

SENATE JOURNAL

SEVENTH DAY

Thursday, October 18, 1984

The Senate of the Fourth Northern Marianas Commonwealth Legislature, Second Regular Session, was called to order at 10:33 a.m., in the Senate Chamber, Susupe, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Benjamin T. Manglona, Vice President of the Senate, presided.

Vice President Manglona: Since the President of the Senate will be attending an important meeting and will be leaving us very shortly, he asked me that I preside in this meeting. May I ask the Senate members to please rise for a moment of silent prayer.

A moment of silent prayer was observed.

The Senate Clerk called the roll, and all nine members were present.

Presiding Officer Manglona: We have established the necessary quorum, so let us proceed with our session.

READING AND APPROVAL OF THE JOURNAL

Floor Leader Inos: Mr. President, I move for the approval of the 2nd and 5th Days' Journals and the 2nd Special Session's Journal.

Senator Mafnas seconded, and the motion was carried by voice vote.

MESSAGES FROM THE GOVERNOR

Gov. Mesg. No. 4-54, informing the Senate of his signing into Public Law No. 4-15, House Bill No. 155, H.D. 1, S.D. 1, entitled: "An Act to provide incentives for foreign sales corporations, to add a new Chapter 9 of Title 4 of the Commonwealth Code, to amend 4 CMC Section 1305, and for other purposes.", on October 12, 1984.

Gov. Mesg. No. 4-55, transmitting a copy of a draft legislation received from Mariana Islands Housing Authority, amending Public Law 3-13 to allow MIHA to use excess U.S. rental subsidy funds for infrastructure improvements.

REPORTS AND COMMUNICATIONS FROM THE HEADS OF THE DEPARTMENTS

None

HOUSE COMMUNICATIONS

House Comm. No. 4-93, returning Senate Bill No. 4-48, S.D. 1, entitled: "A Bill for an Act amending Title 7, Division 1, Chapter 1, Section 2103(a) of the Commonwealth Code.", which passed the House of Representatives on



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House Comm. No. 4-94, transmitting House Joint Resolution No. 18, entitled: "A House Joint Resolution proposing a Constitutional amendment by legislative initiative to limit the budget of the legislative branch to no more than two million dollars (\$2,000,000) each fiscal year.", adopted by the House of Representatives on October 11, 1984.--(referred to FA on 10/16/84).

House Comm. No. 4-95, transmitting House Joint Resolution No. 26, entitled: "A House Joint Resolution granting the Governor the authority to reprogram CIP funds of \$59,732 and for other purposes.", adopted by the House of Representatives on October 11, 1984. -- (referred to FA on 10/16/84).

House Comm. No. 4-96, transmitting House Bill No. 15, Committee Substitute, entitled: "A Bill for an Act to establish a preference for Commonwealth Contractors, to provide for the employment of resident workers in the construction business, to provide regulations for competitive public bidding, and for other purposes.", which passed the House of Representatives on October 11, 1984. -- (referred to RED&P on 10/16/84).

House Comm. No. 4-97, transmitting House Bill No. 131, entitled: "A Bill for an Act to restrict the reentry of non-resident workers who have been terminated or who have abandoned their previous employment within the Northern Mariana Islands, to amend 3 CMC Section 4434, and for other purposes.", which passed the House of Representatives on October 11, 1984.--(RED&P - 10/16/84)

House Comm. No. 4-98, transmitting House Bill No. 142, H.D. 1, entitled: "A Bill for an Act to require that all bank deposits made by the Commonwealth Government and its instrumentalities be protected by insurance coverage and by a pledge of bank assets.", which passed the House of Representatives on October 11, 1984. -- (RED&P - 10/16/84)

House Comm. No. 4-99, transmitting House Bill No. 157, entitled: "A Bill for an Act to establish a Northern Marianas Amateur Sports Association, and for other purposes.", which passed the House of Representatives on October 11, 1984. -- (HEW&P - 10/16/84)

House Comm. No. 4-100, transmitting House Bill No. 164, entitled: "A Bill for an Act to authorize and provide the procedure by which the Governor shall fill a vacancy in the Office of the Mayors, and for other purposes.", which passed the House of Representatives on October 11, 1984.--(JG&L - 10/16)

House Comm. No. 4-101, transmitting House Bill No. 167, entitled: "A Bill for an Act to authorize a public debt of not more than \$9,000,000 for Commonwealth power generation capital improvement projects and for other purposes.", which passed the House of Representatives on October 11, 1984. -- (FA - 10/16/84)

House Comm. No. 4-102, transmitting House Bill No. 168, entitled: "A Bill for an Act to authorize a public debt of \$1,033,401 to Farmers Home Administration, United States Department of Agriculture, for the purpose of meeting the Commonwealth's portion of the cost-sharing obligation for the Saipan Water System Improvement Project, and to earmark the revenues derived from the water improvement projects and certain funds from the Section 702(b) funds of the Covenant for the guarantee of repayment of the public indebtedness.", which passed the House of Representatives on October 11, 1984. -- (FA - 10/16/84)

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House Comm. No. 4-103, transmitting a certified copy of House Resolution No. 77, entitled: "A House Resolution expressing sincere and profound sympathy and condolences to the family of the late Carmen C. Lizama, upon her untimely death.", adopted by the House of Representatives on October 11, 1984.

House Comm. No. 4-104, transmitting a certified copy of House Resolution No. 75, entitled: "A House Resolution requesting the United States Postal Service to install mail boxes in Garapan, Saipan, Northern Mariana Islands.", which was adopted on October 11, 1984.

House Comm. No. 4-105, from the Chief House Clerk, requesting that House Bill No. 157, entitled: "To establish a Northern Marianas Amateur Sports Association and for other purposes.", be returned back to the House because it was inadvertently sent to the Senate.

STANDING COMMITTEE REPORTS

Standing Comm. Report No. 4-69, from the Committee on Executive Appointments and Governmental Investigations, reporting on the appointment of Mrs. Rafaela O. Perry to the Commonwealth Port Authority, and recommending for her confirmation and adoption of the report.

Floor Leader Inos moved for the adoption of the report, and Senator Guerrero seconded the motion.

Senator Guerrero moved to end the debate, and Senator Borja seconded the motion.

The Senate Clerk called the roll, and Standing Committee Report No. 4-69 was unanimously adopted by nine affirmative votes.

Presiding Officer Manglona: Standing Committee Report No. 4-69 is unanimously passed by the Senate; therefore, the appointment of Mrs. Raphaela O. Perry is confirmed by the Senate.

Standing Comm. Report No. 4-70, from the Committee on Resources, Economic Development and Programs, reporting on House Joint Resolution No. 24, entitled: "A House Joint Resolution respectfully requesting the Government of Japan to permanently halt its nuclear waste dumping plans in any places of the Pacific Ocean.", and recommending for adoption of the report.

Floor Leader Inos moved for its adoption, and Senator Mafnas seconded the motion.

There being no discussion, the motion to adopt Standing Committee Report No. 4-70 was carried by voice vote.

Standing Comm. Report No. 4-71, from the Committee on Fiscal Affairs, reporting on Senate Bill No. 4-57, entitled: "A Bill for an Act to amend Division 7 of Title 1 of the Commonwealth Code, and for other purposes.", and recommending for adoption of the report.

Floor Leader Inos moved for its adoption, and Senator Borja seconded the motion.

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There being no discussion, the motion to adopt Standing Committee Report No. 4-71 was carried by voice vote.

Standing Comm. Report Nw. 4-72, from the Committee on Fiscal Affairs, reporting on House Joint Resolution No. 26, entitled: "A House Joint Resolution granting the Governor the authority to reprogram CIP funds of \$59,732 and for other purposes.", and recommending for adoption of the report.

Floor Leader Inos moved for its adoption, and Senator Mafnas seconded the motion.

There being no discussion, the motion to pass Standing Committee Report No. 4-72 was carried by voice vote.

Standing Comm. Report No. 4-73, from the Committee on Fiscal Affairs, reporting on House Bill No. 167, entitled: "A Bill for an Act to authorize a public debt of not more than \$9,000,000 for Commonwealth power generation capital improvement projects and for other purposes.", and House Bill No. 68, entitled: "A Bill for an Act to authorize a public debt of \$1,033,401 to Farmers Home Administration, United States Department of Agriculture, for the purpose of meeting the Commonwealth's portion of the cost-sharing obligation for the Saipan Water System Improvement Project, and to earmark the revenues derived from the water improvement projects and certain funds from the Section 702(b) funds of the Covenant for the guarantee of repayment of the public indebtedness.", and recommending for adoption of the report.

Floor Leader Inos moved for its adoption, and Senator Mafnas seconded the motion.

There being no discussion, the motion to adopt Standing Committee Report No. 4-73 was carried by voice vote.

SPECIAL/CONFERENCE COMMITTEE REPORTS

None

UNFINISHED BUSINESS

None

PREFILED BILLS AND RESOLUTIONS

Senate Bill No. 4-56

Introduced by: Sen. J. Inos
Prefiled on : 10/17/84
Assigned to : JG&L

To amend Division 2 of Title 4 of the Commonwealth Code to provide new appointment procedures for the Marianas Visitors Bureau, and for other purposes.

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Senate Bill No. 4-57

Introduced by: Sen. B. Manglona
Prefiled on : 10/18/84
Assigned to : FA . .

To amend Division 7 of Title 1 of the
Commonwealth Code, and for other purposes.

Sen. Resolution No. 4-54

Introduced by: Sen. O. Borja
Prefiled on : 10/17/84
Assigned to : HEW&P

Extending a profound sense of condolences and
sympathy to the family of the late former
Guam Superior Court Judge John P. Raker for
his service in the Northern Mariana Islands
during the Naval and Civil Administrations.

Sen. Resolution No. 4-55

Introduced by: Sen. O. Borja
Prefiled on : 10/17/84
Assigned to : HEW&P

Expressing a most profound sense of sorrow and
sympathy to the family of the last Joseph F.
Screen and extending a sincere sense of "Si
Yuus Maase" for his most outstanding sense of
service and dedication to the people of the
Northern Mariana Islands.

BILL CALENDAR

Floor Leader Inos: Mr. President, with the consensus of the members, I move
to suspend Rule 9 of the Official Rules of the Senate to move three pieces of
legislations from First Reading to Second Reading, namely, Senate Bill 4-57,
House Bill 167 and House Bill 168. That's a motion.

Senator Mafnas seconded, and the motion was carried by voice vote.

HOUSE BILL NO. 145, H.D. 1: "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.", for
passage on Second and Final Reading.

Floor Leader Inos moved for its passage on Second and Final Reading, and
Senator Mafnas seconded the motion.

There being no discussion, the Clerk called the roll, and House Bill No.
145, H.D. 1, passed the Senate on Second and Final Reading by nine affirmative
votes.

SENATE BILL NO. 4-57: "A BILL FOR AN ACT TO AMEND DIVISION 7 OF TITLE 1
OF THE COMMONWEALTH CODE, AND FOR OTHER PURPOSES.", for passage on Second and
Final Reading.



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Floor Leader Inos moved for its passage on Second and Final Reading, and Senator Mafnas seconded the motion.

There being no discussion, the Clerk called the roll, and Senate Bill No. 4-57 passed the Senate on Second and Final Reading by nine affirmative votes.

HOUSE BILL NO. 167: "A BILL FOR AN ACT TO AUTHORIZE A PUBLIC DEBT OF NOT MORE THAN \$9,000,000 FOR COMMONWEALTH POWER GENERATION CAPITAL IMPROVEMENT PROJECTS AND FOR OTHER PURPOSES.", for passage on Second and Final Reading.

Floor Leader Inos: Mr. President, as a matter of constitutional requirement, the next item in the agenda requires two-thirds vote by the entire body. Mr. President, for Second and Final Reading, I move for passage of House Bill 167.

Senator Mafnas seconded the motion.

There being no discussion, the Clerk called the roll, and House Bill No. 167 passed the Senate on Second and Final Reading by nine affirmative votes.

HOUSE BILL NO. 168: "A BILL FOR AN ACT TO AUTHORIZE A PUBLIC DEBT OF \$1,033,401 TO FARMERS HOME ADMINISTRATION, UNITED STATES DEPARTMENT OF AGRICULTURE, FOR THE PURPOSE OF MEETING THE COMMONWEALTH'S PORTION OF THE COST-SHARING OBLIGATION FOR THE SAIPAN WATER SYSTEM IMPROVEMENT PROJECT, AND TO EARMARK THE REVENUES DERIVED FROM THE WATER IMPROVEMENT PROJECTS AND CERTAIN FUNDS FROM THE SECTION 702(b) FUNDS OF THE COVENANT FOR THE GUARANTEE OF REPAYMENT OF THE PUBLIC INDEBTEDNESS.", for passage on Second and Final Reading.

Floor Leader Inos: The same constitutional requirement applies to the next item in the agenda. Mr. President, for Second and Final Reading, I move for passage of House Bill No. 168.

Senator Mafnas seconded the motion.

There being no discussion, the Clerk called the roll, and House Bill No. 168 passed the Senate on Second and Final Reading by nine affirmative votes.

Presiding Officer Manglona: House Bill 168 passed the Senate unanimously. Again, since this requires two-thirds vote, we exceeded that requirement by passing it unanimously; so therefore, House Bill 168 passed the Senate. Are there any more bills for Second and Final Reading?

Floor Leader Inos: Nothing at this time, Mr. President.

Senator Borja: Point of information. I believe the Constitutional Convention Bill was deferred so that the chairman of the committee will take into consideration some of our concerns which at that time the reservation I had was the timetable for the election of the Constitutional Convention Delegates. Now, I would like to ask that question and information to the chairman whether or not, or when are we planning to take that up, whether this week or next week because I feel that is a pretty urgent bill.

Floor Leader Inos: Thank you for the courtesy of obtaining information on that question from the chairman. To the President of the Coalition, Mr. President, in as much as we would like to calendar that at any time, I have just spoken to a member of this body, Senator Villagomez, and he would like to offer some amendments to the Con Con Bill. He expressed to me that he will

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do that in writing. And if that is done and his concern is met, I can assure you the time for its passage.

Senator Borja: Thank you very much, Mr. President.

Presiding Officer Manglona: Is there any resolution under our Resolution Calendar?

RESOLUTION CALENDAR

HOUSE JOINT RESOLUTION NO. 24: "A HOUSE JOINT RESOLUTION RESPECTFULLY REQUESTING THE GOVERNMENT OF JAPAN TO PERMANENTLY HALT ITS NUCLEAR WASTE DUMPING PLANS IN ANY PLACES OF THE PACIFIC OCEAN.", for adoption.

Floor Leader Inos moved for its adoption, and Senator Mafnas seconded the motion.

Presiding Officer Manglona: There's a motion for adoption of House Joint Resolution No. 24. It is now open for discussion.

Floor Leader Inos: Mr. President, the jest of House Joint Resolution No. 24 is a repeated reminder to the Government of Japan to permanently halt its nuclear waste dumping plans within our areas, specifically the Pacific Ocean. There is an expression in any official forum, from the local level, to the state level, to the national level and to the international level. I am sure that the Government of Japan is very much familiar on our true intention to totally object any plan of nuclear dumping. Mr. President, my concern is not only to the extent of not to dump nuclear waste. My immediate concern now is how much honesty it is displayed in the international forum that Japan is not dumping nuclear waste now. Has there been an international surveillance to ensure safety in the Pacific zone such that Japan is not dumping it now? We are all expressing ourselves not to dump, not to dump, not to dump, but there has never been assurance on the part of Japan that they are not dumping. This is our monthly bread. We talk about nuclear dumping, the United Nations talks about nuclear dumping. Perhaps there is no concrete evidence that one becomes victimized of radio activity resulting from the nuclear dumping but I am sure, Mr. President, that we must address the international forum probably in the London Convention that originates the contract of nuclear dumping. We must inform them to institute immediately international surveillance to make sure that Japan does not only intend not to dump but it has not previously been dumping or dumping now. That is my immediate concern, Mr. President, that although we may not see any immediate effects on radioactive, we must be cognizant of the fact that the load of nuclear waste in Japan is overloaded. Be it as it may, they should be dumping somewhere. That is a question that deserves international attention. Thank you, Mr. President.

Senator Borja: Thank you, Mr. President. I strongly support the resolution here and I endorse the same remark made by Senator Inos. In fact, it is so important, so danger that it will jeopardize the whole lives of the Pacific islanders and any part of the world. And later on, I would like to more or less suggest that perhaps the President should later on appoint someone to really followup on this in the London Convention that is coming up in 1985 and pitch in how serious it is because we all know for the fact that it happened already in San Francisco Bay when they planted it with cement and later on they found out that there is a leak which is very, very hazardous to our lives. And if this is not hazardous to the lives then the Japanese themselves could have just dumped it in the backyard of their own country in Tokyo, but they know how serious and risk on anything that is involved in trying to more or less put it outside far away from them. But it is pretty

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close if it is going to be between Japan and here. So I am happy to see that transmittal copies of this be given to all including the United Nations, all the people that are involved here. So I strongly suggest and recommend for us to spend money in joining the meeting that is forthcoming which I think is worth it. I think we should avoid any possibility of doing it. Who knows, maybe they are doing it already and we don't know. So I feel that personal appearance will show more than just only the resolution. Thank you.

Presiding Officer Manglona: Thank you very much, Senator Borja. Is there any other member who wish to comment?

Senator Guerrero: Thank you, Mr. President. Much have been said on this nuclear dumping problem and we sit in our little room here and debate among ourselves and talk about nuclear dumping. We are fighting with silence and many times our voices are not heard. I will suggest, Mr. President, along with Senator Borja's recommendation that somebody or a group be appointed to follow from this by means of first, contacting or trying to find out if this is the same kind of sentiment with the other districts in Micronesia so we can try and set a Micronesian regional group together and perhaps we can along with this Micronesian regional group including Northern Marianas and Guam communicate with the South Pacific Legislators and leaders and take our position to the London Convention if there's any being planned to be held. In this way we are not only talking but we are taking action. And, Mr. President, I think we need to do this and the same group also can go to Japan and approach the Japanese leadership of the objection of the people of the Northern Marianas. Maybe with this kind of objection, the leaderships of the Northern Marianas and Guam together will travel to Japan and make known of their objection very strongly through public media in Japan, to go on television, on news media or whatever and through our political friends and connections in Japan. I am sure something will come about as a result of this effort, Mr. President. Thank you very much.

Presiding Officer Manglona: Thank you very much, Senator Guerrero. The Chair will certainly be looking into this matter as recommended by you and Senator Borja. Any other members who wish to be recognized? Are you ready for the question? We will now be voting on House Joint Resolution No. 24. Are you ready?

The motion to adopt House Joint Resolution No. 24 was carried by voice vote.

HOUSE JOINT RESOLUTION NO. 26, S.D. 1: "A HOUSE JOINT RESOLUTION GRANTING THE GOVERNOR THE AUTHORITY TO REPROGRAM CIP FUNDS OF \$59,732 AND FOR OTHER PURPOSES.", for adoption.

Floor Leader Inos moved for its adoption, and Senator Guerrero seconded the motion.

There being no discussion, the motion to adopt House Joint Resolution No. 26, S.D. 1, was carried by voice vote.

INTRODUCTION OF BILLS

None



INTRODUCTION OF RESOLUTIONS

President Rasa: I have a resolution here for introduction. Point of privilege. May I be excused now by the Chair?

Presiding Officer Manglona: You are excused.

(At this point, President Rasa walked out from the Chamber.)

Senate Resolution 4-56

Introduced by: Sen. P. Rasa
Assigned to : FA

Relative to fair and impartial treatment of government employees in consideration of pay raises without consideration of political affiliation or partisan activity.

PETITIONS, MEMORIALS AND MISCELLANEOUS COMMUNICATIONS

None

MISCELLANEOUS BUSINESS

Presiding Officer Manglona: Is there any member who wish to be recognized under the miscellaneous business? Yes, Senator Guerrero?

Senator Guerrero: Mr. President, one big question I would like to ask. When is the staff are going to get paid? Mr. President, you know my patience is running out. You can take a rubber, for instance, and stretch it and it can only go so far. The staff have been promised to be paid many different dates and I found out that some of the problems is because it isn't in the journal here but most of the problems is through the Administration in the other side. We take our contracts up to the Finance Office expecting that they could all be signed and they could all be ready and payroll be made on the following day because they have given us promise also, only to find out that they always returned them. Why, Mr. President?

Presiding Officer Manglona: For your information, during the past two weeks the leadership of the Senate has been in continuous communication with the Executive Branch in trying to expeditiously act upon our Senate contracts. We have also discussed the problem in regard to the employees' salaries at the time when they terminated their contracts sometime in the early part of July throughout the end of the fiscal year ending September 30. For your information, we have reached an agreement with Finance and the Executive Branch that we will submit our employees' contracts so that our employees can get their advance hopefully either today or tomorrow. The last information we got is that AG is now signing the contracts. And after the AG signs the contracts, the contracts will go to Personnel. After Personnel, they will eventually be up at Finance. So the contracts will eventually be signed sometimes today. And we have communicated also with the Department of Finance to start cutting out the checks if possible to expedite this matter. So, for your information, we hope that the employees' salaries that have been earned from October 1st to the end of the first pay period in October will come out either late this afternoon or maybe tomorrow. For your information, the first



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pay period in October is suppose to be on October 26, but since we know the problem of our employees, we are trying to advance this for this week. So, that is what we are trying to accomplish at least in all the meetings that we have conducted. For your information also, we are negotiating to find out whether or not we can find money in order to enable our employees to get their reimbursement for the period that they were not paid in the last fiscal year. We thought we have reached an agreement to acquire the money but then after a careful checked up, it appears that we may have a legal problem. So just today, one of the actions is Senate Bill 4-57 which is an amendment to the Budget and Planning Act. But if the acted on this, we already found a source of money to pay our employees. So I would like to suggest that we should try to urge our colleagues in the House to please pass this so that once the Governor signs it, which the Governor agrees to sign it, I think our employees will get their reimbursement hopefully this week or early next week. I hope this will respond to your concern, Senator Guerrero.

Senator Guerrero: Mr. President, yes. I know that the leadership of the Senate is doing its best to make sure that the employees of the Senate are all paid for their current salaries under the new fiscal year and also the retro-active salaries that we owed them. But what I do not understand, Mr. President, is why is it that we have to be told from the Executive Branch what to do. We have been doing everything that they tell us, we have to go to the House and pressure them to make sure that they pass certain bills so that they get paid only to meet with another legal problem. What is happening to all the legal opinions? We are being advised by lawyers that this is what we ought to do and this is how it ought to be done because they will come through only to find out that it is not happening. Mr. President, I think the staff should fully understand what is happening. I don't think the Senate leadership or whatever leadership should not keep this behind doors anymore. We ought to release to the staff so they should share the problem with us because I'm afraid that every time I get a new date, new information, I pass it on to my staff and then my staff will wait for that date to come, they even plan something for themselves and their families and only to be led with frustrations, anger and distrust, and I am sure that I am not mistaken if I say that a lot of my staff now call me a liar because I cannot meet the deadline. I tell them that the leadership and the Administration said that this is it and it never happens, and I don't want to be called a liar, Mr. President.

Presiding Officer Manglona: Well, I understand your concern, Senator Guerrero. All of us know three weeks ago when we passed a measure in which we all hoped that we could resolve our problem. The problem with that is that the MPLT took us to court and the Judge put out a ruling and the ruling is very specific saying that those money along with its interest have to be with MPLC and then to MPLT. So for that matter, we were not able to get the necessary funding to pay our employees. That was the first problem. The second problem is that the Administration is willing to assist us in getting our money but then the problem is the cash flow. We were promised by the Treasury Department that they will be sending us the first draw down of our Covenant funding hopefully by October 26. Based on the previous experience, sometimes the Covenant first draw out comes about at late as January. So this is very uncertain. So for that matter, according to the information we have received from the Administration is that at the moment we only have enough cash at least to take care of one or two pay periods this quarter. So in order words, the Administration is willing to pay us but the problems is the cash flow. So it is for this reason that we pass this amendment so that we can borrow some of the moneys available from other government agencies which we know they are now available so that once the Governor signs this, then there is no problem in tapping other agencies' money through MOU arrangement. So this is exactly what we are doing now. I hope to explain your concern, Senator.

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Senator Guerrero: Yes. Mr. President, like I said, my patience is running very thin. We have been promised to be paid so we passed on this promise to our staff. First, the said, for you to get your salaries, the staff salaries, this is how the Governor wants the bill to be written. I mean, I don't know with you, Mr. President, because I am thinking about the staff. But my golly, for the Governor to tell the legislators what to do is beyond me. And so we try to do what the Governor wants only to be faced with some other problems. We sent the bill back and we passed the bill and everything, it went over to the Administration then he sent it back saying there's some technical error with respect to certain language in the bill and the Governor doesn't want that. The Governor wants us to pass another one. So we marched down to the House and we argued like hell. We sent it back to them, then there are some legal matters there, MPLT has to come to the picture. And again, we have to lobby with the members of MPLC or MPLT to see if they can consider our dilemma because of our staff. Now, we got that through and now they said it is the cash flow. What in the hell is happening? Something is wrong. Something is missing. And I never be far from being wrong if I place the blame on the Administration, the Executive Branch, because they are the one that gives us directions and the legislators, like fools, they follow the direction. Mr. President, thank you very much.

Presiding Officer Manglona: Thank you, Senator. Any other members who wish to be recognized?

Senator Mafnas: Mr. President, Senator Guerrero had covered most of the points that I would like to bring up to this body. I have before me a prepared speech to deliver to back or relevant to the dilemma that this body is now facing.

Mr. President, I want to touch an issue that has been bothering my mind. Long before the arrival of Fiscal Year 85, there were discussions about unwritten legal opinions that in the event that we operate under continuing authority the \$400,000 given to the Coalition Group last fiscal year would revert to the Senate operations. We learned from our Legal Counsel that that was the opinion of the Office of the Attorney General and also, the opinion of the Office of the Public Auditor. If this were the case, is it a reality now? And if this is a reality, why our Legal Counsel is still unable to procure such opinions from them? This is not a personal attack at the Coalition Group. If they deserved the \$400,000 this fiscal year, then let's give it to them. If they don't, then let's take action right away and put the money where it belongs.

So the question is where do we stand. What law prevails, Public Law 3-97 or Public Law 3-68? It seems to me that everytime our Legal Counsel renders an opinion, nobody is honoring it. Something is wrong there, Mr. President. I want to know if we are operating under 1.4 million, 1.6 million, or 1.9 million so that we can plan accordingly. My employees don't believe me anymore. They didn't tell me this but I could see on their faces. Everytime there is new development, I gathered my employees and advised them accordingly. The next thing I knew there is another new development. I have to go back to them and repeat the same thing. Pretty soon, I cannot fact them because once I give my word I stick to it. The contracts of the employees - I don't know how many times already have been changed and God knows how many more changes are coming. Some people seem to lose sight of this. In politics, you can only lie once because you can come up with an excuse. The second time that you lied, you had better start looking for another job because you are dead. They lose confidence with the senators.

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Yesterday, I read a memo addressed to the Director of Finance and circulated to each senator. This memo is authorizing the Director of Finance to release the check of a new employee. This is a new employee hired this new fiscal year. What about all the rest of the employees who have been working since July 6 and are not getting paid? Why have they been put aside and gave priority to the new employee? It is absolutely not fair to the employees who are registered voters. This memo is read by each secretary and the word is out already condemning this memo that is very discriminatory. What are we going to tell our employees who have been working since July 6 that this new employee is being authorized to receive his check? What legitimate excuse can we offer them? Why did we miss this important point? Another thing, Mr. President, who is really running the Senate? Is it certain member of the staff or the leadership? Are we paying them that huge amount of money just to mess up the operation of each senator? Or to be blunt, what in the hell are they doing to deserve that kind of salaries? Mind you, Mr. President, I am not referring to the regular employees; I am referring to those hunchos who sit and do nothing while earning tremendous amount of money with authority to give the little guys to do their dirty work. I ask this question of them: What are they going to do next year if the Republican becomes a minority in this Senate? Is that why they are taking every advantage this year because they know they will be out next year? I hope these people are not trying to undermine us because we have a mind of an elephant that never forgets. I hope they don't come back next year and say I am sorry because I will personally make sure that I will be here to kick their ass out. Or do they intend to switch loyalty, or do they intend to switch to the Democratic Party? If that is the intention of these people, then I urge them to switch party right now.

If I hurt anyone, Mr. President, I will never apologize. If they think this is their time, wait until next year because I shall be here and no more good time, no more living it high. This is all for now, Mr. President. Thank you.

Presiding Officer Manglona: Thank you very much, Senator Mafnas. Are there any other members who wish to be recognized?

Senator Borja: On the same subject, Mr. President, I personally in sympathy and understand the situation of all these payless dates for the employees since July. I think the question of giving them their compensation, I still like to see even yesterday or already two or three months ago but the problem is because of the exhausted budget plus I think if we are looking for, like you said, maybe tomorrow, I believe the policy of our so-called pay period starts from October 1st to 14 is less and then we would not be able to get it until two weeks. In other words, it is only advance. Now this cash flow Covenant stuff, I doubt very much whether that can be excused. If it is already earned, then it should be given to them. If there is a budget, they should be getting it. So I suggest, Mr. President, that if we are truly dedicated to our employees also, I personally would like to go ahead and pledge my \$13,000 Official Representation and give it to the employees. At least one third of their probable salary because I understand that their salary is going on over \$300,000 every two weeks and all we can get is about \$112,000. Not much they can do but at least they can pay some of their bank obligations or something until we have the legal -- the legal question which is the question that has been delaying all of these things. I am happy to see that the Chairman of the Resources and Development and Rules Committees, Senator Mafnas, came up and said that if we are entitled, give it to them. We are not. I feel the same thing too even with the continuing resolution. I feel that as long as we don't expand, as long as we don't deviate from the same situation we are in, I think the 3-97 is still legal but it could be challenged because every legal attorney

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have different legal opinion just like what happened with MPLC money, land, and everything. Everybody thought it is going to go through but yet when it comes to the court, the ruling is different. So to me, if we really want to get that \$112,000, all we can get out of that is \$100,000. How much are we going to do with it? I mean that's not the solution to it. The whole solution to it is let's work out our budget, let's have our management work efficiently in terms of, like Senator Mafnas said, the real bonafide employees. If we need \$2 million work, so let's work it out on \$2 million and not 1.4 and then keep on going up, and then what happen? The ultimate end is going to be sacrificing the employees who have been dedicated, long time workers and so forth. I personally feel the same. I really symphathize these employees, Mr. President. I think they deserve it and they should get paid for it. Now, the people who are not or who just come in and out and just overlooking and everything, you know, without any action and doing good work with their subordinates or other people, that I think they can take ease because they may have a lot of money and let the real ones go into the budget that we have until such time that.... You know our position that even with the Republican Coalition, we voted for the budget of Fiscal Year 85 because we feel that that is the amount we need. There's nothing in there for the Coalition but I thought that maybe later on we can accomplish something and see because the main thing is that money is the problem and we should give them what they deserve. They worked for it and they should get paid. After listening to Senator Guerrero and Senator Mafnas, they are rightly correct on all of these situitions. I think we should, the leadership especially, try and pinpoint instead of giving the new comer. They should consider the long time employees who have already put in their services into the Senate here. I am sorry to see the whole thing become like this but my support for the employees is always 100%. In fact, I pledge my \$13,000 or whatever if that is less legal hassle which I foresee some legal hassles because, I think, even for the first quarter, unless we really advance it, they will not give it to us. So maybe we could advance them. Write them a nice letter and they will give us something like 19,000 or 12,000. I think we can help them on something that they can buy and the bank for their confidence in trying to continue the rest until the next time. But I am sure all these situations could be resolved perhaps, I'll say, not this week but sometimes within two weeks. But I am willing to go ahead and help whatever I can in the interest of our employees. Thank you, Mr. President.

Presiding Officer Manglona: Thank you, Senator Borja. Are there any members who wish to comment?

Senator Calvo: Thank you, Mr. President. Mr. President, there are so many being said about the employees that are not being paid. Mr. President, I believe that they have already issued out the first quarter allotment for the Fourth Commonwealth Legislature. So why does that fourth allotment not given at least for the first pay period to the staff?

Presiding Officer Manglona: Well, no doubt the first pay period will be out momentarily now. The problem is that we are also working to have the employees get their reimbursement for the periods that they have worked, from July to September 30. We were told that there is a cash flow problem. Then I think that if the Administration is serious enough and wanted to help us, I am sure there could be a way to find money to help these employees. At least that's my contention. But I only hope that everybody will have the human sympathy which we all hope for.

Senator Calvo: Mr. President, besides this short pay for the staff, I would like to present my statement for the record in as far as the airline problem.

Presiding Officer Manglona: You may proceed.



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Senator Calvo: Thank you, Mr. President. Mr. President, distinguished colleagues, ladies and gentlemen: It seems that since the advent of air transportation in the Commonwealth of the Northern Mariana Islands, the First Senatorial District of Rota has gone through numerous economic hardship borne by the abrupt discontinuation of regular air service by the various airlines that serve the inter-island air route.

As recently as Monday of this week, South Pacific Island Airways could not provide regular air-service to Rota because it was grounded by the Federal Aviation Administration for flying close to Soviet Russia's airspace. The result of this situation brings to a complete stop practically every facet of our island's economic activities.

As such, the importation of basic needs ceases; the exportation of agricultural produce to neighboring islands also ceases; purposeful commuting to islands north or south of Rota is disrupted; normal tourism activities also come to a complete stop.

This is not the first time that we have been afflicted with inadequate air service or the abrupt discontinuation of essential air transportation service. If anything, I hope it is understood that a major portion of our island's economic activity is totally reliant upon efficient air service to and from the island.

I can no longer tolerate seeing the usual economic hardship that is inflicted upon our people because an airline is alleged to have violated this or that federal or international law. The prevailing situation where South Pacific Island Airways is given by the court only seven days to operate does not leave us in any better situation, as we can see in today's paper.

Therefore, I wish to call upon the Rota Delegation, the Mayor, the Administration, all the leadership here in the Commonwealth, and the Marianas Ports Authority to meet and prepare a strong position supporting Continental Air Micronesia's desire to provide three weekly flights to Rota, a proposal now awaiting approval by the Civil Aeronautics Board in Washington, D.C., pending the outcome of the lawsuit at the Honolulu Court.

I am sure you can all appreciate the frustrations having to deal with this type of situation and I hope that you would be supportive of our desire to see that Continental Air Micronesia provides reliable and adequate air transportation service to the First Senatorial District. Thank you, Mr. President.

Presiding Officer Manglona: Thank you, Senator Calvo. Any other members who wish to be recognized?

Senator Inos: Mr. President, in a nut shell, I am in support of Senator Calvo's statement. The Rota Legislative Delegation which I am a member of had continuously expressed support for any airline which displayed reliable, financial capability, and big potential to deliver essential services to Rota. The statement of Senator Calvo in which he requested the position of Rota Delegation, I think that was well established in the First Regular Session in Rota when the Senate conducted its session there. A resolution to that effect was passed unanimously in Rota calling for the immediate service of Continental Air Micronesia to Rota and that was established although that was not honored by Continental. Whether that is to be continuously introduced and passed, that is something for another discussion. But yes, Mr. President, the people of Rota and the Rota Legislative Delegation in which the Presiding

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Officer and myself are members had great support for any kind of dependable airlines. We cannot continue to muster around to continuously request for assistance and assistance, repeated request when in fact we have already done so. But in the meantime, Mr. President, I have communicated with the Resident Representative in Washington, Mr. Froilan Tenorio, that subsequent to the order of the Federal Court in Washington for SPIA's continued service to Rota, the corporate office in Washington and Lost Angeles dispatch to Saipan or to Guam, Mr. Dan Purse, to cancel all further services to Rota. That is the anticipation that Continental would not make off financially on what it anticipating to make from Rota. But despite of all of those rejections from Air Micronesia, we shall continue to support any dependable airlines. I myself was left stranded in my lovely island for about three days, however I managed to get supports from other friends to have chartered a rather expensive air taxi to Guam. But yes, we are in conformity for a united and dependable airline.

Presiding Officer Manglona: Thank you, Senator. Yes, Senator Borja?

Senator Borja: Thank you, Mr. President. On the same subject, I believe all of us knows that this is not a new interruption. In fact, discontinuation of a flight has been really received by the people of Rota. In the past, we have taken a lot of actions to see whether we can solve the problem. Sometimes we did it through the CAB for essential services. But, Mr. President, my real concern on this one is that whenever you people down there come up and work with the people over here for any kind of economic program then all of a sudden a ruling was made so immediate return cannot be because of the grounded emergency or whatever you call it, safety standard regulation that has been until such time that it appeals. That I should like to see its discontinuance in the future. I think all of us is fully aware of the negative impact for social economic, you name it, and as a result, Mr. President, the only thing that I was kind of pleased yesterday when I saw the newspaper saying that the Continental went ahead and provide some. The SPIA went ahead without revenue, they went ahead and pick up passengers. At least some obligations show that they have provided some intentions but because of the order that came out to ground them. But when reviewing the grounding, the reason for it is a kind of assumption or deviating from the real courses of the Soviet airship and to affect all over the world, even the kindergarten could see and say, my golly, that is too much. They are not really thinking about the others. I am glad that the ruling and the appeal at least gave certain time to go ahead and fight for permanent injunction of that order. And hopefully, I would like to see it but the main concern that I have now is to really deal and negotiate with CAB that if anything happens either to Continental because of financial situation or SPIA on something to really have it replaced over there, immediate airline available so that it will not disrupt or provide any kind of negative impact so the people there will continue to enjoy the success of vacation, or work officials, and all of these things which I would like to see, once and for all, be solved because, Mr. President, as we all know, we solve it one year and the following year, they will come up again. As I have seen the Air Guam came in as a lifting cargo which helps our economic development aspects and others but on the other hand, what about the people. We are advocating so strongly for tourist industry yet the airline has been giving, let's say, a situation where they can no longer continue the same services again. I believe that someday whoever the delegation that may go to Washington, D.C. would really have time to discuss this and try to settle and resolve the situation once and for all and try to... even now, see who is really going to provide it continuously. Yesterday, I believe you have copies and the Senate President which I wrote a letter to Mr. Dan Purse about his willingness to provide which I think that shows an indication that they don't like to see. It is very important to see the continuation of air services. And I think as a result of this, we would like to

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see that once they declare as permanent and the other taxi may come in as a supplemental, in that case, one or the other, we still have, like a tire for our vehicle, we always have an extra in case we have a flat tire when running on the highway. So in this case, we don't consider that and we should consider more in our livelihood and for the economy. And I think we could have a standby all the time there that will provide immediate service so you don't sacrifice as you did in the past that you cannot come and discharge your constitutional duties and responsibilities to the people here. And look, we just have a meeting here because of the discontinuance of the airline which I don't blame your delegation for not being able to come. I was so scared that maybe another week. We were so concerned and that is why I have this letter, and I am in support to see continued services in the future. Anything I can do, Mr. President, we, as a whole, in the Senate and the House of Representatives will do anything we can. Thank you.

Presiding Officer Manglona: Thank you very much, Senator Borja. I think we have had enough discussions under the miscellaneous business.

Senator Guerrero: Just one, Mr. President.

Presiding Officer Manglona: Is that a miscellaneous business?

Senator Guerrero: Yes; or rather privilege for one brief second, Mr. President. Mr. President, I strongly recommend that the leadership of the Senate should send a strong cablegram to FAA, requesting them to please allow the SPIA to fly between islands in order to help continue the vital functions and livelihood of the people concern. If we send a strong cablegram, I am sure that SPIA will be allowed to fly.

Presiding Officer Manglona: For your information, Senator, SPIA has already assumed its operation since Tuesday of this week. First on a free basis and then beginning Wednesday, yesterday, they resumed their regular operation. So as far as the problem now on Rota, I think it is back to normal. I can assure you that that has been taken care of. A cable has been sent to CAB, to our Washington Representative's Office, and to FAA. So that authority has been done.

Senator Guerrero: So, Mr. President, if that is the case, then we have no problem.

Presiding Officer Manglona: Did I see you hand, Senator Villagomez? So, perhaps everybody have already spoken under the miscellaneous business. Before we touch on the last topic of our calendar, I would like to say this that I am very much impressed by the statement made by some of us regarding our very serious Senate financial situation. Surely, in making my statement very short, our ship is sinking and surely also that our employees are ready to abandon the ship. I do not deny to you that the Senate is experiencing a very serious financial problem. And unless the Senate leadership and unless we, senators, take positive action in looking into our financial problem, I can tell you that this problem will be even worst in this fiscal year. Once again, I must admit that we have a problem, and I think that the person to be blamed is all of us senators are to be blamed. I think we ought to do our work. I think we ought to get together and make a very serious decision, a very serious and hard decision so that our employees will not suffer. Of course, there maybe others who contributed to the problem of the Senate but I, for one, will not blame others. I, for one, will blame my own house. I blame myself, and it is up to you whether or not to blame yourselves. But I think the problem lies in this house, in this Senate and it got to be

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corrected otherwise our problem will be doubled this fiscal year. As Chairman of the Senate Fiscal Affairs Committee, once again, I must tell you now that our problem is not getting better this fiscal year. It is going to be worst unless everybody accepts to suffer, employees and senators alike, the situation will be worst. My recommendation is that we, senators, must be willing to make a hard decision. We, senators, must be willing to make this now and the employees must be willing to face a reduction and this is the only solution to the Senate's problem. I am sorry to be blunt but this is the way I see it. So at least this is my final comment in regard to our fiscal crisis - maybe I can term it as fiscal crisis. Is there any other member who wish to be further recognized before we go to announcements?

Senator Borja: Mr. President, I have other subject other than miscellaneous that I am going to make it short because I can see that we have utilized the Miscellaneous Business too long. My subject here is going to be the turnkey project at the Koblerville. Mr. President, as we probably have seen the Press Release as I pointed out in the beginning and responded by the Executive Director of MIHA, Mr. Cabrera, and again more will come up this weekend. The concern that I really have is that there are too many complaints already and the complaints are coming in, and I have seen the quality of the workmanship that have been done and also the substitution on some of the parts that have been complied with the specifications. I would like to say, Mr. President, on record, that the turnkey housing projects, even on Rota, Tinian and here, has a very important fund because it comes from the federal; and I hate to see this jeopardized because of the poor quality work that is involved right now here at the Koblerville up there that I have noticed it that they have been using the very cheap materials and so forth that later on either there's leaking or something is wrong. So I am really trying to point out that let's just correct this workmanship into a good quality and put it back even if it is not from the island. They must be from Japan, they must be from the United States, the better ones and not just to buy from Taipei or something there that later on you find them already close to the water that when you touch it you get electrocuted. And all of these are very dangerous to the life. Besides, the work itself is not very good. And I am really blaming the principle contractor and that is Sumitomo because they are supposed to be monitoring it closely day by day. They are responsible.... The subcontractor which is the Chinese people, Kom Wong, whatever you call it. I don't really know the company's name, but these people are all Chinese. I rather see Filipinos come in here and do the work or our local contractors here. I admire them, like Sablan and others who are doing pretty good work. If we have other contractors, then fine. But the problem is that a lot of time they make it cheap so that the contractor will make money. But on the other hand, we are authorizing federal fund. So I just want to put this on record that my point is not procedure, not how the people over there are enjoying the economic development program, and not because they have beautiful gardens or something. The thing is we have to be very, very careful including cautious with our federal funds and at the same time provide good quality because that house is not a cheap one; it is expensive and the people deserve good quality. Thank you, Mr. President.

Presiding Officer Manglona: Thank you, Senator Borja. Any announcements?

Senator Guerrero: This is just a point of information. That is what you get when you bring in Chinese people. Thank you.

ANNOUNCEMENTS

None



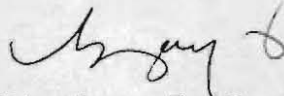
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Floor Leader Inos: Mr. President, I move that the Senate stand recessed,
subject to the call of the Chair.

Senator Borja seconded, and the motion was carried by voice vote.

Presiding Officer Manglona declared the Senate recessed at 11:39 a.m.

Respectfully submitted,



Nicolasa B. Borja
Senate Clerk