

THE HOUSE
FOURTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
SEVENTH SPECIAL SESSION, 1984

FIRST DAY

Thursday, May 17, 1984

The House of Representatives of the Fourth Northern Marianas Commonwealth Legislature, Seventh Special Session, 1984, was called to order at 2:28 p.m., Thursday, May 17, 1984, in the House Chamber, Susupe, Saipan, Northern Mariana Islands.

The Honorable Vicente M. Sablan presided.

A moment of silent prayer was observed.

The Chief Clerk called the roll. Eleven members were present. Representatives Jose Cabrera, Juan Demapan, Victor Hocog and Juan Tudela were excused.

Speaker Sablan: Today's session constitutes a quorum. All members absent are hereby excused.

ADOPTION OF JOURNALS

Floor Leader Nakatsukasa: Mr. Speaker, I move for the adoption of the Sixth Special Session Journal.

Representative Fitial seconded the motion

Speaker Sablan: Discussion on the motion.

Representative Fitial: Ready.

The motion to adopt the Sixth Special Session Journal was carried by voice vote.

INTRODUCTION OF BILLS

H.B. No. 88: "A BILL FOR AN ACT TO LICENSE SHOOTING GALLERIES FOR A THREE YEAR TRIAL PERIOD AND FOR OTHER PURPOSES."

Introduced by: Pedro Nakatsukasa and three others

Assigned to : Committee on Resources and Development

H.B. No. 89: "A BILL FOR AN ACT TO ESTABLISH A TASK FORCE ON INCOME AND SALES TAXATION, BUSINESS TAX INCENTIVES, AND FOR OTHER PURPOSES."

Introduced by: Pedro Nakatsukasa

Assigned to : Committee on Appropriations

H.B. No. 90: "A BILL FOR AN ACT TO ESTABLISH PLANNING COMMISSION TO PROVIDE ITS DUTIES AND POWERS; AND FOR OTHER PURPOSES."

Introduced by: Pedro Nakatsukasa

Assigned to : Committees on Judiciary and Government Operations and Resources and Development

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H.B. No. 91: "A BILL FOR AN ACT TO PROVIDE FOR THE CITIZENSHIP OF CHILDREN AT LEAST ONE OF WHOSE PARENT IS "INTERIM UNITED STATES CITIZEN" OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS, TO PROVIDE FOR THE CITIZENSHIP OF CHILDREN WHO ARE BORN WITHIN THE JURISDICTION OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS, AND FOR OTHER PURPOSES."

Introduced By: Benigno Sablan and Vicente Sablan

Assigned to : Committee on Judiciary and Government Operations

H.B. No. 92: " A BILL FOR AN ACT TO REPEAL SECTION 206 AND SECTION 300 OF THE PUBLIC LAW 3-91 AND FOR OTHER PURPOSES."

Introduced by: Benigno Sablan and Vicente Sablan

Assigned to : Committee on Appropriations

H.B. No. 93: "A BILL FOR AN ACT TO ADD A NEW SECTION 1202 TO TITLE 4 OF THE COMMONWEALTH CODE, TO TAX MORE FULLY THE WAGES AND SALARIES OF NONRESIDENT WORKERS, AND FOR OTHER PURPOSES."

Introduced by: Jose Lifoifoi and five others

Assigned to: Committees on Judiciary and Government Operations and Appropriations

H.B. No. 94: "A BILL FOR AN ACT TO AMEND SECTION 11.08.140, TITLE 11 OF THE MARIANAS DISTRICT CODE, AND FOR OTHER PURPOSES."

Introduced by: Benigno Fitial

Assigned to : Judiciary and Government Operations Committee

H.B. No. 95: "A BILL FOR AN ACT TO EXEMPT A RECIPIENT OF AN EDUCATIONAL LOAN WHICH WAS FUNDED BY THE GOVERNMENT OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS AND USED IN OBTAINING ANY TYPE OF EDUCATION, FROM MAKING PAYMENT ON THE LOAN AWARDED IF THE RECIPIENT RETURNS AND WORKS FOR THE GOVERNMENT FOR FIVE (5) YEARS CONTINUOUSLY."

Introduced by: Benigno Fitial and Juan Torres

Assigned to : Committee on Health, Education and Welfare

H.B. No. 96: "A BILL FOR AN ACT TO ESTABLISH THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS PROGRAMS, POLICIES AND PROCEDURES FOR RELIEF FROM THE EFFECTS OF DISASTER, AND TO ESTABLISH THE COMMONWEALTH EMERGENCY MANAGEMENT OFFICE, AND FOR OTHER PURPOSES."

Introduced by: Benigno Fitial and Juan Torres

Assigned to : Committee on Judiciary and Government Operations

H.B. No. 97: "A BILL FOR AN ACT TO ESTABLISH A CONSENT PROCEDURE BY WHICH THE GOVERNMENT OF THE NORTHERN MARIANA ISLANDS CAN MODIFY THE COVENANT AS CONTEMPLATED UNDER SECTION 105 OF THE COVENANT."

Introduced by: Benigno Fitial

Assigned to : Committee on Judiciary and Government Operations

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H.B. No. 98: "A BILL FOR AN ACT TO ESTABLISH OMBUDSMAN OFFICES AND FOR OTHER PURPOSES."

Introduced by: Benigno Fitial

Assigned to : Committee on Judiciary and Government Operations

H.B. No. 99: "A BILL FOR AN ACT TO ESTABLISH MEDICAL REFERRAL STANDARDS, A MEDICAL REFERRAL COMMITTEE AND FOR OTHER PURPOSES."

Introduced by: Benigno Fitial

Assigned to : Committee on Health, Education and Welfare

H.B. No. 100: "A BILL FOR AN ACT TO PROVIDE TRUST TERRITORY CITIZENSHIP AT BIRTH TO CHILDREN UNBORN OR UNDER THE AGE OF 18 AS OF MARCH 6, 1977, WHERE AT LEAST ONE OF THE PARENTS WAS A UNITED STATES CITIZEN OR UNITED STATES NATIONAL AS USED IN SECTION 8 OF THE SCHEDULE ON TRANSITIONAL MATTERS OF COMMONWEALTH CONSTITUTION, TO AMEND SECTION 1 OF CHAPTER 1 OF TITLE 53 OF THE TRUST TERRITORY CODE, TO AMEND 4 CMC SECTIONS 4111 AND 4122, AND FOR OTHER PURPOSES."

Introduced by: Benigno Fitial

Assigned to : Committee on Judiciary and Government Operations

H.B. No. 100: "A BILL FOR AN ACT TO ESTABLISH A POSTSECONDARY EDUCATION ASSISTANCE PROGRAM; TO AMEND SECTIONS 102, 104 and 303 OF PUBLIC LAW 3-43, AND FOR OTHER PURPOSES."

Introduced by: Benigno Fitial and Juan Torres

Assigned to : Committee on Health, Education and Welfare

H.B. No. 102: "A BILL FOR AN ACT TO AMEND SECTION 7 OF PUBLIC LAW 2-48 RETROACTIVELY INCREASING THE COMPENSATION OF THE BOARD OF DIRECTORS OF THE COMMONWEALTH PORTS AUTHORITY."

Introduced by: Benigno Fitial

Assigned to : Committee on Judiciary and Government Operations

H.B. No. 103: "A BILL FOR AN ACT TO PROVIDE A SPECIFIC OCCASION GAMBLING EXEMPTION FOR LICENSED NON-PROFIT CORPORATIONS OR ASSOCIATIONS, AND FOR OTHER PURPOSES."

Introduced by: Benigno Fitial

Assigned to : Committee on Resources and Development

H.B. No. 104: "A BILL FOR AN ACT TO EXTEND THE MINIMUM WAGE REQUIREMENT TO PREVIOUSLY EXEMPT CATEGORIES OF WORKERS, TO THEREBY ENCOURAGE THE EMPLOYMENT OF LOCAL WORKERS IN THESE JOB AREAS, TO AMEND PUBLIC LAW 1-20 AS AMENDED, AND FOR OTHER PURPOSES."

Introduced by: Benigno Fitial

Assigned to : Committee on Judiciary and Government Operations

H.B. No. 105: "A BILL FOR AN ACT TO AMEND THE BOATING SAFETY ACT OF 1982 (P.L. 3-25) TO PERMIT REGISTRATION AND PAYMENT OF FEES BY MAIL AND FOR OTHER PURPOSES."

Introduced by: Benigno Fitial and Juan Torres

Assigned to : Committee on Resources and Development

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H.B. No. 106: "A BILL FOR AN ACT TO AMEND 2 CMC SECTION 4913(a) SO THAT THE BURDEN OF RECORDING TRANSFERS OF INTERESTS IN REAL ESTATE RESTS UPON THE RECEIVING PARTY RATHER THAN THE TRANSFERRING PARTY."

Introduced by: Benigno Fitial

Assigned to : Committee on Judiciary and Government Operations

H.B. No. 107: "A BILL FOR AN ACT TO PROVIDE FOR A COMMONWEALTH COPYWRITE LAW, TO PRESCRIBE PENALTIES, AND FOR OTHER PURPOSES."

Introduced by: Benigno Fitial and Juan Torres

Assigned to : Committee on Judiciary and Government Operations

H.B. No. 108: "A BILL FOR AN ACT TO AMEND PUBLIC LAW 1-5, CHAPTER 1, SECTION 8 (1 CMC §3107)

Introduced by: Benigno Fitial

Assigned to : Committee on Judiciary and Government Operations

H.B. No. 109: "A BILL FOR AN ACT TO ESTABLISH A GOOD SAMARITAN FOOD DONATION ACT, AND FOR OTHER PURPOSES."

Introduced by: Benigno Fitial and Juan Torres

Assigned to : Committee on Health, Education and Welfare

H.B. No. 110: "A BILL FOR AN ACT TO ESTABLISH CONSUMER PROTECTION STANDARDS FOR THE COMMONWEALTH, TO PROVIDE PENALTIES FOR THEIR VIOLATION, TO REPEAL 1 CMC SECTION 2353 (c) AND 4 CMC SECTIONS 5101-5114 AND FOR OTHER PURPOSES."

Introduced by: Benigno Fitial and Juan Torres

Assigned to : Committee on Health, Education and Welfare

H.B. No. 111: "A BILL FOR AN ACT TO REVISE THE ELECTION LAW OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS, TO REPEAL PUBLIC LAW 5-19, AND FOR OTHER PURPOSES."

Introduced by: Benigno Fitial

Assigned to : Committee on Judiciary and Government Operations

H.B. No. 112: "A BILL FOR AN ACT TO CREATE THE COMMONWEALTH COUNCIL ON ARTS AND CULTURE AS AN INDEPENDENT AGENCY, TO RECOGNIZE IT AS THE STATE ARTS AGENCY FOR THE COMMONWEALTH, TO VACATE EXECUTIVE ORDER NO. 26, AND FOR OTHER PURPOSES."

Introduced by: Benigno Fitial

Assigned to : Committee on Resources and Development

H.B. No. 113: "A BILL FOR AN ACT PROVIDING FOR THE LICENSING OF PROFESSIONAL ENGINEERS, ARCHITECTS, LAND SURVEYORS, AND LANDSCAPE ARCHITECTS; AND FOR OTHER PURPOSES."

Introduced by: Benigno Fitial and Juan Torres

Assigned to : Committee on Judiciary and Government Operations

H.B. No. 114: "A BILL FOR AN ACT TO CREATE THE KONSIHILION HANOM LUTA AND FOR OTHER PURPOSES."

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Introduced by: Benigno Fitial

Assigned to : Committee on Resources and Development

H.B. No. 115: "A BILL FOR AN ACT TO PROVIDE FOR THE QUARTERLY MEETING OF THE LEGISLATURE OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS, TO REDUCE THE OPERATIONAL EXPENSE OF THE LEGISLATURE, AND FOR OTHER PURPOSES."

Introduced by: Juan Torres and three others

Assigned to : Committee on Judiciary and Government Operations

H.B. No. 116: " A BILL FOR AN ACT TO PROHIBIT EACH HOUSE OF A LAME DUCK LEGISLATURE FROM SPENDING MORE THAN ONE QUARTER'S ALLOTMENT."

Introduced by: Juan Torres and three others

Assigned to : Committee on Appropriations

H.B. No. 117: "A BILL FOR AN ACT TO PROHIBIT THE FURTHER IMPORTATION OF MOTOR VEHICLES WITH RIGHT HAND STEERING WHEELS, TO REQUIRE SIGNS TO BE POSTED ON MOTOR VEHICLES WITH RIGHT HAND STEERING WHEELS, AND FOR OTHER PURPOSES."

Introduced by: Juan Torres

Assigned to : Committee on Resources and Development

H.B. No. 118: "A BILL FOR AN ACT TO EXTEND THE 5% EXCISE TAX TO RAW MATERIALS IMPORTED BY GARMENT MANUFACTURERS, TO AMEND SECTION 1 OF PUBLIC LAW 3-87, TO AMEND 4 CMC SECTION 1103(c), TO REPEAL 4 CMC SECTIONS 1407 AND 1408 AND FOR OTHER PURPOSES."

Introduced by: Juan Torres and three others

Assigned to : Committee on Judiciary and Government Operations

H.B. No. 119: "A BILL FOR AN ACT TO RESTRICT THE REENTRY OF NONRESIDENT WORKERS WHO HAVE BEEN TERMINATED FOR GOOD CAUSE FROM THEIR EMPLOYMENT WITHIN THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS, TO AMEND COMMONWEALTH PUBLIC LAW 3-66, AND FOR OTHER PURPOSES."

Introduced by: Pedro Nakatsukasa

Assigned to : Committee on Judiciary and Government Operations

INTRODUCTION OF RESOLUTIONS

H.R. No. 39: "A HOUSE RESOLUTION REQUESTING THE GOVERNOR AND THE DIRECTOR OF PUBLIC WORKS TO DESIGNATE THE ROAD LEADING TO AS LITO, DANDAN AND KOBLERVILLE ROAD AS FIRST AND TOP PRIORITY FOR CAPITAL IMPROVEMENT."

Introduced by: Pedro Nakatsukasa and Juan Guerrero

Assigned to : Committee on Resources and Development

H.R. No. 40: "A HOUSE RESOLUTION RELATIVE TO REQUESTING FAMILY HEALTH PLAN (FHP) IN ESTABLISHING MEDICAL AND HEALTH INSURANCE PROGRAM FOR THOSE GOVERNMENT AND PRIVATE EMPLOYEE WISHING TO OBTAIN MEDICAL AND HEALTH INSURANCE."

Introduced by: Pedro Nakatsukasa

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Assigned to : Committee on Health, Education and Welfare

H.R. No. 41: "A HOUSE RESOLUTION REQUESTING THE GOVERNOR TO CONDUCT A STUDY AND ITS IMPLEMENTATION OF COLLECTING THE SURFACE WATER RUNOFF AT AS AGATON AND SADOG MAMIS IN TANAPAG AND I PAUPAU IN SAN ROQUE FOR ADDITION INTO THE SAIPAN WATER SYSTEM."

Introduced by: Benigno Sablan

Assigned to : Committee on Resources and Development

H.R. No. 42: "A HOUSE RESOLUTION RELATIVE TO REQUESTING THE MARIANAS PUBLIC LAND CORPORATION TO DESIGNATE AND RESERVE SUFFICIENT ACREAGE OF LAND FOR USE AS PUBLIC CEMETERY FOR THE PEOPLE OF SAN ROQUE."

Introduced by: Benigno Sablan

Assigned to : Committee on Judiciary and Government Operations

H.R. No. 43: "A HOUSE RESOLUTION TO REQUEST THE MARIANAS PUBLIC LAND CORPORATION TO TRANSFER JURISDICTION OVER THE SUGAR DOCK AND THE GARAPAN "WHARF" TO THE COMMONWEALTH PORTS AUTHORITY."

Introduced by: Ignacio Demapan and four others

Assigned to : Committee on Resources and Development

H.R. No. 44: "A HOUSE RESOLUTION EXTENDING SINCERE AND PROFOUND CONGRATULATIONS AND COMMENDATION TO ARCHBISHOP FELIXBERTO C. FLORES ON THE OCCASSION OF HIS INSTALLATION AS ARCHBISHOP OF THE ARCHDIOCESE OF AGANA."

Introduced by: Vicente Sablan and nine others

Floor Leader Nakatsukasa: Mr. Speaker, can we recess for one minute.

Speaker Sablan: If no objection from the members. . . .

Representative Fitial: No objection.

Speaker Sablan: I hereby declare a short, very short recess.

The House recessed at 2:36 p.m..

The House reconvened at 2:41 p.m..

Speaker Sablan: The session shall now reconvene. We are still under the Introduction of Resolutions, prior to recess. Any other member ready to introduce a resolution? If none, the Chair have more resolutions to introduce.

H.R. No. 45: "A HOUSE RESOLUTION EXPRESSING A MOST PROFOUND HEARTFELT CONDOLENCES TO THE FAMILY OF THE LATE THOMAS C. CRISOSTIMO OF GUAM."

Introduced by: Vicente Sablan and seven others

H.R. No. 46: "A HOUSE RESOLUTION EXPRESSING A MOST PROFOUND HEARTFELT CONDOLENCES TO THE FAMILY OF THE LATE BALTAZAR JERONIMO (B.J.) BORDALLO OF GUAM."

Introduced by: Vicente Sablan and nine others

H.R. No. 47: "A HOUSE RESOLUTION DECLARING THE MARIANAS POLITICAL STATUS COMMISSION'S ANALYSIS OF THE COVENANT AND THE NORTHERN MARIANAS CONSTITUTIONAL CONVENTION'S

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ANALYSIS OF THE CONSTITUTION TO BE, IN THE ABSENCE OF STATUTORY AUTHORITY, THE GOVERNING AUTHORITY FOR THE INTERPRETATION OF ISSUES ARISING UNDER THE COVENANT AND CONSTITUTION."

Introduced by: Benigno Fitial

Assigned to : Committee on Judiciary and Government Operations

H. Con. Res. No. 1: "A HOUSE CONCURRENT RESOLUTION APPROVING CERTAIN IDENTIFIED RESOURCES OF THE GOVERNMENT OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1985."

Introduced by: Gregorio C. Sablan (Kilili)

Assigned to : Committee on Appropriations

H.J.R. No. 8: "A HOUSE JOINT RESOLUTION REQUESTING THE UNITED STATES DEPARTMENT OF STATE TO APPEAL TO THE GOVERNMENT OF JAPAN TO BESTOW APPROPRIATE CITATIONS OF COMMENDATION TO THOSE CITIZENS OF THE NORTHERN MARIANA ISLANDS WHO WERE CALLED UPON TO SERVE AS INTERPRETERS AND OTHER PARA-MILITARY ROLES FOR THE MILITARY FORCES OF THE IMPERIAL GOVERNMENT OF JAPAN IN GUAM DURING WORLD WAR II."

Introduced by: Pedro Nakatsukasa

Assigned to : Committee on Judiciary and Government Operations

Speaker Sablan: If there is no objection from the members, I will like to place these resolutions on today's calendar.

Representative Fitial: No objection.

MESSAGES FROM THE GOVERNOR

40: Informing the House that He has signed into Law House Bill No. 83, H.D. 1, S.D. 1, entitled, "TO MAKE SUPPLEMENTAL APPROPRIATIONS FOR THE OPERATIONS AND ACTIVITIES OF THE FOURTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE AND FOR OTHER PURPOSES," into P.L. No. 4-5.

41: Appointing Mr. Edward B. Palacios to the Board of Directors of the Economic Development Loan Fund as a Representatives of the Banking Community.

Speaker Sablan: Any comments from these two Governor's Communications? Recognize Chairman John Guerrero.

Representative Juan Guerrero: Thank you Mr. Speaker. On the last session we passed the Governor's Communication No. 40. This is now Public Law 4-5. I will like to remind this Body Mr. Speaker, under that particular bill, House Bill No. 83, we repealed a section of the Commonwealth Code, Title I, Section 7708 B. I like to request that this House should enact another law putting that back into place because of the seriousness, by repealing that section, Mr. Speaker, the seriousness imposed within our Government is like taking away a management in a business, one that is running the business and putting somebody who does not know how to operate a business. This provision Mr. Speaker, protects abused mismanagement of funds, particularly, incurring obligations from previous years, or the same year, and being paid in the following fiscal year. Mr. Speaker, I do not know if this Body will be doing any more of this kind of action, but if we make laws and the following legislature comes in and change the law again, we are not consistent in the process of what we are elected for. We are suppose to protect the interest of the Northern Marianas. The people itself. The money. Section B of that provision violates all the rules of the fiscal management. How can we determine how much obligations our government has or would incur, now and then, without appropriating those

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obligations the following year after we have budgeted and appropriated funds for those particular expenditures. How can we justify these. How can we obligate now and then without submitting an appropriation to cover for those obligations. We can take the money for those items that have been obligated the following fiscal year and pay for those obligations in the past fiscal year. That I cannot never understand, and we should not allow this type of action by this House. Mr. Speaker, this particular section in this Planning and Budget Act is the backbone, it is the safeguard of that Planning and Budget Act. I do not see any reason why we have to have a Planning and Budget Act if we take this out. Therefore, Mr. Speaker, I urge that this House should take immediate action. Thank you.

Representative Gregorio Sablan: Thank you very much Mr. Speaker. Mr. Speaker, during our 6th Special Session, on April 24th, I also brought that point to the House and what we passed that day, the Repealer Section of House Bill No. 83 was in a sense, just like our Chairman in Appropriations has stated, has taken out a vital organ of the Planning and Budgeting Act. It took the Legislature and the Executive Branch with considerable assistance from Federal Officials, six years to put together a Planning and Budgeting Act that works for the best interest of the Government of the Northern Marianas. Mr. Speaker, the Planning and Budgeting Act was taken in a day's action by the Legislature to strike that particular section, and I do agree with our good Chairman of Appropriations that in the very near future, Mr. Speaker, I think we should put that provision back because it is indeed a very vital part, a vital organ in the business of the Planning and Budgeting Act within the basic techniques of safeguarding the Commonwealth's resources.

On another item Mr. Speaker, I am glad with the appointment of Mr. Palacios to be made a Director of the EDLF. I think, at this point in time, EDLF has now, in their Board of Directors, five locals and one expatriates. It is no secret that Members of this Legislature has in the past criticizes EDLF greatly for its lack of sensitivity in the needs of the local businessman. I now hope that local board members become more sensitive to the needs of local borrowers, Mr. Speaker, because it is true, they are getting a rough time from the Economic Development Fund. Thank you very much.

Representative Fitial: I just want to ask for an enlightenment Mr. Speaker, concerning the Repealer Section of House Bill No. 83, which is now Public Law 4-5. Under Public Law 4-5, if I may ask Mr. Speaker, was that law of the Planning and Budgeting Act for that matter, authorize the obligation of public funds for the payment of, let us say medical referral, or bills that were incurred in previous fiscal years?

Representative Gregorio Sablan: Yes.

Representative Fitial: May I be enlighten?

Speaker Sablan: May I ask the Chairman of the Appropriations to respond to the question.

Representative Juan Guerrero: I believe the intention or the argument that was used by the Senate, Representative Fitial, basically, that was the only thing, the intention of the Repealer was to accomodate the need of the medical referral. However, this section is not specific that it is only for medical referral, this encumbers areas such as the Mayors Office. It gives power to any chief directors, or any individual in the government entity who has the power to obligate funds this year and be pay out in the upcoming fiscal year. This provision, basically, let me quote Section D, "No funds appropriated pursuant to annual appropriations act or available in the fiscal year pursuant to Section 7204 B shall be expended to liquidate and liquidated obligations of a prior fiscal year unless an appropriation has expressly provided for such an expenditure." Still, it just

Representative Fitial: I understand. Well, if medical referral seems to be the key issue concerning this particular session, then perhaps we should enact a legislation that would specifically address the problem of medical referral regarding payment of previous fiscal years bills, because every year we will be face with this problem. You know, medical referral bills of 1980 are now being settle by the government.

Representative Gregorio Sablan: Mr. Speaker.

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Speaker Sablan: Will you yield the floor?

Representative Fitial: I yield. . . .

Representative Gregorio Sablan: In that case Mr. Speaker, we can leave this section, this particular section as law and through an appropriation measure, pass, appropriate money or outstanding obligations of, say medical referral bills notwithstanding the provisions specifically mentioned by the authority. What will happen Mr. Speaker, this is the problem. A classic example will be, we have to say Carlos Camacho comes in as the First Governor, then Pedro Tenorio comes in as the Second Governor, now what is being discuss nowadays is the chance that Carlos S. Camacho will be running for office. Supposedly, he walks in as the Third Governor, and pay those bills he incurred during his first terms of administration that the second administration has refused to pay, is that good management? We do not have a money machine back in our back rooms. That is the protection there, and that, we just threw away. We threw it away. That protection is probably not the only crucial matter in the Planning and Budgeting Act, but it is a very vital part of the mechanism.

Representative Fitial: Mr. Speaker, if I may, I think the government is liable to pay, you know, its bills, and it should pay all its bills regardless who the governor may be. I do not think the bills of the Government should be base on who is running the government.

Representative Gregorio Sablan: Mr. Speaker, if the bills, say if the Speaker of the House were to go out there and make a contract on its own name, his own committment

Representative Fitial: No, I am referring to medical referral bills.

Representative Gregorio Sablan: Well, but with the existing law there is

Representative Fitial: That is why I am proposing Mr. Speaker that we should take legislation to take care of the medical referral problems.

Representative Juan Guerrero: Mr. Speaker, if I may, on my recent trip to Washington, D.C., there was a meeting between the Delegation from the Northern Marianas regarding the medical referral with the Pentagon, Department of Defense. I hope, hopefully that it would be soon resolve, since it was requested that those obligations will be forgiven. I believe, for the records, we are not the only entity that are in this situation on this medical referral, for that matter. The other entities are the districts. . . .

Representative Fitial: Micronesia.

Representative Juan Guerrero: I believe that we should enact a legislation to protect the medical referral in that event. I do not think we should take a measure and screen everything off just for the purpose of medical referral. Even though it is important, still by taking provision out is taking the safeguard provision.

Representative Fitial: Mr. Speaker, lastly, I would also like to speak on Message No. 41, EDLF. This program has been a total disappointment, especially to the Carolinian Community here in Saipan. I would like to ask the Committee on JGO to investigate the loan that was recently awarded to an outsider, something to do with a boat. I think we have to tell EDLF Board that EDLF should be reserve for local residents and not for outsiders.

Speaker Sablan: Would that be directed to the JGO? Or to the R&D?

Representative Fitial: Whoever the investigating committee. . . .

Representative Juan Guerrero: Mr. Speaker, I will like to endorse that statement made by Representative Fitial. I think the entire staff and mostly, I will like to blame the Board of EDLF, out of the seven, probably only three are competent. The others, I do not know if they have any brains on their shoulders, but the decision that they have been making are outrageous.

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Representative Fitial: Obnoxious. . . .

Representative Juan Guerrero: Not only obnoxious Mr. Speaker, but I do not think they know how to give or evaluate the loan applications for that matter. I do not see why they will restrict a local person when the securities of lands on the same person, or company that was referred that was given the \$300,000.00 loan, I do not know what collateral this people came up with. So why put the hardship on the local businesses and give the privilege to an outsider. For that matter, I do not think that giving that boat for tourist purpose is going to justify the loan.

Representative Fitial: Mr. Speaker, if I may, if the Legislature can do something, maybe we should change the name EDLF to LEDLF, Local Economic Development Loan Fund. (Laughter).

Representative Gregorio Sablan: Mr. Speaker, I think in other matters in our meeting with the Economic Development Loan Funds, there are lots of "ifs," and there are lots of "I don't know sir," to be honest. It is because EDLF has not open its door so that we can review what they are doing. For what it matters, I do not know if the Speaker or the Chair still get the copy of their minutes. . . .

Speaker Sablan: No, I never get it.

Representative Gregorio Sablan: They use to give it to the Third Legislature, all of a sudden they stop. Economic Development Loan Fund was the only, Mr. Speaker, the only opponent to the open government loan. They went on record opposing open government loan. That is because they do not want to open their doors. I cannot make judgement that the members, some of the members are incompetent, because I do not know what their judgements are. How can we make judgement on them if we do not know what they are judging on. Some of their decisions which in my opinion are wrong, some of their decisions are probably right. There is too many "ifs" because we do not know, because they refuse to open their doors to even the policy makers of the Commonwealth Government, to the Legislature. For that matter, the Chair, why did they stop giving a copy of their minutes to the Speaker of the House. They gave copies to the Third Legislature. Maybe they like Representative Fitial and they do not like you. I mean, that is not the way to run a government.

Representative Fitial: They did? (Laughter)

Representative Gregorio Sablan: No, to be very honest, it is.... I yield to make this announcement, at this point in time Mr. Speaker. (Laughter). It is true EDLF is getting a lot of bad names. I hope that with the addition of another member, a local member, that an equal amount of rough time is given out to all borrowers, not just to the locals. Mr. Speaker, local in my definition is someone who can own land in the Marianas. Everyone else is an alien. I do not care if they are from Mars, Venus, or the United States. (Laughter). Thank you very much.

Representative Lifoifoi: Mr. Speaker, in line of Ben's statement, the biggest concern will be the high delinquencies in the EDLF, to look into. Now, I do not know the company that was granted a loan, but if that is a good venture and might generate more money, revenue for our government, why castigate the company. Why don't we look into our local people that are delinquent in paying the EDLF. Mr. Speaker, I know for a fact that there are big delinquencies in EDLF. Investigations should look according to the delinquencies.

Representative Fitial: Point of information to the members. The Speaker and I are members of the coordinating group in the Public Auditors Act, and the Speaker and I attended a meeting the day before yesterday. . . .

Speaker Sablan: Yesterday.

Representative Fitial: Yesterday, and we have asked the Public Auditor to look into the loan that was given out to Pellegrini. Not only that, we are also concern about the high delinquencies to date, and that we have asked also the Public Auditor to also help out in recommending EDLF in order to collect the delinquencies in the program.

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Representative Juan Guerrero: Mr. Speaker, my statement will stand on itself. I still think that out of the seven members, three only are people that know how to make judgements. They do follow criteria, policy set forth in giving loans. I sympathize with the local businesses. The whole purpose of EDLF is to help economic development, locally. I would stand corrected if any person walks into that office with enough collateral, and if the business venture he is applying for, or get the loan for, is in all sense well presented and well documented with all the research material attached to it, then I do not see why he should be denied. But for an outsider to come and to say that he can do tourism business out here, Mr. Speaker, I am related to tourist company, and I am not trying to say that we should not give the money, but I do not think it will be feasible because in this day and age, if you do not have the connection in Japan for tourist business, you can kiss your business goodbye. They decide who they want to give, not EDLF or whoever the Board of Directors are. We are dealing with EDLF, and that EDLF is Economic Development Fund. I want it given to people that have the courage to go and borrow \$1 million for that matter. That does not mean that you have to pay it back, but if you have enough collateral the loan is paid in itself. That is one thing that EDLF is not doing. They are just sitting back on their butts. They are waiting for people to walk in. This is not the kind of program we need. The kind of program we need is for them to go out, go after these businesses that they have given money to, and are not doing well, and help them out more. Bring in technical people, management people. This is EDLF. EDLF is not just money function. So I believe that EDLF should be investigated because I do not know if they know what they are doing.

Representative Benigno Sablan: Thank you Mr. Speaker. Before I move to end debate, since you and my good colleague Fitial have met yesterday, in regards to this case, I think you have focused your attention primarily on the Public Auditors. I think that would be the appropriate office to conduct the investigation, provided however, that either Resources and Development Committee or the Judiciary and Government Operations Committee write them a letter, or specifically from your office.

Representative Gregorio Sablan: Ready.

DEPARTMENTAL COMMUNICATION

None

SENATE COMMUNICATION

None

PETITIONS, MEMORIALS AND COMMUNICATIONS

- 37: From the Managing Director, MVB, Mr. Jesus M. Guerrero, submitting a Management Report for the months of March and February, 1984.
- 38: From Chief Judge, Robert A. Hefner, submitting proposed amendment to Rule 30(4), Rules of Civil Procedure Pursuant to 1 CMC 3403 which will provide an expedited procedure for taking desposition by other means than stenographic.

Speaker Sablan: Any comments from these two Miscellaneous Communications?

REPORTS OF STANDING COMMITTEE

- 4-11: Reporting on House Joint Resolution No. 3, "DECLARING THE MARIANAS POLITICAL STATUS COMMISSION'S ANALYSIS OF THE COVENANT AND THE NORTHERN MARIANAS CONSTITUTIONAL CONVENTIONS'S ANALYSIS OF THE CONSTITUTION TO BE, IN THE ABSENCE OF STATUTORY AUTHORITY THE GOVERNING AUTHORITY FOR THE INTERPRETATION OF ISSUES

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ARISING UNDER THE COVENANT AND CONSTITUTION." J.G.O. Committee. (Your Committee recommends for its table.

Representative Gregorio Sablan: Can we refrain our good Chief Clerk from reading the Standing Report.

Speaker Sablan: If there is no objection from the floor, rather than having the Clerk read all the communications, we can pause for a few minutes and if there are any members that have any particular comments, or particular interest to any of these communications, please raise your hand for recognition.

4-12: Reporting on House Bill No. 10, entitled, "TO REVISE THE ELECTION LAW OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS, TO REPEAL PUBLIC LAW 5-19 AND FOR OTHER PURPOSES." (Your Committee on J.G.O. recommends for its passage as amended)

4-13: Reporting on House Bill No. 30 entitled, "TO REPEAL SECTION 3 (i) OF PUBLIC LAW 1-9; TO AMEND SECTION 209 OF PUBLIC LAW 3-43; TO AUTHORIZED TO USE THE COVENANT TRAINING FUND, SECTION 702 (a) OF THE NORTHERN MARIANAS COVENANT, IN THE TRAINING OF EMPLOYEES OF BOTH PUBLIC AND PRIVATE SECTORS; AND FOR OTHER PURPOSES." (Your Committee on J.G.O. recommends passage with amendments).

4-14: Reporting on House Bill No. 37 entitled, "RELATIVE TO DISCLOSURE OF ACTIVITIES OF PRIVATE PERSONS SEEKING TO INFLUENCE PUBLIC POLICY." J.G.O. Committee.

4-15: Reporting on House Bill No. 39 "TO ESTABLISH THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS PROGRAMS, POLICIES AND PROCEDURES FOR RELIEF FROM THE EFFECTS OF DISASTER, AND TO ESTABLISH THE COMMONWEALTH EMERGENCY MANAGEMENT OFFICE, AND FOR OTHER PURPOSES." (Your Committee on J.G.O. recommends passage).

Representative Gregorio Sablan: Thank you very much Mr. Speaker. I have a question on Committee Report 4-12. If I may, may I direct it to our good and hard working Chairman in the Judiciary and Government Operations Committee. May I

Speaker Sablan: Yes.

Representative Gregorio Sablan: Yes, I have a question Mr. Speaker on the Committee Report, its Committee Findings. On its final sentence, "The recommended changes reflected in the bill itself for the convenience of the members." I ask that this sentence be stricken out. I am a member of the Committee and I am not serving as a convenience, Mr. Speaker. More particularly, I am the only member who submitted a written comments on the bill. The only member in this House, and I hope that this is not reflected to those comments I submitted.

Speaker Sablan: Is there any objection from the members to strike out

Representative Benigno Sablan: Mr. Speaker, thank you. I have no objection to strike it out from the Committee Report the entire sentence.

Representative Gregorio Sablan: Thank you very much Mr. Chairman.

Speaker Sablan: Will the members please take a note of that and cross the last sentence out. Further comments from any of this Standing Committee Reports?

Representative Gregorio Sablan: Can we have a short recess Mr. Speaker.

Speaker Sablan: Let us have a short recess.

The House recessed at 3:12 p.m..

The House reconvened at 3:21 p.m..

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Speaker Sablan: The session shall now reconvene. Prior to recess we were under the Reports of Standing Committees.

REPORTS OF SPECIAL AND CONFERENCE COMMITTEE

None

UNFINISHED BUSINESS

None

RESOLUTION CALENDAR

H.R. No. 44: "A HOUSE RESOLUTION EXTENDING SINCERE AND PROFOUND CONGRATULATIONS AND COMMENDATION TO ARCHBISHOP FELIXBERTO C. FLORES ON THE OCCASSION OF HIS INSTALLATION AS ARCHBISHOP OF THE ARCHDIOCESE OF AGANA."

Floor Leader Nakatsukasa: Mr. Speaker, I move for the adoption of H.R. No. 44 on its first and final reading.

There were several seconds to the motion.

Speaker Sablan: Discussion.

Representative Gregorio Sablan: Privilege Mr. Speaker.

Speaker Sablan: Recognize. State your point of privilege.

Representative Gregorio Sablan: Yes. If there is no objection, could we go back to Item 9 in our Order of Business so that we can suspend the requirement of written committee reports for resolution, please.

Speaker Sablan: If there is no objection from the floor

Representative Fitial: No objection.

Speaker Sablan: I guess we over looked this

Representative Fitial: Human error.

Speaker Sablan: Recognize Representative Sablan to effectuate the motion. Or the Floor Leader

Floor Leader Nakatsukasa: Thank you Mr. Speaker. I move that all pertinent rules and regulations that covers this be suspended.

Speaker Sablan: I think the specific rule is Rule 7, Section 8. Discussion on the motion.

Representative Gregorio Sablan: Ready.

The motion to suspend Rule 7, Section 8 for Resolution Nos. 44, 45, and 46 was carried by voice vote.

Speaker Sablan: Now the motion is in order to adopt Resolution No. 44, and at this time I will recognize the Floor Leader again to reinstate his motion.

Floor Leader Nakatsukasa: So move Mr. Speaker.

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Representative Gregorio Sablan seconded the motion.

Speaker Sablan: Discussion.

Representative Gregorio Sablan: Yes, Mr. Speaker, on line 3 of House Resolution No. 44, page one, "is the first citizen of," can we put Micronesia Mr. Speaker?

Speaker Sablan: What page is that?

Representative Gregorio Sablan: Page one.

Speaker Sablan: Line what?

Representative Gregorio Sablan: Line three. Can we put Micronesia Mr. Speaker? "First resident of Micronesia." To be very honest, there's two things here: First, Bishop Flores is a Citizen of the United States of America, not a citizen of Guam. He is a resident of Guam, and he is also a resident of Micronesia, who is the Archbishop of the Diocese of Agana, which includes the Northern Marianas and the entire Micronesia and some other South Pacific Nations. Mr. Speaker, I have a written amendment here. If there is no objection, Mr. Speaker

Speaker Sablan: To change "Guam."

Representative Gregorio Sablan: Yes. In fact, change it, instead of Guam, "the first Micronesian."

Representative Pedro Guerrero: I second that motion.

Representative Gregorio Sablan: Strike out the words, "Citizen of Guam," and insert in the word, "Micronesian."

Representative Pedro Guerrero: I second that motion for the second time.

Speaker Sablan: To substitute it with the word, "Micronesian." Right?

Representative Gregorio Sablan: To substitute the word, "Citizen of Guam," with the word, "Micronesian."

Speaker Sablan: Micronesia?

Representative Gregorio Sablan: "N," Micronesian. "First Micronesian." (Laughter). Strike out the words, "Citizen of Guam."

Speaker Sablan: Can you put that into a motion?

Representative Fitial: I think that is politically unacceptable.

Representative Juan Guerrero: Mr. Speaker, his appointment is covering the whole diocese of the entire area. Just like, to give you an example, the Archdiocese of New York covers New Jersey and the surrounding areas.

Representative Gregorio Sablan: The point here is that Micronesia is a regional geographical area. Guam is a part of Micronesia. Guam is not a part of the Trust Territory of the Pacific Islands. Guam is a Micronesian Island.

Representative Fitial: No, because they have Bishop of the Caroline Islands.

Representative Gregorio Sablan: Yes, but Bishop Flores is the first Micronesian to ever be appointed to such a high church office, to ever be appointed to become an Archbishop, because Bishop Neylon, was never appointed an Archbishop. That is the phrase here.

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Speaker Sablan: I think his appointment covers the entire region

Representative Fitial: I think to be very safe Mr. Speaker, to just say, "the first Guaminian."

Representative Gregorio Sablan: Wait because he is also a Filipino. (Laughter)

Representative Fitial: I mean to be very safe, in all honesty.

Speaker Sablan: Let us have a short recess.

The House recessed at 3:27 p.m..

The House reconvened at 3:33 p.m..

Speaker Sablan: The session shall now reconvene. Prior to recess we were discussing House Resolution No. 44, and may I recognize the Floor Leader now.

Floor Leader Nakatsukasa: Mr. Speaker, I have some questions on the sixth "Whereas," and seventh "Whereas." My question from the sixth "Whereas," to make it clear that Chamorro people, the highest religious positions in the Catholic faith within the Marianas Community," and going down to the seventh "Whereas," I will like to call your attention to line 16. In my personal opinion, this line is very discriminatory because the Marianas covers the area from Guam to Maug. (Laughter) To put here Chamorro, Mr. Speaker, will discriminate the Carolinian brothers and sisters. If there is no objection, we should include, "and also preserved the heritage and culture of the Chamorro and Carolinian people." We are only concern with Marianas. We have to define the words, "Marianas and the culture," in here. I do not think we are jiving at this time because we are discriminating the Carolinians.

Representative Gregorio Sablan: There is no objection Mr. Speaker.

Representative Benigno Sablan: I have heard that Chamorro and Carolinian word bastardize. I think we could combine it now to say "Chamolinian." (Laughter)

Representative Fitial: That is exactly the bastardize form. (Laughter)

Representative Gregorio Sablan: Mr. Speaker, I do agree with our good Floor Leader and I ask also that the Clerk be authorize to include the word, "and Carolinian," before the word "people," on line 16.

There were several seconds to the motion.

Representative Pedro Guerrero: Is that to read, "and culture of the Carolinian and Chamorro People?"

Floor Leader Nakatsukasa: "Culture of the Chamorro and Carolinian People."

Representative Pedro Guerrero: Okay. I stand corrected. (Laughter)

Representative Gregorio Sablan: And I ask that we end discussion Mr. Speaker.

Representative Fitial seconded the motion and the motion to end discussion on House Resolution No. 44, carried by voice vote.

House Resolution No. 44 was hereby adopted with the changes and carried by voice vote.

Speaker Sablan: House Resolution No. 44 is hereby adopted with the changes. Further resolution Clerk?

H.R. No. 45: "A HOUSE RESOLUTION EXPRESSING A MOST PROFOUND HEARTFELT CONDOLENCES TO THE FAMILY OF THE LATE THOMAS C. CRISOSTIMO OF GUAM."

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Floor Leader Nakatsukasa: I move for the adoption of House Resolution No. 45.

There were several seconds to the motion.

Speaker Sablan: Discussion. Floor Leader

Floor Leader Nakatsukasa: Mr. Speaker, may God bless the late Thomas C. Crisostimo. Mr. Speaker, I am beginning to raise concern because I recall that there are a lot people here in Saipan who has served in churches, very active in churches, and sometimes they serve in the Municipal Council, but we felt to recognize those people. I cannot believe why Mr. Crisostimo is different from Mr. Aldan who passed away two months ago. You know Mr. Speaker, since we already indulge the passage of this resolution, but I will like to caution my colleagues. I think we should be more concern with our people who served our island. I have never seen a resolution passed to express sympathy and condolence to the late Ignacio Villagomez. We failed to recognize the guy. Why? Why is Mr. Crisostimo so special that even we have to pass this on this Special Session.

Speaker Sablan: Well, first of all Floor leader, it does not prohibit any member to come up with a resolution to introduce. . . .

Floor Leader Nakatsukasa: My good Speaker, my concern is not by giving me to come up and introduce a resolution. We should recognize Mr. Speaker our people first. I have never heard of anything that the late Mr. Crisostimo did for the people of Saipan, and I can recall that perhaps he is one of the guy that voted against the tuition scholarship in Guam. Now, we turn around and try to support this. I will support the passage Mr. Speaker, but I will just like to remind my good colleagues that this will be the first and the last. Thank you.

Representative Gregorio Sablan: Mr. Speaker, I refrain from pulverizing the issue made on the late Mr. Crisostimo. I agree with my good colleague about his service to us. I have two things here. I think it is proper to inform the House that the late Senator Crisostimo was indeed an active participant in extending the resident issue for the Citizenship of the CNMI, contrary to what he had stated. Number two, Mr. Speaker, I am just amazed that someone at the age of forty-three will be stricken by a severe heart attack and die instantly. This is something that we should all consider. We are all just above forty-three years old. (Laughter) After I sat back, as I read the paper Mr. Speaker, not only Mr. Crisostimo, but other deaths, at the age of forty-three, a fine man, and to be stricken by a heart attack. I am taking into consideration that some of us think we know a lot, but have we ever turn around and ask ourselves how much we do not know? It creates a whole new aura of things. I am profoundly sadden Mr. Speaker, that Mr. Crisostimo died. He was a family man. He has his wife and children. I ask my colleagues, including my good Floor Leader to kindly support the resolution so that we can join in expressing our condolences. Thank you very much.

Representative Fitial: I move to end debate.

Representative Gregorio Sablan seconded the motion.

Speaker Sablan: Ready?

Representative Juan Guerrero: Ready.

House Resolution No. 45 was hereby adopted by voice vote.

H.R. No. 46: "A HOUSE RESOLUTION EXPRESSING A MOST PROFOUND HEARTFELT CONDOLENCES TO THE FAMILY OF THE LATE BALTAZAR JERONIMO (B.J.) BORDALLO OF GUAM."

Floor Leader Nakatsukasa: Mr. Speaker, I move for the adoption of House Resolution No. 46.

Representative Fitial seconded the motion.

Speaker Sablan: Discussion.

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Representative Fitial: Ready.

House Resolution No. 46 was hereby adopted on its first and final reading by voice vote.

Speaker Sablan: Further resolution Clerk?

Chief Clerk: None Mr. Speaker.

BILL CALENDAR

Speaker Sablan: There is an oversight here. The Clerk apparently did not type in the bills that were to be calendared on first reading. So with your indulgence, I will like the Clerk to first call the numbers of the bills in sequence. Bills scheduled for first reading.

H.B. No. 10: "TO REVISE THE ELECTION LAW OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS, TO REPEAL PUBLIC LAW 5-19 AND FOR OTHER PURPOSES."

Floor Leader Nakatsukasa: I move for the passage of House Bill No. 10 in its first reading.

Representative Gregorio Sablan seconded the motion.

Speaker Sablan: Discussion.

Representative Gregorio Sablan: Mr. Speaker, amendments are usually stated on the second reading, however, Mr. Speaker, I move at this point in time to amend House Bill No. 10, H.D. 1. May the Clerk read the amendment Mr. Speaker? This will also give the members time to consider the amendment for its second reading.

Speaker Sablan: Let us have a short recess until copies are distributed.

The House recessed at 3:45 p.m..

The House reconvened at 3:48 p.m..

Speaker Sablan: The session shall now reconvene. Prior to recess we were discussing H.B. No. 10 on its first reading. Further discussions on the bill?

Representative Gregorio Sablan: Yes. Mr. Speaker, are we discussing H.B. No. 10?

Speaker Sablan: As amended.

Representative Gregorio Sablan: We have discussed that once already.

Speaker Sablan: Yes.

Representative Gregorio Sablan: So may I move that the amendments be

Speaker Sablan: As amended by the committee.

Representative Gregorio Sablan: Mr. Speaker, we are considering H.B. No. 10, H.D. 1.

Speaker Sablan: That is incorporating.

Representative Gregorio Sablan: Incorporating the committee amendments?

Speaker Sablan: That is correct.

Representative Gregorio Sablan: Mr. Speaker I move that the floor amendments I offered be submitted.

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Speaker Sablan: We have to adopt this first, then we will come back and offer that motion for your amendments.

Representative Fitial: Do we have a standing motion?

Speaker Sablan: No standing motion. We are still discussing.

Representative Gregorio Sablan: The motion is H.B. No. 10 be pass?

Speaker Sablan: Right, but we are discussing it.

Floor Leader Nakatsukasa: But on top of the motion, as it is, it is already incorporated in the passage with the amendments. That is included. I made a motion for the passage of H.B. No. 10 with the amendments on its first reading.

Representative Fitial: If I may, Mr. Speaker, for the record, I will like to move for the passage of H.B. No. 10 as amended by your Committee on Judiciary and Government Operations.

Floor Leader Nakatsukasa: Question. Which motion for passage now should we take. My motion or the motion raise by Congressman Fitial.

Speaker Sablan: That is a similar motion.

Floor Leader Nakatsukasa: Regardless of the similarity Mr. Speaker, but we are going by rules and procedures. You will have to recognize my motion first.

Speaker Sablan: Okay. Why don't we go back and have the Floor Leader reinstate his motion, please.

Floor Leader Nakatsukasa: My motion was very clear. I move for the passage of H.B. No. 10 with its amendments.

Speaker Sablan: With the amendments proposed by the Committee.

Representative Fitial seconded the motion.

Speaker Sablan: Discussion. Now we are discussing it.

Representative Pedro Guerrero: Mr. Speaker, can somebody educate me. What is the difference between a motion to pass and a motion to adopt.

Floor Leader Nakatsukasa: The passage is for bills, and the adoption is for resolution.

Representative Juan Guerrero: Order of question.

Representative Gregorio Sablan: I'm I in order now to propose an amendment?

Representative Juan Guerrero: Out of order.

Representative Gregorio Sablan: We are discussing

Speaker Sablan: I think we are in order.

Representative Gregorio Sablan: Mr. Speaker, at this point in time, I move that the floor amendments I have offered

Representative Francisco Cabrera: Once we pass, any member can

Speaker Sablan: Yes, can go back.

Representative Francisco Cabrera: Once we pass, they have to legislate the amendments.

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Speaker Sablan: Yes. That is correct. So you are in order to offer the motion for your proposed floor amendments.

Representative Gregorio Sablan: Mr. Speaker, at this point in time, with the indulgence of my good colleagues, I move that my floor amendments be pass.

Representative Fitial seconded the motion.

Speaker Sablan: Discussion on the floor amendments.

Representative Gregorio Sablan: Yes Mr. Speaker. May I please. Presently Mr. Speaker, the existing Public Law 5-19 and our current Election Law Mr. Speaker, House Bill No. 10, H.D. 1, incorporates the candidates for the gubernatorial candidates. Candidates for the Office of the Mayor. Candidates for the Washington Representative. Candidates for members of the Senate, and the House. Most specifically, candidates for the governor which requires 5% or 150 signatures, whichever is less. I think Mr. Speaker, we should take this and increase this number so that candidates in the first place becomes real candidates. I mean at present, Mr. Speaker, one can be a candidate for governor, who is 35 years and had 150 signatures. The Office of the Chief Executive of the Commonwealth Mr. Speaker, as I take it, requires more support from electorates than 150 signatures. So I am proposing here Mr. Speaker that it be 15% or 1,000 signatures, whichever is greater of the registered voters within each senatorial district in the last general election. That gives each gubernatorial candidates two years time to gather the required signatures. I feel Mr. Speaker the candidates for governor should have at least two years time to seriously consider the responsibility of taking over that office. I think 150 signatures is a little bit shy of the required in popularity. If you look at it once again Mr. Speaker, I am extending the same amendments to independent candidates. In fact, more because it does not have the support of the political party under an established or in the case of H.B. No. 10, of a recognized political party. The independent candidates is duly required to put in 25% or 1,500 signatures, which ever is greater, which in each senatorial district in the last election. I am further amending H.B. No. 10, H.D. 1, to reflect that candidates of the Senate and the House be required to put in 10% or 500 signatures. In the case of a senator, 10% and 250 signatures and in the case of a representative, which ever is less. The difference here Mr. Speaker is that there is fifteen slots for the House, and nine in the senate. Twenty-four slots, and that some people do, as we are all aware since we have all been candidates, who will have a chance of making up their minds very close to election time. It is the flexibility there for an individual to decide Mr. Speaker, at the last minute, whether to run or not. Mr. Speaker, in the case of our good colleague from Tinian, is 10% or 250 signatures, which ever is less. So is the registered voters in Tinian at the last election Mr. Speaker, is 533, all he needs is 64 signatures.

Speaker Sablan: As long as the less is there.

Representative Gregorio Sablan: For the legislature Mr. Speaker, I think it could be less. For the House in this matter, 250 signatures or 10%, which ever is less. I have taken into account the conditions of the number of electorates in each particular election district. Some of us would notice Mr. Speaker, yes, we were candidates even before the conventions, some of us were really, you know, half way there. We were not fully committed to the fact that we were running for office. However, Mr. Speaker, in the case of the Governor, the positions of the Governor, and the Lieutenant Governor, I think they should be required that they start seriously becoming full time candidate two years in advance. The same thing is being addressed here to the Office of the Mayor, that at least 10% or 500 signatures. Again, which ever is less. I ask my good colleagues to seriously consider the amendments. I think on page 4 inside, it is worth looking into it than just a glance. I am amendable to the fact that we place the amendments under Unfinished Business and that when we consider the bill on its second reading, each would have review the matter and then each put in our input. But I ask my colleagues to seriously consider the amendments I have proposed today.

Speaker Sablan: Can you put that into a motion?

Representative Gregorio Sablan: Yes. Mr. Speaker, I move that the amendments I have offered

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today be put under Unfinished Business to be consider in our next session.

There were several seconds to the motion and the motion carried by voice vote.

Speaker Sablan: The floor amendments offered by Representative Greg Sablan will be placed on second reading for consideration.

Representative Gregorio Sablan: At this point in time, I move that we pass House Bill No. 10, H.D. I, on its first reading.

There were several seconds to the motion and the motion carried by voice vote. House Bill No. 10, H.D. 1, passes the House on its first reading.

H.B. No. 30: "TO REPEAL SECTION 3(i) OF PUBLIC LAW 1-9; TO AMEND SECTION 209 OF PUBLIC LAW 3-43; TO AUTHORIZED TO USE THE COVENANT TRAINING FUND, SECTION 702 (a) OF THE NORTHERN MARIANAS COVENANT, IN THE TRAINING OF EMPLOYEES OF BOTH PUBLIC AND PRIVATE SECTORS; AND FOR OTHER PURPOSES."

Floor Leader Nakatsukasa: Mr. Speaker I move for the passage of H.B. No. 30 on its first reading.

Speaker Sablan: As amended by the Committee?

Floor Leader Nakatsukasa: Yes.

Representative Fitial seconded the motion.

Speaker Sablan: Discussion.

Representative Fitial: Ready.

Representative Gregorio Sablan: Yes, I have a question. Section 3 here Mr. Speaker, to be amended, to put in the word "restriction." Is this deleting the section on "authorization?"

Representative Benigno Sablan: What line is that?

Representative Gregorio Sablan: Well, if you look at the Committee Report, the amendment reads "restriction," Section 3. Is this in lieu of Section 3, "authorization?" Or does the "authorization," section becomes Section 4, and "administration," becomes Section 5?

Representative Benigno Sablan: That is correct.

Speaker Sablan: Is that clear?

Representative Gregorio Sablan: Or is Section 3 to become a section in lieu of "authorization?"

Speaker Sablan: Let us have a short recess to clarify this.

The House recessed at 4:03 p.m..

The House reconvened at 4:04 p.m..

Speaker Sablan: The session shall now reconvene. We are still discussing H.B. No. 30 as amended by the Committee. I will like to recognize Representative Greg Sablan to clarify your concern prior to recess.

Representative Gregorio Sablan: I think the good Chair on JGO has clarified that Section 3 would now be a "restriction," section. Section 4 will be an "authorization," section. Section 5 will be an "administration," section, and Section 6 will be the "effective date." At this point in time Mr. Speaker, I move that we pass H.B. No. 30.

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Speaker Sablan: Before I recognize that, Representative Fitial is raising his hand. May I recognize him first.

Representative Fitial: What happens to Section 2.

Representative Gregorio Sablan: Still there.

Representative Fitial: And Section 2, according to the new Section 3, there should be some funds authorized or appropriated under Section 2.

Speaker Sablan: Yes. Section 3 will cover that, funds authorized and appropriated.

Representative Benigno Sablan: That will be Section 3.

Representative Gregorio Sablan: Section 3 is "restriction." It should be followed by Section 4.

Speaker Sablan: I mean the original Section 3.

Representative Benigno Sablan: It will now be Section 4.

Representative Gregorio Sablan: Mr. Speaker, may I ask that the Chair reflect a new bill when we put this

Speaker Sablan: Yes, on the second reading. I think that will be best to clear this up on the second reading. The proposed committee amendments will be a new Section 3, and the original Section 3 becomes Section 4 and we have to renumber all subsequence sections accordingly.

Representative Fitial: The new Section 3 refers to Section 2. If you are referring to "authorization," in Section 2, "authorization," will now become Section 4.

Speaker Sablan: Yes. Pursuant to section, probably Section 4. Right?

Representative Gregorio Sablan: Mr. Speaker, I move that we place this bill in Unfinished Business for changes and consideration on the next legislative session. I think what we have here Mr. Speaker is that the

Representative Fitial: I am only questioning the reference that are under the new section. The new section is "restriction," and the reference made under the new section, is Section 2.

Speaker Sablan: Right.

Representative Fitial: That is explaining that "authorization," will become Section 4, then Section 2 is no longer a true reference, or a direct reference.

Representative Benigno Sablan: No longer a direct reference.

Speaker Sablan: I suggest that we defer this until our next session if there is no objection from the Chairman.

Representative Benigno Sablan: No objection Mr. Speaker.

Speaker Sablan: Any objection from the members?

Representative Fitial: No objection.

Speaker Sablan: So H.B. No. 30 is hereby deferred back to Unfinished Business for further clarifications and corrections on the measure.

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H.B. No. 37: "RELATIVE TO DISCLOSURE OF ACTIVITIES OF PRIVATE PERSONS SEEKING TO INFLUENCE PUBLIC POLICY."

Floor Leader Nakatsukasa: I move for the passage of House Bill No. 37 on its first reading.

Representative Fitial seconded the motion.

Speaker Sablan: Discussion.

Representative Fitial: Ready.

House Bill No. 37 passes the House on its first reading by voice vote.

H.B. No. 39: "TO ESTABLISH THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS PROGRAMS, POLICIES AND PROCEDURES FOR RELIEF FROM THE EFFECTS OF DISASTER, AND TO ESTABLISH THE COMMONWEALTH EMERGENCY MANAGEMENT OFFICE, AND FOR OTHER PURPOSES."

Floor Leader Nakatsukasa: Mr. Speaker, I move for the passage of H.B. No. 39 on its first reading.

Representative Gregorio Sablan seconded the motion.

Speaker Sablan: Discussion.

Representative Gregorio Sablan: Ready.

House Bill No. 39 passes the House on its first reading by voice vote.

H.B. No. 86: "TO AUTHORIZE THE GOVERNOR TO ENTER INTO NEGOTIATED SETTLEMENTS WITH LANDOWNERS ON TINIAN AND ACQUIRE FEE SIMPLE TITLE TO THESE LANDS AFFECTED BY THE EXERCISE OF THE OPTION TO LEASE PROPERTY BY THE GOVERNMENT OF THE UNITED STATES OF AMERICA, TO REPEAL PUBLIC LAW 3-101, AND FOR OTHER PURPOSES."

Floor Leader Nakatsukasa: Mr. Speaker, I move for the passage of H.B. NO. 86, H.D. 1, as amended on its first reading.

Representative Benigno Sablan seconded the motion.

Representative Gregorio Sablan: Mr. Speaker, if there is no objection from our good floor leader, I ask him if he could rephrase his motion and we first will reconsider to suspend Rule 9, Section 8B, and pass this on its first reading and final reading. There is an urgency on the matter Mr. Speaker.

Floor Leader Nakatsukasa: No objection.

Representative Gregorio Sablan: Okay, at this point in time Mr. Speaker, I move to suspend Rule 9, Section 8B so that we consider the House Bill No. 86, H.D. 1, on its first and final reading.

Representative Benigno Sablan seconded the motion.

Speaker Sablan: Discussion.

Representative Gregorio Sablan: Ready.

Representative Francisco Cabrera: Thank you Mr. Speaker. Mr. Speaker, I understand, if I am not mistaken, the money available for the settlement with the landowners in Tinian is in the escrow account. What would happen if the U.S. Government do not agree. In the escrow account there are three zone, and only one zone could be use for the settlement of the Tinian landowners in Tinian. What would happen if the U.S. Government do not agree that the other two

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zone be use for the settlement of the landowners in Tinian.

Floor Leader Nakatsukasa: Mr. Speaker, at this point in time we are only making a motion for the suspension of rules. I think we should continue in this state before we

Speaker Sablan: Yes. This is only a motion for suspension.

Representative Fitial: Ready for the question Mr. Speaker.

The motion to suspend Rule 9, Section 8D and 9B were carried by voice vote.

Floor Leader Nakatsukasa: Mr. Speaker, we should give the opportunity to the Tinian Delegate.

Representative Francisco Cabrera: You have to effectuate the motion first before

Speaker Sablan: No. Now we are in order to effectuate the motion for H.B. No. 86.

Representative Gregorio Sablan: He is yielding the privilege of making a motion to our good Delegate from Tinian.

Representative Francisco Cabrera: So you want me to make a motion?

Floor Leader Nakatsukasa: By all means my friend.

Representative Francisco Cabrera: Mr. Speaker, I will like to make a motion to pass H.B. No. 86, H.D. 1, on its first and final reading.

Representative Gregorio Sablan seconded the motion.

Speaker Sablan: Discussion on the bill.

Representative Fitial: Ready. (Laughter)

Representative Francisco Cabrera: Yes Mr. Speaker. I just like to ask a question. If I am not mistaken, I know that the money available for the settlement with the landowners in Tinian is the money in the escrow account. I understand that the escrow account is divided into three zone, and only one zone should be use out of the three zones, \$1 million should be available for the settlement. What happens if the U.S. Government do not agree that the other two zones be use for the settlement on the land issue?

Representative Gregorio Sablan: Two things Mr. Speaker. Firstly, there is a clause here that says, because there is no guarantee that the U.S. Government would agree. There have been on and off discussions. Number two Mr. Speaker, the \$6 million is indeed intended for that zone that has the private landowners. The zone account money is indeed in the first place was intended for that particular zone that has the private lands on it.

Speaker Sablan: Irregardless whether how many zones are on that?

Representative Gregorio Sablan: No. There are three zones. One zone is where Mr. Ken Jones has his lands. Number two zone is all public land. The last zone that the zone account has is indeed intended, that is the reason it was placed in zone account or in escrow as they say, because the Government of the Northern Marianas has no clear title, or has title in fee simple to lose property. That is my response. There is also Mr. Speaker a section in here that the negotiation will be **subject to the U.S. Government releasing its interest on the money.** Or the \$3.5 will become effective when the Governor certifies, provides a written certification to the providing officers saying that the U.S. will indeed release the money. There is a very valid concern of our good colleague which has been addressed before.

Speaker Sablan: Yes. His concern is addressed on Section 7 on the bill.

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Representative Gregorio Sablan: Mr. Speaker, at this point in time, I have floor amendments to offer for H.B. No. 86, H.D. 1. Mr. Speaker, under privilege, may I please make a statement before my amendment is even read by our House Clerk.

Speaker Sablan: Proceed.

Representative Gregorio Sablan: Mr. Speaker and my dear colleagues, I submit for your consideration at this point in time, proposed amendment to H.B. No. 86, H.D. 1, made from my understanding, a recent change of events, and on my understanding of constitutional authority based on all interest, money earned from Section 803, Covenant money, exclusive of the interest from money earmarked to the American Memorial Park. The recent court actions on the Romisher versus Marianas Public Land Corporation and Marianas Public Land Trust versus Marianas Public Land Corporation are indeed worth considering. The very recent Marianas Public Land Trust versus Mariana Public Land Corporation Civil Action ended in an out of court settlement, Mr. Speaker. For everyone's information, the settlement is unsettled. There are matters that certainly need compromise from both parties and other matters that, in my opinion, may need additional judicial review and stamp of approval. A matter of specific concern is that of the interest money earned from the Section 803(b) money while it was in the hand of MPLC. This amount, I believe, is about \$3 million. It is unreasonable to surmise Mr. Speaker that MPLT is insisting that the \$3 million interest should be transferred by Marianas Public Land Corporation to Marianas Public Land Trust who will in turn transfer it to the general revenue account of the Commonwealth of the Northern Mariana Islands Government. And since Marianas Public Land Corporation has to date kept the \$3 million, it is not conjecture to interpret their action to mean that they feel they have every right to keep the interest money. That is the dispute at hand right now. Point in case is that if Marianas Public Land Trust position is correct, that if the argument that all interest money earned from Section 803(b), Covenant money, earned while it was in the hand of MPLC should be transferred to MPLT, then it is logical to arrive at the conclusion that the interest earned from the joint account with the United States Government should also end up in the General Revenue Account of the Commonwealth of the Northern Mariana Islands Government. That is a dispute which has not been settle Mr. Speaker. To be very honest Mr. Speaker, a handshaken agreement reach between MPLC and MPLT in front of a judge, is no handshake. One agency is still stabbing the other behind their back.

My basic worry here Mr. Speaker, is this, if we are to proceed with the normal course of business and pass House Bill No. 86, H.D. 1, intact, we are in effect making constitutional interpretation just like the Third Legislature did by enacting Public Law 3-101. We are in effect taking sides in the dispute between MPLT and MPLC. We are in effect unreasonably being inattentive to case laws that state that "There is no basic authority for the Legislature to incorporate or declare what the Constitution means." For reference, we should go back to Civil Action No. 83-401, Mr. Speaker, the Commonwealth Trial Court, Romisher versus MPLC and further going into U.S. Case Laws of U.S. versus Nixon, Bank of Hamilton versus Dudley, etc., Camacho versus Civil Service Commission.

If we proceed with the normal course of business before us today and pass House Bill No. 86, H.D. 1, intact, and it is eventually rule in Court of Law that the argument that all interest money of the Covenant Section 803(b) should eventually end up in the Commonwealth of the Northern Mariana Islands Government General Revenue Account, and interest money has already been expended by acquiring the private land and then, we must today acknowledge our negligence to the effect of the court decision in the Manglona versus Camacho Case. A classic case where after the Government Employees has been paid, has followed Government Regulations, has been paid the money and have expended the money, they were required by Court Order to return every cent. Mr. Speaker, we are not talking here of about a couple of thousands of dollars. We are talking about millions of dollars. I do not think our citizens can afford to pay that money back once the money is paid and expended.

Mr. Speaker and my good colleagues, I feel, and many of you must agree with me, that there are still too many "ifs, ands," and or "buts," with the Section 803(b) Covenant money, and until all outstanding issues are finally and fully settled would we be able to acquire a comprehensive historical understanding of the matter and then be further able to turn this understanding into a knowledge where we could base our decision. Until then, I must urge all of you to join me in support of the proposed amendments. I stand ready to answer as much of your questions as I possibly can. I thank you very much for giving me this privilege.

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At this point in time Mr. Speaker, I ask the Clerk to read the amendments.

Speaker Sablan: Will the Clerk please read the proposed amendments offered by Representative Greg Sablan.

Chief Clerk: Floor amendment to H.B. No. 86, H.D. 1, offered by Representative Gregorio C. Sablan. On page 2 of H.B. NO. 86, H.D. 1, line 20 is amended to read as follows: The Governor shall not expend more than \$6,565,800.00 to acquire all of the Tinian property affected.

Representative Pedro Guerrero: Question.

Speaker Sablan: I will like to hear a motion now

Representative Gregorio Sablan: Yes Mr. Speaker, at this point in time I will like to make a motion that we pass the floor amendment I proposed.

Representative Fitial seconded the motion.

Speaker Sablan: Discussion on the proposed floor amendments offered by Representative Greg Sablan.

Representative Pedro Guerrero: Question.

Speaker Sablan: Question. Recognize Representative Pete Guerrero.

Representative Pedro Guerrero: This proposed amendment deleted the phrase "plus interest accrued from January 6." Does that mean that this amount is limited only to that amount?

Representative Gregorio Sablan: Yes Mr. Speaker. It essentially, because there is no clear understanding yet on how the interest money could be expended, it limits the money available for the acquisition of the private lands to 6½ million.

Representative Pedro Guerrero: Thank you Mr. Speaker.

Speaker Sablan: Further question? You may proceed Representative Guerrero.

Representative Pedro Guerrero: He has answered my question. Thank you.

Representative Gregorio Sablan: Mr. Speaker, I am worried that if, and a lot of people are saying that I am wrong, and maybe I am wrong, and I hope to God that I am wrong, but there is a case law that has been presented before the Commonwealth Trial Court. **If it is more** that supposedly we acquire the land for the \$6.5 million plus the interest earned from January 6, 1983, and the court rules Mr. Speaker that the interest money be expended equally, if we have to return that money, what we can do Mr. Speaker is send that money and then the MPLC or the escrow money be immediately transfer to MPLT, who will immediately transfer to us and then we can appropriate the money to the landowners. I do not mind. I do not mind that they get the money. Mr. Speaker, people think it is a joke, but it is a case law in our Trial Court before the Honorable Judge Robert Hefner. When he decided that money already expended, given to citizens of CNMI have to be repaid back. Everything was legal. Every process was followed. Every process was followed to withhold what is constitutional. It was ruled unconstitutional, although it was legally done. It was unconstitutionally done. There is a different question here between a legality of an act and the constitutionality of the needs. That is what I am scared of. The dispute between the MPLT and MPLC Mr. Speaker, keeps revolving around one crucial issue, and that is the interest money. MPLC, the only reason in my estimation, my own guess, the only reason they refused to turn over the \$3 million is because they already expended it. That is the only reason Mr. Speaker why they have not return the money. It is not because the lawyers feel that MPLT is right on this. MPLT is right on this, but they have already expended the money and they are trying to put together \$3 million to pass it out. Once MPLT gets the money Mr. Speaker, it will have to transfer it to the General Account for its appropriation by the Legislature. We have to be very careful here,

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because Mr. Speaker if we put the interest money as acquisition and the Governor goes ahead and he use this money, not you and I, nor the Governor is going to be required to pay back the Government. It will be the landowners. Some of the landowners are wealthy. They do not need the money immediately Mr. Speaker. They can probably put it in the bank and let the interest pay back. Some of the landowners Mr. Speaker are going to have this money, and this is going to happen to them once in a life time. Mr. Speaker, they are not going to spend the money unwisely. In their own judgement, they are going to spend it wisely, but by the time that this decision comes down Mr. Speaker, by that time, it will be too late. Some of them will not be able to pay it back to the Government. I am honestly concern Mr. Speaker. If the interest money can be pass to MPLT who would in turn pass to us, I would introduce legislation Mr. Speaker, and forth reading all the interest money so that it will be paid to the Tinian landowners. I have no objection to that. I will be the first one, but Mr. Speaker, we got to follow the rule. The rule today, at this point in time, there are too many "ifs, ands, or buts," in this matter, in this issue, and it has not been answered.

Representative Fitial: Thank you Mr. Speaker. The effect of the proposed amendment offered by Representative Sablan is to effectively limit the power of the Governor. Section 3 of House Bill No. 86 sets forth the authority or the feeling that the Governor has in effectuating the payment of the Tinian land lease. The Legislature will still have to come with an appropriation act to make the money available for actually paying the landowners. This is not an appropriation measure. This is an authorization measure and this along cannot allow the Governor to use the money without an appropriation act.

Representative Gregorio Sablan: Yes. Mr. Speaker, may I answer.

Speaker Sablan: You may response.

Representative Gregorio Sablan: I took it one step further Mr. Speaker. I did talk to authority on the matter. Authority that has in the pass been instrumental into seeing this thing done. It has been disclosed that yes, the intent of the joint account was that the Government must be able to provide to the U.S. Government the leasing point that this money was intended for that purpose. We do not have to appropriate the money Mr. Speaker. That is Federal Grant. Because it is U.S. Federal Money for a specific purpose, it is considered as Federal Grant according to the Planning and Budgeting Act. Just like money for the hospital, money for foodstamps. It is a Federal Grant because it is for a specific purpose. We do not have to appropriate it. Those issues have been readily addressed and resolved Mr. Speaker. The only issue outstanding is the money interest.

Representative Fitial: I am referring specifically Mr. Speaker to the interest.

Representative Gregorio Sablan: Oh yes.

Speaker Sablan: That has to be appropriated.

Representative Fitial: Right. That is why I am saying that the effect of this proposed floor amendment would limit the authority of the Governor to spend the principle.

Representative Gregorio Sablan: The principle. Right. Exactly.

Representative Fitial: And the Legislature will still have to come in with an appropriation act to make the interest available for the Governor to use to pay the Tinian landowners.

Representative Gregorio Sablan: Exactly Mr. Speaker, and I will be the first to ask the good Chair to call a session and that we will pass legislation to that effect.

Representative Fitial: But there is presently Mr. Speaker, the bill in its present form, there is nothing wrong with it. This serves as an authorization, or providing the Governor the feeling or the authorization to spend or to come in later on an appropriation to spend public funds or interest to pay the Tinian landowners.

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Representative Gregorio Sablan: Yes Mr. Speaker, to be very honest, the Governor has made it very clear to everyone that sat down with him and said, "I am going to pay the entire escrow amount, inclusive the interest." He has made it very clear that he is going to go as far up as \$3.13, \$3.15 for that matter. That includes interest money. If you calculate Mr. Speaker, \$6½ million, calculate that with 2,400,000 square meters, you end up with \$2.73. Mr. Speaker, I am not worried that the entire be use. Fine with me. I think some of this people have been waiting since January 6th. That money is intended for them, and that all the money should go to them. I have no qualms. My only worry here is that if people spend the money, and the difference between MPLT and MPLC is resolved in MPLT's favor, then we are in trouble. No, not you and I, the landowners that has to pay the money back. Mr. Speaker, we are talking here about the sum of approximately \$1 million to \$1½ million. That is a lot of money. We are talking here about something, about \$0.40 a square meter. That is a lot of money for some people. I am not worry about the wealthy landowners. I am worried about those owners who will come into this type of money for the first time in their lives. We have Commonwealth Trial Court Case Law Mr. Speaker. **Let us not forget** that case law Mr. Speaker, because the Court Order to the recipients of money duly expended, to reimburse the Government. To pay it back. Legally expended, and the person who authorized the expenditure never got to go to court. Never has to pay back a penny. Did not have to pay for a lawyer. It was the people who received the money that had to get a lawyer, and had to pay the Government back. That is my worry here Mr. Speaker. The decision makers never got to lose anything.

Representative Fitial: Thank you Mr. Speaker. I will like to post a question to Congressman Sablan. The interest that we are speaking off on Section 3, the way I understand Section 3, the interest that is being question here is only the interest on the escrow.

Speaker Sablan: Right.

Representative Fitial: Right.

Representative Gregorio Sablan: Yes, on the escrow.

Representative Fitial: So, why limit the authority Governor to only the principle.

Representative Gregorio Sablan: Because it is my understanding in the constitutional authority that all interest is specifically earmarked for the American Memorial Park. Everything else has to be appropriated by the Legislature.

Representative Fitial: Right. This is an authorization. Later on, the Governor cannot just take the interest and pay the Tinian landowners without an appropriation act.

Representative Gregorio Sablan: Are you speaking for the Governor Representative Fitial, that he will not expend anything over \$6 million?

Representative Fitial: Not without an appropriation act.

Representative Gregorio Sablan: Are you speaking for the Governor that **that is his position** Representative Fitial? That he will not expend more than \$6,565,800?

Representative Fitial: I want to make myself very clear. Anything, interest, okay, that the Governor will use to pay the Tinian landowners must be appropriated by the Legislature.

Representative Gregorio Sablan: Okay. Right. Then why do we have to put the words, "plus interest accrued from January 6, 1983."

Representative Fitial: This is an authorization's bill which will authorize the Legislature later on to come in with an appropriation act to appropriate the amount, when the interest is known to this Legislature, how much interest we are talking about.

Representative Gregorio Sablan: Let the record reflect Mr. Speaker, that even the Minority Leader, the Minority Leader went on record today and said that this is only an authorization,

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and that if the Governor expend \$0.01 over this, he will be doing it at his own risk.

Representative Fitial: I want to make this clear. This is not an appropriation act and nobody can expend public funds without an appropriation act.

Representative Gregorio Sablan: So you are telling me, the thing is, the Governor, anyone who had sat down with him, he has argued that he is going to pay between \$3.13 per square meter. Now if he does not have the right to expend, if we do not appropriate the interest money Mr. Speaker, then he cannot pay that amount. Right?

Representative Pedro Guerrero: That is right.

Representative Gregorio Sablan: So are we saying here Mr. Speaker that we are going to go ahead and expend the money? Why don't we put in \$6½ million and then once the money is let go by the U.S. Government, it can be transfer. It can be done in the MPLT. It moves. It sends the money to us. We act on the same day, and pass legislation appropriating the interest money. Mr. Speaker, let us be honest. Some of these people are going to come with this money, the first time in their lives. Probably the only time in their lives and they are going to expend it Mr. Speaker, and then after they expend it and the dispute between MPLC and MPLT is settled, and is due in favor of MPLT, guess who is going to pay. It is not you and I. It is not Governor Tenorio. It is going to be the recipients of the money.

Representative Fitial: Before I yield Mr. Speaker, if you are afraid that that might happen, why are you volunteering that you will be the first to appropriate the money? (Laughter)

Representative Gregorio Sablan: Because it will be done the right way Representative Fitial.

Representative Fitial: Let us do it the right way. We authorize and then come in later on an appropriation act.

Representative Gregorio Sablan: Because there is no guarantee. There is absolutely no guarantee that says the Governor will not expend anything over \$6½ million. If I can get that guarantee in writing now, we will pass it as it is. There is absolutely no guarantee. I asked the question during the public hearing of the Governor's Counsel, he cannot tell me. Public hearing. You were not there. I was. I asked Mr. Price how much the Governor is going to pay, and he will not tell me. He will not tell that he will not expend more than \$6.5 million. Believe me, the Attorney General will not tell me.

Representative Fitial: Our function here as legislators

Representative Gregorio Sablan: My function here as a legislator is to safeguard the resources, the interest of both the Government and the people. Mr. Speaker, if we have to pay this and later on have the court come in and take back from this people, it is unfair to them. Right?

Representative Fitial: So are you saying that we are not going to appropriate the interest?

Representative Gregorio Sablan: If the money is let go tomorrow by the U.S. Government, because the Public Land transferred to Public Land Trust, transferred to us, I will ask the Chair to go into session and I will introduce legislation to appropriate the entire interest money to the Tinian landowners.

Speaker Sablan: On the escrow account.

Representative Gregorio Sablan: No problem on that. I am not worried about the money. They should get the money. I think they are entitle to it. My worry here is that we give it to them this way and eventually the court is going to say put it back. He's done it before with Manglona versus Camacho. He's done it before. Even after the people legally got the money. He ruled that it was unconstitutional and he took it back and put it back in the general fund. This is a case law before the trial court. Same Judge, Hefner.

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Representative Fitial: Mr. Speaker, for the last time, you know I am speaking on the floor amendment and the floor amendment as it looks to me is only providing limitation on the authorization that this Legislature is trying to give to the Governor. In other words, this will not authorize the **Governor to use interest** to pay the Tinian landowners.

Representative Gregorio Sablan: I see your point. Very valid concern. I move that we go on recess and invite the Governor here to see his point. Have the Governor tell this House, on the record, that unless the Legislature appropriates the interest money, that he is not going to expend anything over \$6.5 million, unless the Legislature appropriates the interest money.

Representative Fitial: The Governor should conduct himself legally Mr. Speaker. So I am saying, it is now up to us whether to grant the Governor the authorization to expend more than the principle, or just the principle.

Speaker Sablan: I think there is a question here that raises some question, and that is whether this bill is just an authorization, because to me it looks that once this becomes a law, money can be legally expended for that purpose.

Representative Fitial: Not the interest.

Speaker Sablan: Only an authorization?

Representative Fitial: Not the interest. On the principle, yes.

Speaker Sablan: Yes, but the way it is written right now

Representative Fitial: Well, let us ask the Legal Counsel. Is this an appropriation act?

Speaker Sablan: Let us have a short recess.

The House recessed at 4:45 p.m..

The House reconvened at 5:01 p.m..

Speaker Sablan: Prior to recess, we were still discussing the proposed amendment offered by Representative Greg Sablan. You may proceed.

Representative Gregorio Sablan: At this point in time, I rescind my proposed amendment to H.B. No. 86, H.D. 1, and instead, I offer in lieu of, another propose amendment Mr. Speaker, and I ask the Clerk to read out.

Speaker Sablan: Will the Clerk please read the floor amendment.

Chief Clerk: Floor amendment offered by Representative Gregorio C. Sablan (Kilili) to H.B. No. 86, H.D. 1: On page 2, line 21 delete the period (.) and insert in lieu of the following; (;) Provided, however, that the interest will be subject to the condition that the Legislature appropriates that amount for expenditure once the interest amount is definitely identified in the Commonwealth Treasury.

Representative Gregorio Sablan: Can we put the word "and" between "identified" and "in." ". . . identified and in the Commonwealth Treasury." This is a typographical error Mr. Speaker. Human error.

Speaker Sablan: Insert after the word "identified," "and." You may put that into a motion.

Representative Gregorio Sablan: Mr. Speaker, I move that we consider the floor amendment I just offered to H.B. No. 86, H.D. 1.

Representative Juan Guerrero seconded the motion.

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Representative Gregorio Sablan: If we pass the floor amendment it will become H.B. No. 86, H. D. 2.

Speaker Sablan: Discussion. Recognize Representative Pete Guerrero.

Representative Pedro Guerrero: Mr. Speaker, I want to be educated a little bit on this particular section, and I say educate Mr. Speaker. On this section, especially on the proposed amendment, okay, one, I believe that the first amendment offered by Representative Sablan (Kilili), still stands?

Representative Gregorio Sablan: Has been rescinded.

Representative Pedro Guerrero: Rescinded. Okay. Now, I have another question. Mr. Speaker, that means if the Governor negotiates on the \$6,565,800.00 and the landowners are not satisfied under this amount and the landowners took action and take the Governor to court and the court finds that the landowners are entitle to more, plus interest, does that means that under this particular section, that money can be expend more than the \$6,565,800.00 under this proposed amendment?

Representative Gregorio Sablan: Yes. The Governor can go ahead and negotiate the \$6.5 million plus the approximately \$1.2 million interest. No, I am sorry. \$6.5 million plus \$1 million interest, about \$7.5 million. Or the Governor can for that matter go ahead and negotiate for let us say \$3.15. With this he might. He can negotiate that with the landowners and say, look, give me your title in fee simple today, and I will let the U.S. Government to release the interest tomorrow because then we can transfer the title and if has the title, he can initiate the property, and then three days after that he can pass the money to MPLC, MPLT, and the Legislature will go into session, pass a law, pass a bill, enact a bill, the Governor sign it and pay the remaining. Say, the Governor owes and pays four days after negotiations and he pays \$2.50, but the negotiated amount is \$3.15, so then when the interest money gets appropriated by the Legislature, pay the remaining money, say within a week or a couple of days, say 30 days, but the negotiation amount say could go up as high as \$3.15, but the initial payment would be \$2.50 and then once we appropriated the interest, we can pay them the additional.

Speaker Sablan: That is correct.

Representative Gregorio Sablan: There is no problem there. That is the

Representative Fitial: Standard procedure.

Representative Pedro Guerrero: So in a way, we are talking in terms of lumpsum money, you know, what is negotiated with the Governor, that is the Governor's business, but what we are saying to the Governor here, in essence, when you recite your proposed amendment, will still burden the Governor because then it will revert back that the Governor, with the interest, cannot expend more than \$6,500,000.00 in this stage.

Representative Gregorio Sablan: Right. True.

Representative Pedro Guerrero: That is the intent of your proposed amendment.

Representative Gregorio Sablan: He cannot expend it right there and then. He can expend it when we give him the interest money.

Representative Pedro Guerrero: The other question, on this paragraph here, it provides that amount for the Governor to negotiate, and work within that amount with interest.

Representative Gregorio Sablan: Yes.

Representative Pedro Guerrero: Now, let us suppose that the Governor, you know, the landowners would disagree, and take the Governor into court and that the court rules that the Governor

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must expend more than that amount, what is going to happen. The Legislature has forbid proposed measure, has limited the amount that the Governor must stand, what is going to happen?

Representative Gregorio Sablan: Will you kindly rephrase your question?

Representative Pedro Guerrero: The question here is that the language limits the Governor to expend only that much money, included interest

Representative Gregorio Sablan: Right. \$7½ million.

Representative Pedro Guerrero: Okay, and if for example, Mrs. Mathew is not

Representative Gregorio Sablan: Even if someone is not satisfy with \$3.15

Representative Pedro Guerrero: Even if someone is not satisfy, you are still limiting the Governor to expend only that much with interest.

Representative Gregorio Sablan: Right. So if they are not satisfy with the \$3.15, Mr. Speaker, the Governor can act pursuant to Section 2.

Speaker Sablan: Condemnation.

Representative Gregorio Sablan: Condemnation.

Representative Pedro Guerrero: Okay. In that particular section, will that provide the Governor, or allow the Governor to expend more than what he is

Representative Gregorio Sablan: Yes. Let me say it this way. Even with condemnation, since he is the Governor, he can forget all the land right now, but as soon as he files the condemnation in court, he has to put up an amount of money, reasonably, acceptable to the court as an insurance against his taking that in case. If this goes to court, rest assure that this will go down between \$0.85 to a \$1.00.

Representative Pedro Guerrero: May I proceed?

Speaker Sablan: Yes, proceed. You still have the floor.

Representative Pedro Guerrero: Thank you very much Mr. Speaker. I am supporting this House Bill No. 86 as amended by the Committee on JGO, but Mr. Speaker, to be honest with you, during the public hearing, no one that attended the public hearing, Marianas Public Land Corporation, Attorney General's Office, the Governor's Legal Counsel or advisors, none of them ever say that Public Law 101

Representative Gregorio Sablan: 3-101.

Representative Pedro Guerrero: 3-101 cannot do the same concern that we are doing today.

Representative Gregorio Sablan: Right.

Representative Pedro Guerrero: Now then, it simply means Mr. Speaker, that if the Governor's Office and the Marianas Public Land Corporation wanted to expedite this matter, they can do so under 3-101. People in Tinian can be paid, and I have made myself clear that I want the people in Tinian paid. They do have the authority under the Public Law 3-101 to expedite payments.

Representative Gregorio Sablan: Mr. Speaker, may I.

Representative Pedro Guerrero: I just want to make that known Mr. Speaker.

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Representative Gregorio Sablan: Mr. Speaker, I just want to add on also, at this point in time, for information, that at that particular hearing the Commonwealth Court was not invited. The Court Order, Civil Action 83-401 on the Romisher versus MPLC Case, very specifically, the Court upheld and voided some parts of Public Law 3-101. Public Law 3-101 Mr. Speaker, does not have a severability clause. If you throw out the law without the severability clause, you are throwing out the entire law. So that means if you throw out one word in that law, that means the entire law is null and void. That is what the Court did. Here is how the Court did it Mr. Speaker. It did two things. It says, additionally, and even assuming the Legislature will have control over the trust funds, its appropriation is faulty. No specific amount are specified for line up position, and Public Law 3-101 originated in the Senate and at the House. That part voided Public Law 3-101 and by the time we had a public hearing, it was no longer in existence of Public Law 3-101. The only reason we are repeating it in here Mr. Speaker, is to insure that Public Law 3-101 is indeed dead. It is indeed null and void. That is only an insurance clause in here. I feel that because the Court has voided a particular section or a particular function, of a particular intent of House Bill No. 3-101, and with the absence of a severability clause, the entire bill is null and void.

Representative Pedro Guerrero: Information Mr. Speaker.

Speaker Sablan: You still have the floor. Go ahead.

Representative Pedro Guerrero: Mr. Speaker, that same concern raised by Congressman Sablan was brought up during the public hearing, and in fact, that was addressed to the Governor's legal advisor, and the Governor's legal advisor said that the only section of Public Law 3-101 that was affected by the ruling of the Court, I forgot what was the section. I am sure Congressman Sablan (Kilili) has that. Any other sections of that Public Law 3-101 remains the same and intact and as good as anything else. Thank you Mr. Speaker.

Representative Gregorio Sablan: Mr. Speaker, it is not for the Governor's attorney to tell us, you know, what is null and void here. Without the severability clause in a law, if one particular section is null and void, the entire law is void, because there is no section being severed by court. Now, the Governor's counsel is in no position to interpret timing of court, timing of law. Just like the Legislature is in no position to interpret the language of the Constitution. That is left to the Judicial Branch. That is inherent of the Case Law of U.S. versus Nixon. Bank of Hamilton versus Dudley. Civil Service Commission versus Camacho. Those are inherent practice of law. Now, what are we arguing here then, Mr. Speaker. I move that we end discussion.

Representative Francisco Cabrera seconded the motion.

Representative Fitial: Before we end discussion Mr. Speaker, I just want to clarify just one point. This is very important Mr. Speaker. Under Section 4, Subsection B, "The Governor may reprogram funds to the MPLC to meet the purposes of this Act." What funds are we talking about here?

Representative Gregorio Sablan: Mr. Speaker, the Court has ruled that the Marianas Public Land Corporation cannot expend \$0.01 to acquire, negotiate, or do anything with the Tinian land. So what we are doing here is authorizing the Governor this money

Representative Fitial: Interest.

Representative Gregorio Sablan: Yes. The interest money. Or for that matter, borrow against the \$6.5 million. (Laughter) The purpose here Mr. Speaker is in the case where some of the landowner to exchange, the Governor has to hire surveyors to survey the land. I do not care where he gets the money.

Speaker Sablan: It could be from the Executive Branch.

Representative Gregorio Sablan: It could be from his own office.

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Speaker Sablan: Yes.

Representative Juan Guerrero: Or from the Legislature for that matter.

Speaker Sablan: Does that clarify your question Representative Fitial?

Representative Fitial: Just for the record.

Representative Gregorio Sablan: Because if a person decides to exchange a proportion of

Speaker Sablan: Yes. That is correct. That is a good protection there. Now I will entertain a motion to end debate.

The motion to end debate on H.B. No. 86, H.D. 1, carried by voice vote.

The Clerk called the roll for voting purposes on the amendment. The voting result, ten voting yes.

Speaker Sablan: The floor amendment offered by Representative Greg Sablan is hereby adopted. We are now to vote on H.B. no. 86, in for form of H.D. 2, in its first and final reading. I will now ask the Clerk to call the roll again.

Representative Pedro Guerrero: Is there a motion to that effect?

Representative Gregorio Sablan: There is no motion to that effect. Mr. Speaker, I think we are subject

Speaker Sablan: Yes. I am sorry. We are going back now to discuss the bill in the form of H.D. 2. It is now for discussion.

Representative Gregorio Sablan: I will like to add one thing Mr. Speaker, at this point in time Mr. Speaker. Ready Mr. Speaker. I am ready.

Speaker Sablan: I will ask the **Clerk** now to call the roll.

The Chief Clerk called the roll for voting purposes on the adoption on H.B. No. 86, H.D. 2. The voting result, eleven voting yes. House Bill No. 86, in the form of H.D. 2, passes the House in its first and final reading.

Representative Gregorio Sablan: Mr. Speaker, privilege.

Speaker Sablan: Recognize Representative Sablan.

Representative Gregorio Sablan: May I ask the Chair to expedite the transmittal of this bill, and urge the Senate for its prompt consideration. Promptness in this case having been defined by the Court is five days.

Speaker Sablan: Will the Clerk take notes on that and please have the bill transmit by tomorrow, early in the morning.

Chief Clerk: Yes sir.

Representative Fitial: Make it afternoon. (Laughter)

Speaker Sablan: Further bill in the calendar? I think we have a bill for second reading.

Second Reading:

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H.B. NO. 35: "A BILL FOR AN ACT PROVIDING FOR THE LICENSING OF PROFESSIONAL ENGINEERS, ARCHITECTS, LAND SURVEYORS, AND LANDSCAPE ARCHITECTS; AND FOR OTHER PURPOSES."

Representative Juan Guerrero: Mr. Speaker, I will like to ask the members that we take action on this on our next meeting. I will like to offer an amendment but I do not have the amendment right now.

Floor Leader Nakatsukasa: Mr. Speaker, I move that we defer action on House Bill No. 35.

Representative Fitial seconded the motion.

Representative Gregorio Sablan: Mr. Speaker, so that we can guarantee that we consider this on our next session, we will place this bill on Unfinished Business, that way, there is no two way around it.

Speaker Sablan: Yes. I will like the Clerk to place this on the Unfinished Business for our next session.

Representative Fitial: Just make the motion specific.

MISCELLANEOUS BUSINESS

Floor Leader Nakatsukasa: Mr. Speaker, I understand that we have two legal counsel here. I am sorry Mr. Speaker, but I cannot, I do not know how, because I was not here when Mr. Bergsman was hired to work. Mr. Speaker, at the opening session of our legislative business I recalled very clearly that Mr. Bergsman, when the Republican and the Democrat members of this House were having some differences, I can still recalled vividly when Mr. Bergsman was sitting at the gallery and coaching the former Speaker, Benigno Fitial in regards to rules and procedures in which he was trying to complicate the issues for the Democrat members. My firm concern Mr. Speaker is the loyalty of Mr. Bergsman. Is he loyal to the former Speaker Fitial

Representative Fitial: He better be. (Laughter)

Floor Leader Nakatsukasa: Or is he loyal to the present members of this House. Mr. Speaker, I cannot, I respect Mr. Bergsman, he is a very intelligent attorney, but I question his loyalty to this House. I cannot, although the former Speaker is my friend, but there are some issues in which we are not in agreement. In good faith, I cannot still have faith in Mr. Bergsman. He might be coaching again Mr. Fitial (laughter) as to the tactics of defeating my measures. (Laughter) Secondly, Mr. Speaker, correct me if I am wrong because I do not know, but I feel offended because we have a local legal counsel, unfortunately, I do not know how they select Mr. Bergsman to accompany Congressman Guerrero to Washington, D.C., pardon me if I am wrong, perhaps Congressman Guerrero can enlighten me, but I do not know they selected to accompany Congressman Guerrero, when Mr. Bergsman just worked for this Legislature

Representative Pedro Guerrero: Which Guerrero is that.

Floor Leader Nakatsukasa: Juan Pan. Mr. Bergsman only started working for this Legislature for one day. I needed this clear Mr. Speaker because our objectives is to upgrade our local attorneys, who is Mr. Seman.

Representative Fitial: That must be a long term objective.

Floor Leader Nakatsuaksa: Mr. Speaker, I am not trying to over rule your decision Mr. Speaker, but

Representative Fitial: That must be a long term objective. (Laughter)

Floor Leader Nakatsukasa: This is the concern I have Mr. Speaker. Secondly, I will just like to extend my appreciation to the Minority Leader Fitial for letting me use his pick-up and

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some of my work of a very urgent matter. Again, I realize that the Minority are now beginning to cooperate with the Majority. Thank you. (Laughter)

Representative Gregorio Sablan: Mr. Speaker, I must also join our good Floor Leader in echoing the fact that I think our professional staff, most specifically our legal counsels, should be loyal to all the members of the House of Representatives because they are professional staffs. However, I would ask that the legal counsel's office should be more loyal to the officers of the House, and our Floor Leader is indeed an officer of the House so they should place more attention to his concerns, and of course, putting it through the Speaker's Office. Mr. Speaker, on the matter of Mr. Seman, I can assure you that the Office of the Legal Counsel are providing Mr. Seman, at no cost, assistance in trying to pass the bar exam, and once he becomes a lawyer, that will be seriously considered. The Third Legislature did that and the Fourth Legislature are now doing that program. I do share the concern of our good Floor Leader that loyalty should be extended to all members of the House. More loyalty should be extended to officers.

Floor Leader Nakatsukasa: Mr. Speaker, may I qualify my statement regarding loyalty. My statement is not to the officers, but my statement is to the two parties. Whether Mr. Bergsman is loyal to the Minority Leader or to the Speaker of the Majority. This is my concern.

Speaker Sablan: All I can say is that during the time Mr. Bergsman was working with the Minority, I guess his loyalty has to be with his employer. That is number one. Number two, unfortunately, your question will be posted and directed directly to Mr. Bergsman. He is not here. If you want to question his loyalty, I do not think you should question any member here.

Representative Fitial: Well, I can speak for Mr. Bergsman.

Representative Gregorio Sablan: Oh my God! (Laughter) Now I will have to question.

Representative Benigno Sablan: Are we under Miscellaneous?

Speaker Sablan: Yes.

Representative Benigno Sablan: Yes, I have a very, perhaps valid concern in respect to DPS tactic, maneuvers, on say, using their power for a bench warrant or arrest warrant. Perhaps this is not a laughing matter Mr. Speaker, but I think some of you will find it little amusing, but on three same occasion my precinct was busted by many members of the DPS, fully armed, automatic weapons. Of course, with a search warrant and they entered the properties, perhaps legally, but Mr. Speaker, I have interviewed these people, constituents of mine, and I felt the feelings that they possessed at the time these commandos from DPS raided, particularly, these three houses on the same day with fully automatic weapons. I do not know how to approach DPS on this matter Mr. Speaker, But I think it is fair to say at this point in time that such an action on the part of the Director of DPS is not warranted to this type of occasion. However, I do understand the concern, instances, but this could be fairly well be done, but I guess they should really look at the situation prior to sending a group of commandos and then really raided the places. Let me give an example. My brother, his property was to be search for marijuana plantation. However, he was not in the property, and only the wife and the children. This group of police officers busted into the house, full supplies of ammunitions and their automatic weapons and began to raid the house. I do not think that this is a very good approach. The other instances was a cousin of mine who was in the bathroom, outside toilet. I guess he had a very bad stomach, but when he saw thirty of these officers with their fully automatic weapons he forgot he was in the bathroom Mr. Speaker. (Laughter) The house that was to be search was not his. It was his neighbor's. Now on the third occasion, the people who has perhaps violated the law, have entered a house, of course, these violators, supposedly violaters, were there, but children and adults, this are old adults were in the house also. Of course, they were scared the shit. Somehow Mr. Speaker, I think we should come up and perhaps discuss with the DPS their procedures and policies to these types of situations. I feel that perhaps the members of this Honorable Body could come up with some sort of unified position to perhaps call the Director of Public Safety. Perhaps the Chief of Police and other political officers, such as captains, lieutenants, majors, and perhaps we should sit down with them and work it out in such a way that this will not happen very often here on our small island. I will seriously

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believe that in these three instances, in these three cases of similar nature, the type of action taken by the Director of DPS is not warranted. That is all.

Representative Juan Guerrero: Mr. Speaker, I just like to brief the members of my trip to D.C., in the shortest manner I know. First of all, when I was there, the Northern Marianas Delegation met with both Houses. The concern raise by the House and the Senate Staff Members of the U.S. Congress, the Department of Interior, specifically Mr. Montoya, is the issue on IRC (Internal Revenue Code). Mr. Speaker, the Federal Government is using the position and the leverage that if we do not enact or act on the direction, or take position action on the IRC, or the Internal Revenue Code, then we will be face with the possibility of not getting a continual funding as what we presently have with the Covenant agreement. The concern is, that in order for us to receive any further, additional infra-structure money, for water projects, harbor projects, highway projects and so forth, they are insisting that we must demonstrate and live up to our commitments on the tax issue. The important thing that I see is that even though the U.S. Congress is saying this, the feelings in the House and the Senate are not identical. For instance, the renegotiation for the Covenant funding for the continual funding, the House Committee, I am sat to say that we must negotiate urgently or immediately. However, the Senate Staff is saying that there is no need to negotiate because there is nothing to negotiate in the first place. The position of the Department of Interior, Mr. Speaker, in regards to the tax issue, on the last day that we met, between the leadership and Mr. Montoya was to come up with the direction they have on the tax issue. In that meeting, it was also discussed, the latest draft, not the draft that Benjamin Manglona or Joel (Bergsman) transmitted over. There is a latest draft. The instructions from Mr. Montoya's Office was to hold that draft until they come out with a definite position from their office. Jim Birney from the Senate suggested to Mr. Montoya that he should use his position and go before the U.S. Congress and lobby for a request for an extension on the tax issue. The reason that he sees there, is that even if we had come up with a new draft and that it is agreeable to us, **but the U.S. Congress** will not act on that draft. That is an assurance from the staff. Secondly, he raise the issue that the termination date has been over extended from 1981, and he believed that is a strong argument. The third issue is that he will give us, buy us time to come up with a more comprehensive, more conducive type taxation draft in the Treasury, that will help our economic development. Those were the suggestions. Mr. Montoya took that as an advise after the deliberations from the leaderships. Of course, the direction of the leadership on the tax issue presented to Mr. Montoya is going to four directions. At least that will buy us time on that part. The issue on the Treasury draft as is, is very complicated. It reflects, or address basically sources within sources without funding, and that is the concern of the Treasury Department. They want to tax sources that is being generated out of the Northern Marianas that is not being done now. Those are big issues. In the event that the sources are tax without funding, Internal Revenue Service will collect those funds, the funding will go into the Internal Revenue Service and then revert back into the Northern Marianas. There are a lot of sections in regards to the regulations on the new draft and they are very technical. I do not want to say that I understand because I do not know the least about IRC. I told Mr. Montoya that the people out here, and I quote, "99% of the people of the Northern Marianas do not know what is Internal Revenue Code." For that matter, we need time in order for us to educate the people. The Northern Marianas Government to educate the people. Also on the Treasury draft, the decision is if we approve the draft as is, from the Treasury, then we will be able to keep our own local taxation as is. The present system. The only thing added on the Treasury draft are the technical wordings. Were it does not apply to the Northern Marianas it will spell that out. If we decide to take the Mirror Image, basically what we are adopting is the Internal Revenue Code as is, and wherever it says "State," it will mean the Northern Marianas. Exactly identical to Guam. A concern was raise that if in the event the Treasury draft or the Mirror Image does not generate enough revenue, will the U.S. Government give us funding for the shortfall. The answer is no. If we go on the Mirror Image, we are expected to continue with the present tax system and have the IRC Mirror Image as applicable to Guam. The other item that should be of concern to this House is that it is the position of the U.S. Congress that we must generate enough revenue for our own operations, which is raise, revamp our tax system. Go on a three year plan if necessary and increment on a year to year basis to come to a level equal and certainly not less than expected. The wording there is Mirror Image. We should not go lower than what they expect us to generate. The concern on that tax issue is up to the Northern Marianas to take and I urge that this House should come up with a position

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if we should endorse the position that was endorsed by the Third Legislature, or come with a different position that would be advantageous to the Northern Marianas, yet it will please the U.S. Congress, then we must do that because the way I see it, if we do not get the deferral for another year, the U.S. Congress expects us without the new revise amendment to implement the Mirror Image as applicable to Guam and we have to make a choice if we want to implement the IRC as the Mirror Image or ask the Internal Revenue Service to implement it for us. The position of the Internal Revenue Service is that if they are requested to come, they want to know by July 1st. That has complicated the issue because Mr. Montoya is saying to wait until August. The Treasury Department is telling us that we must finalize the draft and agree to the sections and the provisions applicable. Yet, the Internal Revenue Service said that they will not do collections unless they start on the calendar year, effective January 1st. However, we did not specify that we are requesting them, we just paid them a social visit to their office. We met with Treasury on five separate occasions and on each occasion they emphasized the needs that if we do not endorse or support their bill, then they will not support any other bill that we come up with. If we do not get the support within the Treasury Department and the Department of Interior, then we are in trouble. There is no short cut to it. Froilan's (Washington Representative) position is that whatever is in the Covenant, then we should live up to that.

Representative Gregorio Sablan: Who is Froilan?

Representative Juan Guerrero: The Washington Representative. The Lieutenant Governor's position is that we should look forward to the revised version. Benjamin's position is we are adamant that whatever the position the tax force takes, that will be our position. I told Mr. Montoya that the House's position is that we have already promised the Governor that will support his decision. Therefore, we did not come up with any position. On a separate issue, the House passed the request on Off-Shore Banking. I met with the OTIAA, which is the Department of Interior, and I met with a person from the FBIC and a person from the Federal Reserve. Some of you might also remember John Shucking, the Currency Controller. The concern raise on the Off-Shore Banking is that they are recommending that the Department of Interior might have enough money for technical help we need here. If the request is insured, they will try to recruit an expert person to come out here and work on the regulations.

Representative Fitial: Hartley Kroul.

Representative Juan Guerrero: No. (Laughter) He is not an expert in this area, even though he was discussed, Hartley Kroul, I specifically inquired in that meeting to help us out, give us information about this consultants, expert people, right here in Saipan that are in this Off-Shore Banking. They are very concern as to what these expert people are doing out here. There are records which will hopefully be forwarded to us regarding these consultants. The technical person who will come out here will be pay out of the Department of Interior. They are looking at six months time frame for this person to come out, to work on the regulations and give us all the technical help. On that meeting, the Federal Reserve Member and the FDIC Member are very concern. They are looking at us with a big magnifying glass. Everything that we do, they know. They are well inform of us. On a couple of occasions during these meetings, I talked to different staff members because I am not too particular in agreeing with the tax position. Gentlemen, I believe that the U.S. Government is blackmailing us to take action. Action that we do not want to take. Believe me, they have their ball. They are telling us to do this, do not do that, but we want you to straighten up your economy. The message from the U.S. Congress is to develop our economy. Do what you can do, but do not do this, you cannot do that, and do not go out of the water more than three miles. That is a very clear message from the U.S. Congress. This message included Guam, the Virgin Islands, American Samoa, and the Trust Territory. They are very adamant on their position. To me, it was an experience, but I do not think I want to go back to testify before the U.S. Congress Mr. Speaker, because I believe that it is a waste of my time to testify because of the way they conduct their hearings. They do not treat the Northern Marianas as an entity. First, they have the delegations that have representations in the U.S. Congress. They get to speak first. They get a time frame of thirty minutes to forty minutes. The Northern Marianas are given five minutes. They say, we will take your written testimony and that will be recorded as your testimony. However, please, summarize your thirty page testimony in five minutes or less, the best way you can. We were caught on the

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situation on the water issue before the House Subcommittee Chairman Yates on Mr. Montoya's testimony and there was a confrontation. Mr. Montoya testified on the statement that the Northern Marianas is receiving the guaranteed CIP fundings and that we are going to be using the entire amount for our water project. That was reflected on his statement. While our good Senator from Rota keep trying to get his attention, he replied, I sympathize with the situation, that is well taken. I was able to interject and I told Chairman Yates that that is not the case. He try to keep telling me to shut up in his own way, but I was adamant. I did not want to keep my mouth shut. I told that the Northern Marianas is suffering from this water problem. We do not need \$2 million, we need \$6 million this year. We need \$6 million next year, and the third year because that is how much is going to take to solve our water problem. He said, but Mr. Montoya testified for \$2 million, and I said, what Mr. Montoya testified and what he is trying to reflect is not the position of the Northern Marianas and it never was. Then he allowed me to explain what was our position and Mr. Montoya was not very happy about it because I stepped on his toe. The decision of what we need is already made over there before we even get there. So what is the use of my going there Mr. Speaker if I can save the Northern Marianas \$3 thousand or \$5 thousand. I might as well write my opinion and let Froilan (Washington Representative) do it there. Even the hospital, we might end up with less than \$10 million. They will probably stick to their position now since there is an injunction. Restraining order. We probably will end up receiving \$1.6 if not the \$7 or \$8 million that they are talking about. They are not giving us the full amount.

Representative Juan Torres: Representative Guerrero, are you saying that what Senator Manglona has been reporting to the people are not true, that we are going to get all the money. . . .

Representative Juan Guerrero: That will be the day.

Representative Juan Torres: This was in the paper, and he let the people to believe over here that that is what we are going to get.

Representative Juan Guerrero: Well, that is his position, Representative Torres. In fact, I was dismayed at this. I do not know how he is getting this. Everyday we get the paper and I see his name reflected on a statement he made.

Representative Torres: In other words, he is telling us a lot of shit.

Representative Juan Guerrero: If you want to call it that way, that is your opinion, but I do not believe, not for a million years that we are to get what the staff is saying. Then they introduced an omnibus bill. For your information, we testified on the omnibus bill and nothing in our testimony was included in the mark up of the hearing. The testimony from American Samoa, Guam and the Virgin Islands were all reflected changes. Dramatic changes, but I tell you, they do not listen to us. I lobbied with Jeff Harold and he was very sympathetic with our situation. That also goes to Gene Birney. These people decide, not the U.S. Congress. When they do the write up, they write it up themselves then they give it to the U.S. Congress. The U.S. Congress only sit there and hold the hearings. While the hearing is going on, millions of papers keep coming in, questions for that person, that person. That is the way with the U.S. Congress. I am sorry to say that we could have done better. Now I know that next year I will make my statement more emphatic and more distant with stronger language. That is the way it is.

Speaker Sablan: Further Miscellaneous?

Representative Fitial: None.

ANNOUNCEMENTS

Representative Juan Guerrero: The Committee on Appropriations will be holding a Public Hearing on May 23, regarding the House Concurrent Resolution No. 1, to identify the Internal Resources. The Members of the Appropriations or any member that will like to participate are welcome. The Public Hearing will be at 9:30 a.m..

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Speaker Sablan: Further Announcements? Representative Guerrero, Greg, then the Floor Leader.

Representative Pedro Guerrero: I will like to announce that the Members of the Resources and Development Committee will conduct public hearings for House Joint Resolution No. 7, May 22, at 9:00 a.m.. House Bill No. 79, May 25th, at 9:00 a.m.. House Bill No. 43, May 30th, at 9:00 a.m.. House Bill No. 68, June 12th, at 9:00 a.m.. House Bill No. 72, June 23rd, at 9:00 a.m.. Copies of these measures and public hearings have been distributed and members should be receiving their copies today, if not, tomorrow.

Representative Gregorio Sablan: I do not know if the June public hearings have been synchronize with the House Clerk. Your Committee on Appropriations, and Federal Programs have sent out notice that they will be conducting public hearings on the budget, for the entire month of June. From June 4th to at least the 29th. I do not know if the . . .

Speaker Sablan: Yes. I requested that all Committee Chairman channel their public hearings with the Clerk to insure that it does not overlap with other hearings, particularly the Appropriations.

Representative Pedro Guerrero: Mr. Speaker, I coordinated these public hearings, dates and times with the Clerk. These dates and times are okay.

Representative Juan Guerrero: Just for point of interest, the problem is that the Committee on Appropriations Pete, which you are a member, in June, all our hearings will be in the afternoon. However, the Committee will be deliberating in the mornings prior to the hearings to update the members of what is to be discuss. I am just briefing you on this so that we are not in conflict. I am a member of your Committee too. . . .

Representative Pedro Guerrero: There is only one that we might have a conflict and this will change, and that is the June 12th. Now the June 23rd, this is after your hearing. I will take a note of that and if there is going to be a conflict, I will make a change.

Representative Gregorio Sablan: The Committee on Federal Programs will be jointly conducting the hearings with the Committee on Appropriations, the June 23rd public hearings has very little to do with the Federal Programs, but if anyone is interested, the Chairman in Appropriations has okay the attendance of Federal Programs Committee Members. I have a package of Federal Programs that have been submitted to me the day before yesterday. It is being reproduce and hopefully, it will be ready for the members on Monday. It is not a complete package, it is what I got from the Executive. I am putting a letter in response to that package and asking them for more detail information on that particular matter. At this point in time Mr. Speaker, if there are not further announcements, prior to the adjournment. . . .

Representative Pedro Guerrero: Mr. Speaker.

Speaker Sablan: May I recognize Representative Pete Guerrero before we go into any motion.

Representative Pedro Guerrero: Not adjournment Mr. Speaker, because if not, I can yield to Honorable Nakatsukasa. Mr. Speaker, if there is no objection with the members, I fail to make comments during the Miscellaneous Communication. Mr. Speaker, from the Commonwealth Court, Miscellaneous Communication No. 38, this new ruling on procedures Mr. Speaker, where it will require deposition to be taken by other means, by maybe recording or so forth, might hurt some people who are not venturing into the type of business that any attorneys, the court, and the legislature also, in this regard, and I wish that the Chair will take a note on that and address the issue to the Honorable Judge Hefner regarding this, and if he will try to extend this procedure temporarily until we see the effect of it. Thank you Mr. Speaker.

Floor Leader Nakatsukasa: Mr. Speaker, pursuant to House Rule 10, Section 4, I move that the House of Representatives, resume scheduling of Regular Sessions as per Rule III of the House Rules. The motion is based on the grounds that one of the two conditions under which I move on February 24, 1984, to adjourn the House of Representatives, namely, that funding be made available for the operations of the House has been fulfilled.

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Representative Gregorio Sablan seconded the motion and carried by voice vote.

Speaker Sablan: Now the motion for adjournment is in order.

Floor Leader Nakatsukasa: So move Mr. Speaker.

Speaker Sablan: We adjourn subject to the call of the Chair?

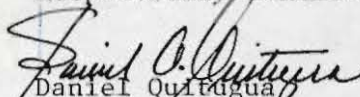
Representative Gregorio Sablan: Until you feel like having one. (Laughter)

There were several seconds and the motion carried by voice vote.

Speaker Sablan: I hereby adjourn subject to the call of the Chair.

The House adjourned at 6:05 p.m..

Respectfully submitted,


Daniel Quiñigua
Chief Clerk