 p.m.

RECESS

The House reconvened at 4:46 p.m.

Speaker Hofschneider: We’re back to our session.

Rep. S. Torres: Announcement.

The Chair recognized Representative Torres.

Rep. S. Torres: Mr. Speaker, this is good for the members. I received a document from the advertiser in Honolulu. DFS won a bid of \$94 million over 32 months to operate Duty Free in the Honolulu and Waikiki Airports. I hope that Duty Free will do that here.

The Chair recognized the Floor Leader.

Floor Leader Attao moved to recess until Friday at 9:00 a.m., was seconded and carried by voice vote.

Speaker Hofschneider: Recess until Friday at 9:00 a.m.

The House recessed at 4:48 p.m.

Respectfully submitted,

Lavida S. Palacios, Journal Clerk
House of Representatives

APPEARANCE OF LOCAL BILLS

H. L. B. NO. 13-047: To appropriate \$20,000 to support the First Saipan International Motocross Race Competition; and for other purposes. (Rep. Pedro P. Castro) 2nd Appearance