# THE SENATE TWELFTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE FIRST SPECIAL SESSION, 2001

#### First Day

Thursday, April 5, 2001

The Senate of the Twelfth Northern Marianas Commonwealth Legislature, First Day, First Special Session, 2001, was called to order at 10:00 a.m. in the Senate Chamber, on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Paul A. Manglona, President of the Senate, presided.

A moment of silent prayer was observed.

The Senate Clerk called the roll and all nine (9) members were present.

<u>President Manglona:</u> I would like to apologize for the delay in today's session. With all members present, we have the necessary quorum to conduct today's session.

#### READING AND APPROVAL OF THE JOURNAL

#### None

## MESSAGES FROM THE GOVERNOR

Gov. Mesg. No. 12-572: March 7, 2001 - Certification for annual salary in excess of \$50,000 for physicians at the CHC.

Gov. Mesg. No. 12-573: March 7, 2001 - Certification that the position of Health Promotion & Wellness Coordinator at the Tinian Health Center is vacant and must be filled during the period of continuing resolution.

Gov. Mesg. No. 12-574: March 7, 2001 - Certification that 3 physician positions within the Department of Public Health are vacant and must be filled during the period of continuing resolution.

Gov. Mesg. No. 12-575: March 12, 2001 - PL 11-6 Exemption for Resort Services International Company Limited.

Gov. Mesg. No. 12-576: March 12, 2001 - PL 11-6 Exemption for K.L. Corporation.

Gov. Mesg. No. 12-577: March 12, 2001 - PL 11-6 Exemption for T&S Construction Company.

Gov. Mesg. No. 12-578: March 12, 2001 - PL 11-6 Exemption for C&R Corporation.

Gov. Mesg. No. 12-579: March 12, 2001 - PL 11-6 Exemption for Adpia Communications, Inc.

Gov. Mesg. No. 12-580: March 14, 2001 - Certification that the 3 positions within the Department of Natural Resources are vacant and must be filled during the period of continuing resolution.

Gov. Mesg. No. 12-581: March 15, 2001 - PL 11-6 Exemption for Pacific Island Aviation, Inc.

Gov. Mesg. No. 12-602: March 30, 2001 - Nominating Mr. Sixto K. Igisomar to serve as a member of the CDA Board of Directors.

Gov. Mesg. No. 12-603: March 30, 2001 - Nominating Mrs. Sherl S. Camacho to serve as a member of the Free Trade Authority Board representing Women.

Gov. Mesg. No. 12-604: April 2, 2001 – Informing the Legislature that he had disapproved Senate Bill No. 12-100, the "Rota Agricultural Homestead Amendment Act of 2001". (DISAPPROVED ON 04/02/01) [OVERRODE BY VOTE OF 9-0]

Gov. Mesg. No. 12-605: April 2, 2001 – Informing the Legislature that he had disapproved Senate Bill No. 12-79, the "Managaha, Coral Garden and Pinatang Park marine Conservation Act of 2000". (DISAPPROVED ON 04/02/01)

Gov. Mesg. No. 12-606: April 2, 2001 - Informing the Legislature that he had disapproved Senate Bill No. 12-101, the "Rota Village Homestead reservation Act of 2001". (DISAPPROVED ON 04/02/01)

Gov. Mesg. No. 12-607: April 2, 2001 - Informing the Legislature that he had disapproved House Local Bill No. 12-21, SNILD Draft 2, entitled, "To appropriate the sum of \$150,000) from fees collected for SLL 12-2 for the construction and various road paving projects in Precinct I; and for other purposes." (DISAPPROVED ON 04/02/01)

Gov. Mesg. No. 12-608: April 2, 2001 - Informing the Legislature that he had disapproved House Local Bill No. 12-28, SNILD Draft 1, entitled, "To reappropriate the sum of \$50,000 from fees collected from SLL 12-8; and for other purposes." (DISAPPROVED ON 04/02/01)

Gov. Mesg. No. 12-609: April 2, 2001 - Informing the Legislature that he had signed into law House Local Bill No. 12-23, SNILD Substitute 1, entitled, "To appropriate the sum of \$378,043 on the fees collected for SLL 11-2; and for other purposes." (SLL 12-11 - 04/02/01)

Gov. Mesg. No. 12-610: April 2, 2001 - Informing the Legislature that he had signed into law House Local Bill No. 12-31, SNILD Substitute 1, entitled, "To appropriate the \$65,696 from the Developer Infrastructure Tax for the Gualo Rai Sewerage System Distribution Line; and for other purposes". (SLL 12-12 - 04/02/01)

Gov. Mesg. No. 12-611: April 2, 2001 - Informing the Legislature that he had signed into law House Local Bill No. 12-26, SNILD Draft 2, entitled, "To appropriate the sum of \$400,000 from fees collected from SLL 11-2; and for other purposes." (SLL 12-13 - 04/02/01)

Gov. Mesg. No. 12-612: April 4, 2001 – Informing the Legislature that he had disapproved HLB 12-29, entitled, "To appropriate a sum of \$10,000 for the development, implementation, and maintenance of the CNMI Youth Webpage from SLL 11-2; and for other purposes." (DISAPPROVED on 04/04/01)

Gov. Mesg. No. 12-613: April 4, 2001 – Informing the Legislature that he had disapproved HLB 12-30, SNILD Draft 1, entitled, "To appropriate a sum of \$68,000 on the fees collected from SLL 11-2 for the immediate support and implementation of environmental enhancement archetype for Saipan; and for other purposes." (DISAPPROVED ON 04/04/01)

Gov. Mesg. No. 12-614: April 4, 2001 – Informing the Legislature that he had signed into law SB 102, SD1, HD1, entitled, "to amend 6 CMC  $\S$  4201, 4202, 4206, 4251 and 4252 relating to the Board of Parole; and for other purposes. (PL 12-41 – 04/04/01)

President Manglona: Is there any comment from the members?

Senator Atalig: Mr. President, I would like to make a comment on Governor's Message No. 12-64 on disapproving Senate Bill No. 12-100. This is the Rota Agricultural Homestead Amendment Act of 2001. Mr. President, this is the second time that the Governor vetoed this bill in which it will resolve one of the many, many, issues and problems that the Board of Public Lands had since the enactment of Public Law 10-57. Mr. President, in his veto message

dated February 03, 2001, he stated in the second paragraph and I quote, "Although I understand the Legislature's desire to facilitate the resolution of land issues on the island of Rota, I believe this bill is not necessary at this time". Mr. President, let me ask then when will it be necessary? The Governor said he understands the Legislature's desire to facilitate this issue, but Mr. President, I don't think the Governor understands. I don't think the Governor understands the frustrations of our people in Rota with regards to this issue. I don't think the Governor understands the livelihood of these unemployed people that are just depending on farming and fishing in Rota. I don't think the Governor understands how much these people have invested in these areas. I don't think the Governor understands and the Board understands the pressure that we are having every time we meet these people, our constituents. Mr. President, i Board of Public Lands taya nai manmato ya man meeting Luta or sino public hearing para uma air este siha na concerns i taotao-ta giya Luta. Bula complaints siha man maffato guato Rota Public Land Office giya Luta. Bula complaints ni este gue siha. Hafa na timan ma address este siha na issue? I Marianas --- man mana'i siha primet siha i taotao Luta, esta pa'go tisiña man ma satba este na problema. Este i rason na hu introdusi este na bill pot para uma satba este na problema. Este gue rason, taotao tano este para ufañaga guine para ufan matai este ha' na tano. Hafa na kada taotao-ta para ufan mana'i esti siha para ta na'i problema. Komo taotao hiyong ensigidas ha' man ma apreba. Tana'i fi'on beach yan i man bonitu siha na lugat. Komo taotao-ta megai bureaucracy siha, hafa siha man sensitive pot para ufan mana'i taotao-ta. Taotao-ta este siha i para ufanaga ya ufan matai este ha' na tano. Hafa na tisiña ta na'i? Mr. President, mangakati este siha na taotao-ta ya titaatetendi. Ta huhuchom mata-ta yan talanga-ta. Malagu yu'i Board of Public Lands na ufan mato Luta ya ufan ma ekungok este siha na taotao-gue ya ufan mana'i. For that reason, Mr. President, I move to override this.

Senator Adriano voiced, "second".

President Manglona: Senator Atalig hafa iyon-ña bill number yangin tiun lalalu?

Senator Atalig: Senate Bill No. 12-100.

<u>President Manglona:</u> I believe there's a motion on the floor to override Senate Bill No. 12-100 under Governor's Communication No. 12-64. Is there any discussion?

Vice President Villagomez: Are we going to vote on the motion now or are we going to put it on the Bill Calendar?

Senator Atalig: I was about to mention that....

President Manglona: Right now the motion is for....

Senator Cing: We have to put this on the Calendar.

Floor Leader Reyes: Point of clarification.

President Manglona: State your point, Floor Leader Reyes.

<u>Floor Leader Reyes:</u> Mr. President, it is allowable to make a motion for override on the Governor's Message section of our Order of Business.

<u>President Manglona:</u> I would like to clarify that the motion has been made and was seconded for the override. The discussion would be on the bill itself as to whether or not to vote for the override. Is there any member who wants to comment?

Floor Leader Reyes: Mr. President, again the motion is to override and the discussion would be on the issue to override.

President Manglona: Is there any further discussion?

Senator Adriano voiced, "ready".

<u>President Manglona:</u> None? We're ready to vote on the override. Senate Clerk, call the roll please.

The Senate Clerk called the roll with the following result:

Senator Joaquin G. Adriano	Yes
Senator Ricardo S. Atalig	Yes
Senator David M. Cing	Yes
Senator Jose M. Dela Cruz	Yes
Senator Ramon S. Guerrero	Yes
Senator Edward U. Maratita	Yes
Senator Pete P. Reyes	Yes
Senator Thomas P. Villagomez	Yes
President Paul A. Manglona	Yes

Nine (9) members voted yes.

<u>President Manglona:</u> By a vote of nine (9) yes, we have the necessary two-third votes. Senate Bill No. 12-100 is hereby overridden by the Senate.

The Chair recognized Senator Guerrero.

Senator Guerrero: Thank you, Mr. President. One of the communications by the Governor was for the approval of \$495,000 from fees collected from Saipan Local Law No. 11-2. Mr. President, my concern here is that the Saipan Legislative Delegation has passed several measures for road paving in the amount of more than \$300,000. Yet, the Governor vetoed the measures and approved Saipan Local Law No. 12-9. Iyok-ku concern guine, Mr. President, i \$495,000 under Saipan Local Law 11-2. Uma'anok guine na un taotao ha' este i Governor ha nana'i oppotunidad \$30,000 para uma construct i road paving guato Afetna road para i gima Mr. Greg Sablan, San Antonio. I otro \$45,000 para uma construct i road paving of Deda road, beach road, ta'lo para si Gregorio B. Sablan para uma connect guma-ña, Mr. President. Esta empachu' yu' nu este. Kumu guahu, para i record, un taotao ha' este inafefek-ta para uma pave guato gi pettan guma-ña i otro chalan para uma connect. Ya etyu siha i pumalu na chalan kana mamatai I los prohimos karetan ñiha man mayulan, man ma veto, yet, put un taotao guine--very obvious. Este gue ha' i law ni ha sign ya i mas man kritikat ha veto. For record purposes, Mr. President, nisisita tana' guaha dididi areglo guine gi iyot-ta government sa ni ngai'an ni tafan mauleg yangin para un taotao ha' este para ufan inafefekta. And I don't blame si Senator Atalig ginen Luta ni para baihu ufan fan bota ni etyu sa para taotao tano. Lao este para un tano ha' este gue na version unna lili'e na kalan guaha guine espehos hana fan lili'e hit na pot gaige na sinapopota nu este na taotao para guiya ha' parauma pave. Ya etyi siha i man nama'si ni hagas manman demanda, ma disapreba. Ya salape taotao tano' este iya Saipan. Hame este Senadot Delegation uma apreba. I hope to God na tiu cho'gue enao lokue para Luta yan Tinian. Thank you, Mr. President.

#### COMMUNICATIONS FROM THE JUDICIARY

None

# COMMUNICATIONS FROM HEADS OF EXECUTIVE DEPARTMENTS

None

#### HOUSE COMMUNICATIONS

Hse. Comm. No. 12-219: Transmitting for Senate action HJR 12-20, entitled, "A House Joint Resolution to receive the propose Carolinian Language Orthography, and recommend its adoption as the 'Official' Carolinian language to be taught in our Public Schools."

Hse. Comm. No. 12-220: Transmitting for Senate action HB 12-201, CD1, entitled, "A Bill for an Act to reduce the security that a bank must pledge in bank assets for the protection of CNMI government funds deposited in such bank from 110 percent to 100 percent; and for other purposes."

Hse. Comm. No. 12-221: Transmitting fro Senate action HB 12-205, CS1, entitled, 'A Bill for an Act to amend Title 6 of the Commonwealth Code by establishing the crime of 'Deprivation of Communications', providing certain penalties; defining a certain term; and for other purposes."

Hse. Comm. No. 12-222: Transmitting for Senate action HB 12-239, entitled, "A Bill for an Act to amend Public Law 11-70; and for other purposes."

Hse. Comm. No. 12-223: Transmitting for Senate action HB 12-333, CS1, HD1, entitled, 'To amend 4 CMC § 1503(a)(2) to exempt certain revenues; and for other purposes."

Hse. Comm. No. 12-224: Transmitting for Senate action HB 12-345, CD1, entitled, "To provide a 90-day ammesty period for the filing of delinquent returns under Title 4, Chapters 2, 3, 4, 5 and 7, Division 1 of the Revenue and Taxation Act of 1982, as amended, and the payment of delinquent taxes without imposition of penalty and interest, with certain exceptions and for the waiver of penalty for failure to obtain a business license; and for other purposes."

Hse. Comm. No. 12-225: Transmitting a certified copy of HR 12-125, entitled, "A House Resolution relative to recognizing and congratulating Mr. Felipe Taimanao Celis upon his retirement as Chief of Aircraft Operations Area with the CPA on Friday, December 31, 1999.

Hse. Comm. No. 12-226: Transmitting a certified copy of HR 12-126, entitled, "A House Resolution relative to recognizing and congratulating Mr. Ramon Pangelinan Agulto upon his retirement as Assistant Chief with the CPA on Friday, December 31, 1999.

Hse. Comm. No. 12-227: Transmitting a certified copy of HR 12-127, entitled, "A House Resolution to extend a sincere and heartfelt sympathy and condolence to the family of the late Honorable Leon Taitingfong Camacho upon his untimely and sudden death.

Hse. Comm. No. 12-228: Transmitting for Senate action HB 12-359, entitled, "To amend 4 CMC § 1803 by adding a new subsection (e); and for other purposes."

Hse. Comm. No. 12-229: Transmitting a certified copy of HJR 12-19, re HUD Grant Applications: CDBG, Home Investment Partnership; and Emergency Shelter.

Hse. Comm. No. 12-230: Transmitting a certified copy of HR 12-129, commending Harvey Lee of the Pacific Resources for Education and Learning (PREL) for his outstanding educational seminars that have taught leadership skills to students, teachers and parents in the Commonwealth for the past two decades.

Hse. Comm. No. 12-231: Transmitting for Senate action HB 12-360, entitled, "To appropriate \$10,511 from Section 3 of PL 12-6; and for other purposes."

Hse. Comm. No. 12-232: Transmitting for Senate action, HB 12-260, entitled, "a Bill for an Act requiring any tobacco manufacturer selling cigarettes to customers within the CNMI to become a participating manufacturer in the tobacco master settlement agreement or to place specific amounts into a qualified escrow fund; and for other purposes."

The Chair recognized Senator Dela Cruz.

Senator Dela Cruz: Yes, Mr. President. Under House Communication No. 12-223, if there's no objection from the members, I want to place House Bill No. 12-333, in today's Final Reading Calendar.

Several members voiced "no objection".

President Manglona: There being no objection, it is so placed on our Reading Calendar.

## WASHINGTON REPRESENTATIVE'S COMMUNICATIONS

#### None

## STANDING COMMITTEE REPORTS

STANDING COMMITTEE REPORT NO. 12-32: FROM THE COMMITTEE ON EXECUTIVE APPOINTMENTS AND GOVERNMENTAL INVESTIGATION REPORTING ON THE GOVERNOR'S NOMINATION OF MR. VICENTE M. BABAUTA TO SERVE AS A MEMBER OF THE FREE TRADE ZONE AUTHORITY BOARD.

Floor Leader Reyes moved for its adoption and several members seconded.

President Manglona: Is there any discussion on Standing Committee Report No. 12-32?

Several members voiced, "ready".

President Manglona: There is none. Senate Clerk, call the roll please.

The Senate Clerk called the roll with the following result:

Senator Joaquin G. Adriano	Yes
Senator Ricardo S. Atalig	Yes
Senator David M. Cing	Yes
Senator Jose M. Dela Cruz	Yes
Senator Ramon S. Guerrero	Yes
Senator Edward U. Maratita	Yes
Senator Pete P. Reyes	Yes
Senator Thomas P. Villagomez	Yes
President Paul A. Manglona	Yes

Nine (9) members voted yes.

<u>President Manglona:</u> By a vote of nine (9) yes, Standing Committee Report No. 12-32, Mr. Vicente M. Babauta is hereby confirmed by the Senate to serve as a member of the Free Trade Zone Authority Board.

#### SPECIAL/CONFERENCE COMMITTEE REPORTS

None

#### UNFINISHED BUSINESS

None

# PREFILED BILLS AND RESOLUTIONS

Sen. Bill No. 12-108: A Bill for an Act to amend Public Law 11-69; and for other purposes. (SEN. RAMON S. GUERRERO – 03/13/01)

Sen. Bill No. 12-109: A Bill for an Act to amend 3 CMC § 4437(m), to exempt non-resident workers who were employed in the Commonwealth before March 5, 1999 from the three-year stay limit; and for other purposes. (SEN. THOMAS P. VILLAGOMEZ - 03/30/01)

Sen. Bill No. 12-110: A Bill for an Act to amend 1 CMC § 311 regarding legal holidays in the commonwealth to include Martin Luther King Day as a legal holiday in the Commonwealth, and to remove Good Friday from the addendum of designated legal holidays. (SEN. DAVID M. CING – 04/05/01)

Sen. Bill No. 12-111: A Bill for an Act to amend the Investment and Incentive Act of 2000 (Public Law 12-32) and for other purposes. (SEN. PETE P. REYES – 04/05/01)

Sen. Res. No. 12-37: A Senate Resolution to honor the late Mr. Leon Taitingfong Camacho for his distinguished public service, and to convey the sincere condolences and sympathy of the Senate to his bereaved family on the occasion of his passing, and to pay fund tribute to his memory. (SEN. RAMON S. GUERRERO – 03/14/01)

Sen. Res. No. 12-38: A Senate Resolution congratulating and saluting Tasi Tours & Transportation, Inc., on the occasion of its 25<sup>th</sup> Anniversary as a leading tour operator in the Northern Mariana Islands. (SEN. PAUL A. MANGLONA – 03/27/01)

Sen. Res. No. 12-39: A Senate Resolution supporting the proclamation of the month of March 2001 as "CNMI Recognition Month for Persons with Disabilities." (SEN. PAUL A. MANGLONA – 03/28/01)

Sen. Res. No. 12-40: A Senate Resolution commemorating the 20<sup>th</sup> Anniversary of the establishment of Northern Marianas college; and recognizing the college's outstanding achievement for being granted joint accreditation from the Western Association of Schools and colleges' (WASC) Accrediting Commission for Community and Junior colleges and the Accrediting commission for Senior Colleges and Universities. (SEN. THOMAS P. VILLAGOMEZ – 04/02/01)

Sen. Res. No. 12-41: A Senate Resolution congratulating and commending Ms. Alicia S. Atalig for her outstanding Achievement in becoming the first female jet-aircraft pilot of Northern Marianas descent, and for her recent promotion to Captain at Asia Pacific Airlines. (SEN. EDWARD U. MARATITA – 04/05/01)

Sen. Res. No. 12-42: A Senate Resolution to ease transit of Chinese tourists to the Commonwealth by urging the United states to amend their visa policy and establishing a procedure by the Commonwealth Department of Labor and Immigration that shall allow entry of Chinese tourists without a letter of invitation from the Secretary of Labor; and for other purposes. (SEN. JOSE M. DELA CRUZ – 04/04/01

Sen. Res. No. 12-43: A Senate Resolution recognizing and congratulating Ms. Janet Han King on the occasion of her selection by the Northern Marianas Beauty Pageant Association to reign as the new Miss CNMI Universe, 2001-2002 (SEN. JOSE M. DELA CRUZ – 04/05/01)

Sen. Local Bill No. 12-09: A Local Bill for an Act to create establishment of Tinian and Aguiguan Municipal Medical Referral Local Board of Directors and for other purposes. (SEN. JOAQUIN G. ADRIANO – 04/02/01)

# INTRODUCTION OF BILLS AND RESOLUTIONS

Sen. Bill No. 12-112: A Bill for an Act to amend 1 CMC regarding electoral candidates who are Commonwealth government employees; and for other purposes.

Sen. Bill No. 12-113: A Bill for an Act to provide exemption to Physician Assistance from the requirement of National Commission of the Certification of Physician Assistance and for other purposes. (Sen. Ricardo S. Atalig)

Sen. Bill No. 12-114: A Bill for an Act to create a Taxicab Authority To Oversee The Administrative Functions Pertaining to Taxicab Operation in the Commonwealth; and for other purposes. (Sen. Joaquin G. Adraino)

## BILL CALENDAR

The Chair recognized Floor Leader Reyes.

<u>Floor Leader Reyes:</u> I have a correction to make and that is to move House Legislative Initiative No. 12-003, CD2, to First Reading only. It is currently on the Final Reading Calendar. Mr. President, let me first make a motion to suspend all pertinent rules for the passage of the bills that are on the Calendar.

Both Senator Adriano and Senator Atalig voiced, "second".

President Manglona: It has been moved and seconded.

The motion for the suspension of pertinent rules was carried by voice vote.

HOUSE LEGISLATIVE INITIATIVE NO. 12-003, COMMITTEE DRAFT 2: A HOUSE LEGISLATIVE INITIATIVE PROPOSING TO AMEND ARTICLE XI OF THE CONSTITUTION OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS REGARDING PUBLIC LANDS.

Floor Leader Reyes moved for its passage on First Reading and Senator Atalig seconded.

Several members voiced, "ready" and the motion for the passage of House Legislative Initiative No. 12-003, CD2, on First Reading carried by voice vote.

President Manglona: House Legislative Initiative No. 12-003, CD2, passes the Senate on First Reading.

SENATE BILL NO. 12-86, HOUSE DRAFT 1: A BILL FOR AN ACT TO AMEND 3 CMC SECTION 1316 (P); AND FOR OTHER PURPOSES.

Floor Leader Reyes moved for its passage on Final Reading and several members seconded.

President Manglona: Is there any discussion?

Several members voiced, "ready".

President Manglona: Ready? Senate Clerk, call the roll please.

The Senate Clerk called the roll with the following result:

Senator Joaquin G. Adriano	Yes
Senator Ricardo S. Atalig	Yes
Senator David M. Cing	Yes
Senator Jose M. Dela Cruz	Yes
Senator Ramon S. Guerrero	Yes
Senator Edward U. Maratita	Yes
Senator Pete P. Reyes	Yes
Senator Thomas P. Villagomez	Yes
President Paul A. Manglona	Yes

Nine (9) members voted yes.

President Manglona: By a vote of nine (9) yes, Senate Bill No. 12-86, HD1, passes the Senate.

SENATE BILL NO. 12-89, SENATE SUBSTITUTE 1: A BILL FOR AN ACT TO AMEND 1 CMC \$7301(d) TO IMPROVE THE ADMINISTRATION OF CAPITAL IMPROVEMENT PROJECTS, PROVIDE FOR SPEEDIER COMPLETION OF PROJECTS, AND ENSURE QUALITY WORK BY CONTRACTORS; AND FOR OTHER PURPOSES.

Floor Leader Reyes moved for its passage on Final Reading and several members seconded.

President Manglona: Is there any discussion?

Several members voiced, "ready".

President Manglona: Ready? Senate Clerk, call the roll please.

The Senate Clerk called the roll with the following result:

Senator Joaquin G. Adriano	Yes
Senator Ricardo S. Atalig	Yes
Senator David M. Cing	Yes
Senator Jose M. Dela Cruz	Yes
Senator Ramon S. Guerrero	Yes
Senator Edward U. Maratita	Yes
Senator Pete P. Reyes	Yes
Senator Thomas P. Villagomez	Yes
President Paul A. Manglona	Yes

Nine (9) members voted yes.

President Manglona: By a vote of nine (9) yes, Senate Bill No. 12-89, SS1, passes the Senate.

HOUSE BILL NO. 12-290, COMMITTEE DRAFT 1: A BILL FOR AN ACT TO ESTABLISH A MASTER SETTLEMENT AGREEMENT TRUST FUND FOR THE INITIAL DEPOSIT OF ALL FUNDS RECEIVED BY THE CNMI PURSUANT TO THE TOBACCO INDUSTRY SETTLEMENT, TO ENSURE THE PRESERVATION OF ALL SUCH FUNDS UNTIL CNMI LEGISLATURE DETERMINES THE APPROPRIATE ALLOCATION OF THE FUNDS; AND FOR OTHER PURPOSES.

Floor Leader Reyes moved for its passage on Final Reading and several members seconded.

President Manglona: Is there any discussion?

Several members voiced, "ready".

President Manglona: Senate Clerk, call the roll please.

The Senate Clerk called the roll with the following result:

Senator Joaquin G. Adriano	Yes
Senator Ricardo S. Atalig	Yes
Senator David M. Cing	Yes
Senator Jose M. Dela Cruz	Yes
Senator Ramon S. Guerrero	Yes
Senator Edward U. Maratita	Yes
Senator Pete P. Reyes	Yes
Senator Thomas P. Villagomez	Yes
President Paul A. Manglona	Yes

Nine (9) members voted yes.

President Manglona: By a vote of nine (9) yes, House Bill No. 12-290, CD1, passes the Senate.

HOUSE BILL NO. 12-359, SENATE SUBSTITUTE 1: A BILL FOR AN ACT TO AMEND 4 CMC § 1803 BY ADDING A NEW SUBSECTION (e) AND TO PROVIDE FOR A DEPUTY MARKETING DIRECTOR FOR MVA FOR THE FIRST SENATORIAL DISTRICT AND THE SECOND SENATORIAL DISTRICT; AND FOR OTHER PURPOSES.

Floor Leader Reyes moved for its passage on Final Reading and several members seconded.

President Manglona: Is there any discussion?

Several members voiced, "ready".

President Manglona: Senate Clerk, call the roll please.

The Senate Clerk called the roll with the following result:

Senator Joaquin G. Adriano	Yes
Senator Ricardo S. Atalig	Yes
Senator David M. Cing	Yes
Senator Jose M. Dela Cruz	Yes
Senator Ramon S. Guerrero	Yes
Senator Edward U. Maratita	Yes
Senator Pete P. Reyes	Yes
Senator Thomas P. Villagomez	Yes
President Paul A. Manglona	Yes

Nine (9) members voted yes.

President Manglona: By a vote of nine (9) yes, House Bill No. 12-359, SS1, passes the Senate.

HOUSE BILL NO. 12-299, COMMITTEE DRAFT 1: A BILL FOR AN ACT TO AMEND PUBLIC LAW 10-38, SECTION 3 (d) (13); AND FOR OTHER PURPOSES.

Floor Leader Reyes moved for its passage on Final Reading and several members seconded.

President Manglona: Is there any discussion?

<u>Vice President Villagomez:</u> Thank you, Mr. President. I was talking with the author of the bill and I just want to make sure, for the record, that the drainage construction in Chalan Kanoa includes the road leading into the old Cultural Center between Precinct I and Precinct II-for the boundary line. So, for the record, that's including that road.

The Chair recognized Senator Maratita.

Senator Maratita: Mr. President, I have an amendment here to House Bill No. 12-299, CD1, and the amendment reads:

## Senate Floor Amendment to H. B. No. 12-299 to add a new Section 5 as follows:

- "Section 5. Amendment. Section 3(b) of Public Law No. 10-38, as repeal and reenact by Public Law No. 11-77, is hereby amended to read:
- "(b) First Senatorial District.
  - (1) \$1,700,000 for A&E and construction of educational facilities or youth services and recreational facilities at Tatacho, for use by, or under the authority of Northern Marianas College. Such facilities maybe include, but are not unlimited to, a vocational shop and JROTC classrooms.
  - (2) \$2,283,375 for A&E, construction and paving of village roads in Songsong and Sinapalo village.

Notwithstanding any other section of this Act, expenditure authority for projects under this paragraph subsection shall be vested in the Secretary of Public Works in

consulting with the Mayor of Rota. Delegation appropriations pursuant to this section are exempt from the limitations of 1 CMC §1402(b), but shall conform to 1 CMC § 7103(g)."

Subsequent section of H.B. No. 12-299 shall be renumbered accordingly.

Date: 04/05/2001 Offered by: /s/
Sen. E. U. Maratita

Senator Atalig requested for short recess.

President Manglona declared the Senate recessed at 12:00 p.m.

## RECESS

The Senate reconvened at 12:20 p.m.

<u>President Manglona:</u> Let us resume with our session. We're still discussing House Bill No. 12-299, CD1. At this point, I would like to recognize Senator Maratita.

Senator Maratita: Thank you, Mr. President. I withdraw my amendment, Mr. President, sa ti malago si Vice President Villagomez.

President Manglona: We're still discussing House Bill No. 12-299, CD1. Is there any further discussion?

Several members voiced, "ready".

President Manglona: Senate Clerk, call the roll, please.

The Senate Clerk called the roll with the following result:

Senator Joaquin G. Adriano	Yes
Senator Ricardo S. Atalig	Yes
Senator David M. Cing	Yes
Senator Jose M. Dela Cruz	Yes
Senator Ramon S. Guerrero	Yes
Senator Edward U. Maratita	Yes
Senator Pete P. Reyes	Yes
Senator Thomas P. Villagomez	Yes
President Paul A. Manglona	Yes

Nine (9) members voted yes.

President Manglona: By a vote of nine (9) yes, House Bill No. 12-299, CD1, passes the Senate.

SENATE BILL NO. 12-104: A BILL FOR AN ACT TO REQUIRE SAFETY HELMETS FOR OPERATORS AND PASSENGERS OF BICYCLES, HUMAN POWER VEHICLES, ALL TERRAIN VEHICLES (ATV's) AND MOPEDS UNDER THE AGE OF EIGHTEEN (18); AND FOR OTHER PURPOSES.

Floor Leader Reyes moved for its passage on Final Reading and several members seconded.

President Manglona: Is there any discussion?

Several members voiced, "ready".

President Manglona: Senate Clerk, call the roll.

The Senate Clerk called the roll with the following result:

Senator Joaquin G. Adriano	Yes
Senator Ricardo S. Atalig	Yes
Senator David M. Cing	Yes
Senator Jose M. Dela Cruz	Yes
Senator Ramon S. Guerrero	Yes
Senator Edward U. Maratita	Yes
Senator Pete P. Reyes	Yes
Senator Thomas P. Villagomez	Yes
President Paul A. Manglona	Yes

Nine (9) members voted yes.

President Manglona: By a vote of nine (9) yes, Senate Bill No. 12-104 passes the Senate.

SENATE BILL NO. 12-111: A BILL FOR AN ACT TO AMEND THE INVESTMENT AND INCENTIVE ACT OF 2000 (PUBLIC LAW 12-32); AND FOR OTHER PURPOSES.

Floor Leader Reyes moved for its passage on Final Reading and Senator Dela Cruz seconded.

President Manglona: Is there any discussion?

The Chair recognized Senator Dela Cruz.

Senator Dela Cruz: There's only one thing for the record, Mr. President. We just want to make sure that there is a clear-cut explanation that the airline company is also qualified in this particular amendment. There's a letter here from Pacific Island Aviation requesting for expansion and all those kind of things, and I just want to include it as part of the record for today's deliberation.

<u>President Manglona:</u> During the discussion with Floor Leader Reyes and the Legal Counsel, on the letter from James Torwal, they actually will be covered by the new amendment. While the details are not exactly clear, the intent there is to recognize the airline's acquisition of new aircraft and installation for example of a new navigational equipment. Those are upgrading the system and that those will be covered. As you mentioned, this should be part of the record of today's session under discussion of the qualifying certificate amendments. Thank you, Chairman.

Senator Dela Cruz voiced, "ready".

The Chair recognized Floor Leader Reyes.

<u>Floor Leader Reves:</u> Just so that the journal reflects clearly the inclusion and recognition of the airline investment, the Director of CDA is here, and for the record, let us show that she had heard the discussion on this particular subject that they qualify, provided that the investment meets the qualification amount.

President Manglona: Thank you, Floor Leader. Senate Clerk, call the roll.

The Senate Clerk called the roll with the following result:

Senator Joaquin G. Adriano	Yes
Senator Ricardo S. Atalig	Yes
Senator David M. Cing	Yes
Senator Jose M. Dela Cruz	Yes
Senator Ramon S. Guerrero	Yes
Senator Edward U. Maratita	Yes
Senator Pete P. Reyes	Yes

Senator Thomas P. Villagomez President Paul A. Manglona Yes Yes

Nine (9) members voted yes.

President Manglona: By a vote of nine (9) yes, Senate Bill No. 12-111 passes the Senate.

Floor Leader Reyes: Mr. President, before I make another motion, I would just like to urge CDA that as soon as this bill is signed into law, to immediately publish the regulation which complies with the intent of the law, because there's a lot of investors who are interested in the qualifying certificate. Thank you.

HOUSE BILL NO. 12-174, COMMITTEE DRAFT 2, HOUSE DRAFT 2, SENATE DRAFT 1: A BILL FOR AN ACT TO FURTHER AMEND THE COMMONWEALTH AUDITING ACT OF 1983 FOR THE PURPOSE OF ADDRESSING THE SECTION OF THE "NONRESIDENT WORKER EXTENSION ACT" AFFECTING THE ABILITY OF THE OFFICE OF THE PUBLIC AUDITOR TO HIRE NONRESIDENT PROFESSIONALS AFTER SEPTEMBER 30, 2000; AND FOR OTHER PURPOSES.

Floor Leader Reyes moved for its passage on Final Reading and several members seconded.

President Manglona: Is there any discussion?

Several members voiced, "ready".

President Manglona: Senate Clerk, call the roll.

The Senate Clerk called the roll with the following result:

Senator Joaquin G. Adriano	Yes
Senator Ricardo S. Atalig	Yes
Senator David M. Cing	Yes
Senator Jose M. Dela Cruz	Yes
Senator Ramon S. Guerrero	Yes
Senator Edward U. Maratita	Yes
Senator Pete P. Reyes	Yes
Senator Thomas P. Villagomez	Yes
President Paul A. Manglona	Yes

Nine (9) members voted yes.

President Manglona: By a vote of nine (9) yes, House Bill No. 12-174, CD2, HD2, SD1, passes the Senate.

SENATE BILL NO. 12-103: A BILL FOR AN ACT TO IMPROVE REPORTING AND OTHER REQUIREMENTS RELATING TO CHILD ABUSE OR NEGLECT; AND FOR OTHER PURPOSES.

Floor Leader Reyes moved for its passage on Final Reading and Senator Dela Cruz seconded.

The Chair recognized Floor Leader Reyes.

Floor Leader Reyes: Mr. President, this bill is timely. Two days ago, a case on child abuse was heard in the court and a decision was rendered as a result of that hearing clearing an individual whom was charged with child abuse. Perhaps later, another amendment should be added to the statute enabling legislation on child abuse to make it more firm that any abuse done to a child should require enough teeth in it so that no one gets away, no abuser gets away abusing a child in our courts. I have to express my complete disappointment that this particular situation allows a person who abuses a child to go scott-free. So, I urge the members, my colleagues here, to please support this bill. Thank you.

President Manglona: Thank you, Floor Leader Reyes. Is there any other member?

Several members voiced, "ready".

President Manglona: Senate Clerk, call the roll.

The Senate Clerk called the roll with the following result:

Senator Joaquin G. Adriano	Yes
Senator Ricardo S. Atalig	Yes
Senator David M. Cing	Yes
Senator Jose M. Dela Cruz	Yes
Senator Ramon S. Guerrero	Yes
Senator Edward U. Maratita	Yes
Senator Pete P. Reyes	Yes
Senator Thomas P. Villagomez	Yes
President Paul A. Manglona	Yes

Nine (9) members voted yes.

President Manglona: By a vote of nine (9) yes, Senate Bill No. 12-103 passes the Senate.

HOUSE BILL NO. 12-260: A BILL FOR AN ACT REQUIRING ANY TOBACCO SELLING CIGARETTES TO CONSUMERS WITHIN THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS TO BECOME A PARTICIPATING MANUFACTURER IN THE TOBACCO MASTER SETTLEMENT AGREEMENT OR TO PLACE SPECIFIC AMOUNT INTO A QUALIFIED ESCROW FUND; AND FOR OTHER PURPOSES.

Floor Leader Reyes moved for its passage on Final Reading and Senator Dela Cruz seconded.

President Manglona: Floor Leader Reyes, can you explain the problem of that particular legislation?

Floor Leader Reyes: Mr. President, this is a bill -- because we have not acted on this. Because the Legislature in general has not acted on this until recently when the House passed it during their last session, the CNMI had resulted in losing about \$29,000. This is requiring tobacco manufactures selling cigarettes to consumers to pay out of the settlement agreement separately from the actual lawsuit to the CNMI, and I understand that several States have also lost several thousand dollars as a result of inaction in enabling or in passing similar legislation. So, I urge again my colleagues to support this bill and establish an account so that we could have the money remitted to the CNMI.

President Manglona: Is there any further discussion? None? Senate Clerk, call the roll.

The Senate Clerk called the roll with the following result:

Senator Joaquin G. Adriano	Yes
Senator Ricardo S. Atalig	Yes
Senator David M. Cing	Yes
Senator Jose M. Dela Cruz	Yes
Senator Ramon S. Guerrero	Yes
Senator Edward U. Maratita	Yes
Senator Pete P. Reyes	Yes
Senator Thomas P. Villagomez	Yes
President Paul A. Manglona	Yes

Nine (9) members voted yes.

President Manglona: By a vote of nine (9) yes, House Bill No. 12-260 passes the Senate.

HOUSE BILL NO. 12-345: A BILL FOR AN ACT TO PROVIDE A 90-DAY AMNESTY PERIOD FOR THE FILING OF DELINQUENT RETURNS UNDER TITLE 4, CHAPTERS 2, 3, 4, 5 AND 7, DIVISION 1 OF THE REVENUE AND TAXATION ACT OF 1982, AS AMENDED, AND THE PAYMENT OF DELINQUENT TAXES WITHOUT IMPOSITION OF PENALTY FOR FAILURE TO OBTAIN A BUSINESS LICENSE; AND FOR OTHER PURPOSES.

Floor Leader Reyes moved for its passage on Final Reading and several members seconded.

President Manglona: Is there any discussion?

The Chair recognized Senator Adriano.

Senator Adriano: I would like to make an oral floor amendment and this is on page 2, line 28....

Chairman Adriano yielded the floor to Floor Leader Reyes.

<u>Floor Leader Reyes:</u> I will support whatever amendment he has and I'm not sure what it is yet, but before we do that, may I request that we resolve into the Committee of the Whole so that we can ask Mr. Rufin Inos to explain to the members the text of this particular legislation? I make that as a motion.

Senator Cing voiced, "second".

President Manglona: The Senate now resolves into Committee of the Whole.

The Senate resolved into the Committee of the Whole at 12:20 p.m.

## COMMITTEE OF THE WHOLE

The Senate Sergeant-at-Arms escorted Mr. Rufin Inos into the Chamber.

Floor Leader Reyes: What I would like to request of Mr. Inos is to explain the reason for the amnesty.

<u>President Manglona:</u> We have with us Mr. Rufin Inos. I believe he's the tax expert. For the record, we are discussing House Bill No. 12-345 and at this point let me recognize Mr. Inos.

Mr. Rufin Inos: Thank you, Mr. President. I am a private consultant, consulting primarily in the area of taxation. As I understand House Bill No. 12-345, the primary objective of this bill is to bring taxpayers into compliance with tax laws. The most important objective is that it would strengthen the future compliance of taxpayers that have not complied with our tax laws for whatever reason. This bill would provide a period for delinquent taxpayers to come in and register. If you -- will with the Department of Division of Revenue Taxation and to be assisted in complying with the tax laws, be it a return not filed in the past or taxes that have not been paid completely and that the bill would afford these taxpayers --- of this privilege in coming up within the 90-day period to be waived of penalties and interests for those taxes that are delinquent. The second objective of this bill, we think that it is a mechanism. The economy of the CNMI can also be improved by allowing taxpayers, perhaps, if the banks would be willing to loan money to these businesses or individuals to pay up their taxes, and that in return the banks would increase their revenues and, therefore, improve the economy that way. There are strict provisions in the bill which require taxpayers who take advantage of this amnesty program that they must comply with the tax laws in the future or any waiver penalties or interests that they have been afforded through this bill would be reinstated back. So, I guess that is what it is--is that it helps the situation currently and more-or-less insures future compliance with tax laws.

President Manglona: Thank you, Mr. Inos. Is there any other question or suggestion?

<u>Vice President Villagomez:</u> Mr. Chairman, I would like to ask regarding this amnesty bill that we're facing right now, if there is any provision that will waive the federal taxes in this bill itself? Would it waive the interest accrued also on the federal side or this is only a CNMI waiver.

Mr. Mr. Rufin Inos: Because of the provisions in the Covenant that we are only mirroring the Internal Revenue Code, the CNMI does not have the authority to amend the Internal Revenue Code. However, there is a current provision in the Internal Code that allows for waiver on certain penalties based on reasonable cause. So, this bill has a provision in it wherein if the taxpayer has reasonable cause to request for waiver under the Northern Marianas Territory Income Tax, they can come forward and that reason can be reviewed and whom warrantee waiver would be granted.

<u>Vice President Villagomez:</u> This is only for delinquent taxpayers, right? People that have not filed taxes, period. Those that have filed taxes, but are not paying their liability on that one. That's what we're trying to do?

Mr. Rufin Inos: It covers both taxpayers that have not reported their income, have not filed tax returns, and those that have filed returns and have not paid the tax completely are covered by this bill. So, in essence, a taxpayer that still has outstanding returns to file -- normally, they will associate penalties and interests with that non-filing. They'll come in and file their returns and pay the taxes completely then all penalties and interest would be waived. For someone who has filed a return and have not paid the tax, they come forward to pay tax or arrange to make payments for the tax then the penalties would be waived completely. Interest would be --- extend of the amount paid toward the delinquent tax.

<u>Vice President Villagomez:</u> How much are you projecting that was not collected? How much do you think we would generate if these people come in now and file their taxes?

Mr. Rufin Inos: I don't have the numbers right now with me, but we feel that by affording this opportunity to individuals, it is hard to know right now as to what arrangement they would get and what proposal they would submit to Revenue and Taxation, whether they would pay the entire tax and be waived of all penalties and interest, or they would request for an installment payment of the delinquent tax and therefore get rid of the penalty, but still have to pay interest on the installment....

<u>Vice President Villagomez:</u> So, we don't have any figures on the dollar amount on how much was penalty and how much was interest.

<u>Rufin Inos:</u> Not with me, Senator Villagomez. That information is available at Revenue and Tax, but I don't have that as a part of the consulting that I am doing for them.

<u>Vice President Villagomez:</u> This bill wasn't supposed to be on the Calendar today and it was just part of the Communication, but I do have a lot of concerns that I am not sure of. I'm ready to really commit myself on this legislation, but there are also concerns on the individuals that have continually paid their taxes. What kind of incentive are we looking at for those people and is this the right move now. Are we going to go Johnson and Johnson again and continue passing legislation and then come back and do another amendment to the bill. I don't know, but I sure would like to ask the members that we defer action on this bill, refer it over to the Committee to take a look at it, and then act on it. Thank you.

The Chair recognized Senator Adriano.

Senator Adriano: Thank you, Mr. President. I am ready to support this bill. However, I would like it to be retroactive--bring back the date that I'm seeing on page 2, the previous statement that would take effect in the year 2001, and instead of that, I would like to bring it back to 1995. If I ask Mr. Inos, does it make any difference or would there be a problem to do that thing?

<u>Floor Leader Reyes:</u> Mr. President, can I just comment? Which two were Chairman Adriano was referring to? I think and again I will give Mr. Inos the opportunity to clarify this, if I'm wrong. But I think that the amnesty covers up to 2001 for all different accounts prior to 2001.

Senator Adriano: That is my question.

Mr. Rufin Inos: The way I understand, Mr. President, the provision on page 2, line 28, the bill is providing for relieve for taxpayers on all tax delinquencies up to the year prior to 2001. For example, any delinquency arising

from 1995, 1994. Anytime before 2001 are part of this amnesty relieve program. The year here that's been reference of taxable year is up to the year prior to 2001.

The Chair recognized Senator Guerrero.

Senator Guerrero: This is for clarification, anything for example from 1978 to the year 2001.

Mr. Rufin Inos: As it is right now with the bill, yes, that's correct.

Senator Guerrero: Thank you.

The Chair recognized Floor Leader Reyes.

Floor Leader Reyes: Mr. Chairman, my question to Mr. Inos is would these taxes be covered? Let us say for example, a taxpayer who has not paid his taxes and have not file any return comes up to Revenue and Tax and apply under the ammesty program and negotiate an installment payment—whether or not those accounts that have delinquent principal tax, under the ammesty program if it is through the installment program, then the waiver applies to the interest and penalty? Does that apply upon the approval of the installment program or waive the penalty again for the entire principal plus penalty and interest?

Mr. Rufin Inos: Yes, the bill on page 4, beginning with line 19, provides for an installment payment for a taxpayer that are delinquent with their taxes. The answer for the first part of the question, yes, if the taxpayer does not file return in the past comes up and files a return now, that taxpayer would be relieved of all the past penalties associated with non-filing and non-payment. However, the interest portion of that waiver would be limited to how much the taxpayer would pay in tax principal within the ninety (90)-day periods. The answer to the second part of the question, whether interest and penalties would be charged forth with after the taxpayer entered into an installment agreement. The penalty portion would not be charged, but the interest will continue to accrue on the unpaid portion of the tax principal during the term of the installment agreement.

President Manglona: Mr. Inos, let me ask. Is the Secretary of Finance in support of this legislation?

Mr. Rufin Inos: Yes, Mr. President, the Secretary of Finance is in support of this legislation.

President Manglona: She has a written testimony to this legislation? Do you know if there's any from the House?

Mr. Rufin Inos: I'm not aware if she had submitted any written testimony, but she had some ....

President Manglona: What about the Governor?

Mr. Rufin Inos: I'm \_\_\_\_ aware directly from the Governor, but through the Department of Finance, the Secretary, and the Department is in support of this bill.

<u>President Manglona:</u> Let me just follow-up on the Floor Leader and any member can raise their hands. I'm just asking because I'm not recognizing anyone. Let us say a taxpayer -- maybe first let me back up one step. Do you have the flexibility at the present time to sit down with a taxpayer and negotiate tax payments without this bill?

Mr. Rufin Inos: Negotiate the tax?

<u>President Manglona:</u> Tax due, for example on excise tax. Do you have the flexibility now to sit down and negotiate?

Mr. Rufin Inos: Yes, there's a flexibility now to negotiate installment payment, but not with respect to waiving penalties and interest already incurred.

<u>President Manglona:</u> Let us say that the taxpayer came in last year to your office and you have negotiated interest payment, penalty payment and principal, right? So, you have "x" amount of dollars every month for--came in last year, would that be waived also?

Mr. Rufin Inos: According to this bill, yes, that would be waived.

President Manglona: Even though you have already signed off on an agreement and....

Mr. Rufin Inos: That's correct.

President Manglona: Would you refund that person for the interest penalty that is paid?

Mr. Rufin Inos: The bill provides that no refund would be provided....

<u>President Manglona:</u> Even though he has agreed and signed off on the penalty installment payment and interest....you would waive that?

Mr. Rufin Inos: The remaining penalty and interest that have not yet been paid would be waived under this bill.

The Chair recognized Senator Cing.

Senator Cing: Rufin, i Sekretarian Finance taya fuetsan-ña pa'go ni enao ni para hu waive i interest?

Mr. Rufin Inos: Not with current statute, there's no authority for the Secretary to waive interest and penalties for local taxes.

<u>President Manglona:</u> What about if we, instead of this bill, just give the Secretary of Finance the flexibility to waive for sixty days period penalty interest? What difference will that be with this piece of legislation? It will not bring out the violators, right?

Mr. Rufin Inos: Right. That's one thing we're not too sure if that would be enough of understanding for someone to come forward. Perhaps, those people, who are currently on the tax delinquency row, may want to come in and make the request, but I'm not too sure whether it has given the Secretary the authority. Right now, just to waive penalty and interest without really going out and providing all those that are coming up with a statute like this to really bring in the majority of this violators.

The Chair recognized Senator Guerrero.

Senator Guerrero: This is just a clarification on page 4, line 26, "interest due pursuant to the NMTIT shall not be waived" and line 27, "penalties may be waived under the NMTIT only upon a showing of reasonable cause". Assuming na i penalties have to be waived iyok-ko guine concern, Mr. Inos, which is higher? Are the penalties higher in dollars or the interest? Assuming na humalom i taotao that has never filed or owe since 1978 ya para uma waive i penalty, but the interest is not. Don't you think that siempre u guaha guenao problema? Because it is more to include iyon-ña payment rather than just a waiver of penalty. What I am trying to refer to is what President Manglona is saying, kao siña mana'i attoridat i Finance Secretary or either both or one or whatever iyon-ña discretion?

Mr. Rufin Inos: I think that if the view of the members here is to give the Secretary an authority, authority for a limited time to provide waivers that can -- part of this, the objective of this bill can be accomplished. However, in the bigger picture that we are looking at right now, is that the bill would really provide the incentive for others that are not necessarily on the list at Revenue and Tax as delinquent taxpayers to come forward and be registered and proceed clean with their future compliance with the law. With respect to this particular line item here, this waiver is concern only with respect to penalties and interests under the Northern Marianas Territory Income Tax (NMTIT). As I explained earlier, we don't think that the Internal Revenue Code can be amended here by local legislation. I think that because of the provision in the Covenant that authorizes only the mirroring of the Internal Revenue Code. That's the extent of authority that the Secretary has with respect to waiving penalties and interest pursuant to the authority in the code, which provides only with respect to reasonable cause shown by a taxpayer.

Senator Guerrero: I have another question I have, Mr. President. Mr. Inos, off-hand, percentage-wise, what percent has Finance or Revenue and Tax is looking at that people have not complied with in making payments. Just

roughly? Is there 30% that has never come in that we know? Any percentage that would at least prove that this legislation could accomplish the amnesty by bringing in these people to Revenue and Tax?

Mr. Rufin Inos: I know that the staff and Revenue and Tax were looking at that number just recently. I did not have the chance to go back and get their numbers or their analyses as to the overall proportion of CNMI Tax payers that will fall under this....

<u>Senator Guerrero:</u> My concern is that according to Commerce and Labor, they're saying that about 2,000 businesses have shut down. Assuming that these businesses that have shut down has never, let us say, complied or partially complied and they want to come in, will it really help to bring them in by this amnesty?

Mr. Rufin Inos: Yes, I would think so because if a company or business that had ceased operation wants to come back in, there is a pending business license, there is a tax clearance check. The Business License section of Revenue and Taxation would have to look historically of what these businesses did in the past and if they've complied with the tax laws or any other requirements of Revenue and Tax and only upon showing that these businesses have complied with the tax laws would they be given a tax clearance. So, it would be an incentive at least from this bill. If this bill passes it would provide the incentive for that business to come back in and clean out whatever delinquency or non-compliance they have in the past so they can proceed with their business.

Senator Guerrero: Thank you, Mr. Inos.

The Chair recognized Senator Atalig.

Senator Atalig: Thank you, Mr. President and Mr. Inos. Actually, I have prepared a floor amendment to some areas. If you look at page 2, lines 9 and 10, it says, "taxpayers would be required to immediately pay the delinquent tax within the 90-day period of time or enter into payment plan acceptable to Revenue and Taxation". I am trying to make an amendment here so that both parties, the Revenue and Taxation and the taxpayers can get together and have a mutual agreement as to what are the taxpayers ability to pay instead of just having what a Revenue and Taxation would say. Okay, you pay \$1,000.00 and that's acceptable for us. You leave the taxpayers the ability not to pay. So, I mean, say that there should be a mutual agreement as to what the taxpayer can afford to pay. So, in that section there, I would like to amend that so that we include the taxpayers in that agreement so both of them will agree in such away that the taxpayer would have the ability to pay. Would that be a good amendment there that both parties will have to agree?

Mr. Rufin Inos: Yes, that is an acceptable amendment, but right now the current practice is that before a taxpayer is made to commit any payment level under the installment plan, the normal procedure is for the Revenue and Taxation to solicit business and financial information from the taxpayer in order to establish the taxpayer's ability to pay. Because it makes no sense to set them up for installment payment and then have the taxpayers default to that installment payment because they can not make it. So, the arrangement normally is a review of a taxpayer's financial statements and to determine the ability to make those installment payments.

Senator Atalig: In other words, I would like to ask first to be involved in the ability to pay. Also, on page 4, line 25, I would like to insert a sentence after the word "charges". I want to put a sentence like; "any agreement executed shall be based on the taxpayers ability to pay". So, that is another area there also. So those are my two concerns insofar as the taxpayers part in paying the taxes.

Mr. Rufin Inos: That would make it clear. But, like I said, it's in the process that's what has been done is based on their ability to pay. So, it won't hurt to make it more clearly here.

<u>Senator Atalig:</u> No, when I look at the bill, it is not really specific. So I want to really put it there so when they look at the bill and if this bill becomes law the specific language should be there. We don't want the Tax and Revenue to say, no, it is not in the bill. Thank you.

The Chair recognized Floor Leader Reyes.

Floor Leader Reyes: Because all taxes are ... this particular legislation does not give the Secretary of Finance the authority to waive penalties and interest beyond the amnesty. I'll leave that one questionable that the Mr. President

had asked and my question, since this is a voluntarily compliant, a compliant for the issue that it's not good ... in my case it's not good to give the authority to the Secretary of Finance to waive penalty....

The Chair recognized Senator Dela Cruz.

Senator Dela Cruz: I like this bill, Mr. President. This is one example of the government trying to make the business environment a little bit easy for our business community to survive in this very, very, terrible time. This particular bill does not forgive the business community from paying taxes. All it says is just to give them a break in accumulating interest, penalties, and so forth. The only concern that I have is and I am hoping that we're not sending out a message to the business community that it's okay for you not to pay your tax on time — because there is a provision in the law right now that allows you to do so, but this is one piece of legislation that is needed. It is needed at this time where we can actually see in front of us that the business climate in the Commonwealth is not really doing good. We're not actually saying that we're not assessing taxes. All we're saying is that we're trying to ease up a little bit on penalties and interests on their tax dues. Thank you, Mr. President.

The Chair recognized Senator Cing.

Senator Cing: Mr. President, este na bill guaha minauleg-na, guaha lokue difekto-na. Fine'ne na ya minauleg-ña taimanu ha' i ha sangan si Senator Dela Cruz na timely este para ufan ma'ayuda este siha i man atrasao-sao man man apasi. I message guine ni ta nana'i, i munga na ufan payun lokue dispues ya uma kunteñua-ha' man atrasao or timan man apasi sa ma'angongoko na hu kunteñuha gue este i amensty or uguaha ta'lo Ammesty otro biahe. That's number one. Number two, hafa lokue na premiu siña ta na'i ayo siha i man man'apapasi na business-ta on time. Hafa para siha? Kao fair este para siha yanggin un kompara yan ayo i man atrasa-sao or diputsi ma hatsungung-ha timan man apasi or man sakke ha' na business? Illek-ko na taya mananang-ga guine ni este taotaota since baba i tiempo mapos kóho pa'go. Mauleg-na mohon ta bira este na bill ya tana'i grace period for one year free. Munga na ufan man'apasi, sa este gue illek-ko manang-ga ni este business-ta. Munga na ufan ma apasi or sino ta cut into half ni enao ni ma'apapsi ya hu fan lala naihon tatte. Thank you.

<u>President Manglona:</u> Is there any other discussion? Mr. Inos, just for the record, you're here representing the CNMI government or the Department of Finance?

Mr. Rufin Inos: The Department of Finance.

<u>President Manglona:</u> So, you're here as a Representative of the Department of Finance. Is there any other discussion?

Senator Adriano: Mr. President, how much would this bill collect yanggin siakaso na ha take in effect gue? Gaige ha' gi standing committee report na it's about \$4 to \$5 million. Now, my concern here is the \$229 million ni ha submittee i Governor gi Monday na budget. Hafa si Mr. Inos mohon iyon-na comment ni este?

The Chair recognized Mr. Rufin Inos.

Mr. Rufin Inos: I'm not--you are, I guess, referring to the estimated resources that have come along with the budget submission. I am not aware or I am not sure whether any of those resources are included in the budget proposal. I take it into consideration the potential collection here. I am not sure whether that was included. I mean, this potential revenue collection is included in the resources. I would just like to clarify a little bit on the comments that Senator Cing pointed out with respect to more or less giving forgiveness to these taxpayers for being delinquent and the payment of taxes or filing of returns. The bill presently has several provisions that would require future compliance. One of the provisions is on page 5, starting with line 22, "taxpayers who have been given waivers under this bill are required to more or less religiously comply with the tax laws over the next three years". Otherwise, if they defaulted in any of the relief provided or have been afforded to them, the Director of Revenue and Taxation has the option to reinstate back any waiver that's been given to the taxpayers. So, with that, there's really a future compliance requirement that these taxpayers should have to --- and not simply just coming to the program just to be waived the penalties right now or interests. There are some requirements that they have to comply with in the future.

<u>President Manglona:</u> Thank you, Mr. Inos. I believe we're ready to go back to our session. With that, si Yu'us ma'ase Mr. Inos for your time.

Senator Adriano voiced "so moved".

Senator Guerrero voiced "second".

Mr. Rufin Inos left the Chamber and the Senate resolved into its plenary session at 12:35 p.m.

<u>President Manglona:</u> We are still discussing House Bill No. 12-345. For the record, Mr. Rufin Inos, representing the Department of Finance, came before the members to explain House Bill No. 12-345, CD1. Is there any further discussion?

<u>Floor Leader Reyes:</u> Mr. President, this is just a minor correction. Maybe this is typographical error. On page 4, line 21, the penalty "shall be waived along with the that..." I move to strike out "the" so it would read "waived along with that portion...".

President Manglona: That's on page 4, line 21.

The oral amendment offered by Floor Leader Reyes was carried by voice vote.

President Manglona: The amendment passes.

Floor Leader Reyes: Mr. President, I would like to move back to the motion to pass House Bill No. 12-345, CD1.

The Chair recognized Senator Atalig.

Senator Atalig: As I stated earlier, Mr. President. I have a floor amendment here and it is ready for all the members.

President Manglona: I believe all the members have copies of the floor amendment being offered by Senator Atalig.

Senator Atalig: On page 2, line 10, remove the period (.) and insert the following: "and the taxpayers". On page 4, line 25, after the period (.), insert a new sentence to read: "any agreement executed shall be based on the taxpayer's ability to pay. On page 6, line 11, replace the word "interested" to the word "interest". Thank you.

Several members voiced, "second", and the oral floor amendment offered by Senator Atalig was carried by voice vote.

President Manglona: Is there any further discussion?

Several members voiced, "ready".

President Manglona: Senate Clerk, call the roll. We're voting on House Bill No. 12-345, CD1, as amended.

The Senate Clerk called the roll with the following result:

Senator Joaquin G. Adriano	Yes
Senator Ricardo S. Atalig	Yes
Senator David M. Cing	Yes
Senator Jose M. Dela Cruz	Yes
Senator Ramon S. Guerrero	Yes
Senator Edward U. Maratita	Yes
Senator Pete P. Reyes	Yes
Senator Thomas P. Villagomez	No
President Paul A. Manglona	Abstained

Seven (7) voted yes one (1) no and one (1) abstention.

<u>President Manglona:</u> By a vote of seven (7) yes, one (1) no, and one (1) abstaining, House Bill No. 12-345, CD1, as amended, passes the Senate.

HOUSE BILL NO. 12-360: A BILL FOR AN ACT TO APPROPRIATE TEN THOUSAND FIVE HUNDRED ELEVEN DOLLARS (\$10,511.00) FROM SECTION 3 OF PUBLIC LAW 12-6; AND FOR OTHER PURPOSES.

Floor Leader Reyes moved for its passage on Final Reading and Senator Guerrero seconded.

President Manglona: Is there any discussion?

Senator Guerrero voiced, "ready".

President Manglona: Floor Leader Reyes can you state the title on that bill, please?

Floor Leader Reyes: Is on the Fire Department, Mr. President.

<u>President Manglona:</u> This bill, I guess, was recommended by Senator Guerrero for its replacement. I believe there was no objection during the leadership meeting. So with that, is there any discussion?

Several members voiced, "ready".

President Manglona: Senate Clerk, call the roll.

The Senate Clerk called the roll with the following result:

Senator Joaquin G. Adriano	Yes
Senator Ricardo S. Atalig	Yes
Senator David M. Cing	Yes
Senator Jose M. Dela Cruz	Yes
Senator Ramon S. Guerrero	Yes
Senator Edward U. Maratita	Yes
Senator Pete P. Reyes	Yes
Senator Thomas P. Villagomez	Yes
President Paul A. Manglona	Yes

Nine (9) members voted yes.

President Manglona: By a vote of nine (9) yes, House Bill No. 12-360 passes the Senate.

HOUSE BILL NO. 12-333: A BILL FOR AN ACT TO AMEND 4 CMC § 1503 (a(2) TO EXEMPT CERTAIN REVENUES; AND FOR OTHER PURPOSES.

Floor Leader Reyes moved for its passage on Final Reading and Senator Dela Cruz seconded.

Senator Adriano: Again, Mr. President, may we have the title of the bill?

Floor Leader Reyes: Mr. President, this is under House Communication No. 12-223.

Several members voiced, "ready".

President Manglona: Ready? Senate Clerk, call the roll.

The Senate Clerk called the roll with the following result:

Senator Joaquin G. Adriano	Yes
Senator Ricardo S. Atalig	Yes
Senator David M. Cing	Yes
Senator Jose M. Dela Cruz	Yes
Senator Ramon S. Guerrero	Yes
Senator Edward U. Maratita	Yes
Senator Pete P. Reyes	Yes
Senator Thomas P. Villagomez	Yes
President Paul A. Manglona	Yes

Nine (9) members voted yes.

President Manglona: By a vote of nine (9) yes, House Bill No. 12-333 passes the Senate.

HOUSE BILL NO. 12-317: A BILL FOR AN ACT TO PLACE A MORATORIUM ON THE APPLICATION OF PUBLIC LAW 11-69 TO PERMIT A THOROUGH ASSESSMENT OF ITS POTENTIAL IMPACT ON THE COMMONWEALTH; AND FOR OTHER PURPOSES.

Floor Leader Reyes moved for its passage on Final Reading and several members seconded.

President Manglona: Is there any discussion?

Senator Guerrero: Mr. President, I would like to insert an amendment to House Bill No. 12-317, as Senate Substitute 1.

Vice President Villagomez voiced "second".

President Manglona: I believe the members have copies of House Bill No. 12-317, SS1.

Floor Leader requested for short recess.

President Manglona: Short recess.

# RECESS

<u>President Manglona:</u> We will continue with our session. We're still discussing House Bill No. 12-317. Before recess, Senator Guerrero, I guess requested the Floor Leader to amend the motion so that the passage will be on House Bill No. 12-317, SS1, if I am not mistaken.

Floor Leader Reyes: Mr. President, Senator Guerrero can make a motion to substitute and I believe that, that is what he had done.

Senator Guerrero: I did.

Floor Leader Reyes: I believe that was seconded so it is the proper motion.

<u>President Manglona:</u> The motion before us is for the passage of House Bill No. 12-317, SS1, and I believe all the members have copies of SS1. Is there any discussion on SS1?

<u>Vice President Villagomez:</u> Thank you, Mr. President. I know that the bill that we have in front us is House Bill No. 12-317 and that's the total repeal of the bill on the three-year limit. We have in front of us a floor amendment that rather than the total repeal, we are placing in front of the members of the Senate a bill for an act to place a moratorium on the application of Public Law No. 11-69, to permit a thorough assessment of its potential impact on the Commonwealth and for other purposes. I know, Mr. President, that this is an issue that has even divided not only the Legislature itself, but the business community and the people of the CNMI. Rather than an outright repeal, I believe the best move that we can compromise now is to extend the implementation of the three-year limit. I am willing to support this legislation because it will even force the business community to really contribute their position

and concerns on the three-year limit issue. Personally, I would like to see that those people that came into the CNMI before the implementation of the three-year limit are accorded an extension. I know that some members here are ready to go ahead and vote for the repeal, but why don't we sit down together and really work with the business community and the Legislature, and the Administration. We need also guidance from the Administration on this issue. So, rather than a total repeal, we'll have this moratorium so that we can sit down with the Administration, the business community and re-assess our position. But, I believe the Commonwealth should continue taking a stand on really limiting the number of non-residents here in the CNMI. I am willing to support even the lifting of the moratorium on the numbers of non-resident coming in on the condition that we limit. We cap the number that will be coming in the future. I don't believe that the CNMI is ready to continue importing non-resident workers here in the CNMI for the benefit of just the business community. It has to be for the business community or the people of the CNMI. We have to work together. We have been giving a lot of privileges in the CNMI. In fact, right now we voted to suspend and give amnesty to the taxpayers -- business community, taxpayers that have defaulted have not paid taxes or have been penalized. We have given the business community options to come into the CNMI, use our public land and import non-resident workers through the Free Trade Zone. We have the qualifying certificate that we will give tax free to the business community. What is it that we have to do to really continue giving out to the business community? I know that the business community pays taxes for the economy of the CNMI, but we have to work together. It is not only for the business community. The businesses that we are really looking into are those that are really concern on the interest of the people of the CNMI and not only for their personal interest, that as soon as they see that the economy is not good, they'll look at options on moving further on to develop and increase their interest and their pockets. I know that we have a lot of local businesses here in the CNMI that can not go to other countries and open up a business because their intent is to stay here in the CNMI. But, I believe that the best option that we have in front of us now is the substitute, the moratorium that Senator Guerrero has proposed and I hope that not only the Senate will support this legislation, but also the House and the Administration. I hope that the business community is also ready to sit down and provide us the assistance in trying to get everybody involved.

The Chair recognized Senator Guerrero.

Senator Guerrero: On the amendment, Mr. President, I just want to clarify that the moratorium provisions of Public Law No. 11-69, will be suspended to permit the PL 11-69 Task Force to conduct its study as provided in section 2 of this act. The moratorium on PL 11-69 shall be automatically lifted by operation of law not later than March 5, 2005. That's three years limit. For the information of the business community, the task force composition team is composed of 11 members to be appointed as follows: the Governor shall appoint one member representing the First Senatorial District; (b) the Second Senatorial District; (c) the Hotel Association of the Northern Mariana Islands; (d) the CNMI Indigenous Entrepreneur Association; (e) small businesses with less than \$200,000 gross annual income; (f) the construction industry; (g) the CNMI garment industry; (h) the Saipan Chamber of Commerce; and (i) the Carolinian Community. The President of the Senate shall appoint one member of the Senate and the Speaker of the House shall appoint one member from the House of Representatives. Also, on the amendment that I am submitting on section (c), line 12, page 3, on the administrative support, the Department of Commerce shall provide all administrative support to the Public Law No. 11-69 Task Force. Notwithstanding any provision of law to the contrary, the Governor is authorized to reprogram funds to the Department of Commerce for the purpose of providing administrative support to the Task Force. So, I just want to clarify that for the public that are here, Mr. President. Thank you.

The Chair recognized Senator Maratita.

<u>Senator Maratita:</u> Mr. President, I would like to move and place House Bill No. 12-317, and let us vote on it, Mr. President, without amendment.

The Chair recognized Floor Leader Reyes.

Floor Leader Reyes: Mr. President, I would like to comment. A friend, before the session started, told me that a good warrior knows when to negotiate. I think that this amendment is a reasonable compromise both for the businesses and for the members who are unsure of what to do with this three-year limitation. Although I still personally feel that the ideal situation to do is to rid ourselves of nuisance legislation, there is no division on the business community. The business community for once have combined forces and are recommending the total repeal of this legislation. May be there are others that are in disagreement with the idea to repeal, but the business community are united in their effort to try and get this nuisance legislation out of the way. But the business

community is not the only one that is going to end up suffering from it. About 90% of our people hire child care help. We have problems with our human resources. We have problems with our labor resources. Many housewives who are currently hiring childcare help are part of the workforce. If this bill were to be allowed to take effect, many of these mothers, the mother with children at home, will have to quit their jobs and come back home and take care of their primary obligation -- which is to take care of their families. Now, ask yourself what's going to happen if this occur? We are going to have a reduced labor force. It is going to leave that void and, Lord forbids, it's going to be replaced by non-resident workers. So, you see we're not just addressing this to the business community. We're taking care of our people. The public out there will depend upon us to make the right decision for them. We have a choice. We can invite foreign investors to come in or not. We choose to invite them in our effort to entice them to come in and invest in the Commonwealth. We also have a choice for them to lease public lands or for them to lease private lands. This is the reason why we have accumulated millions of dollars in the Public Land Trust Fund. We need those revenues. We talked about supporting the Medical Referral Program, and we talked about supporting the Scholarship Program. We even have a legislation that would give the Public School System 25% of the total resources, and then I came up with my own version of assisting the college students, returning students, with 5% local resources, and we talked about increasing vigilance on the Public Safety Department. We talked about in general the delivery of public services. Where are we going to get this money if the economy continue to decline and if we take a stand not to support the business community, which I think is the backbone of this government? So, Mr. President and members, the warrior example here not only serve a lesson to me and I'm not claiming to be the warrior in this place. I'm not. I am just saying that there's a time when you look at the number of votes and if you don't have that you need to compromise and negotiate the situation. I'm willing to negotiate so that we don't kill the goose that lays the golden egg. I ask the members to support the compromise version of House Bill No. 12-317, SS1, and I encourage everybody to support this. Thank you.

#### The Chair recognized Senator Dela Cruz.

Mr. President, since the beginning of this controversial piece of legislation, my position is Senator Dela Cruz: always the same till today's date. We have a fiduciary duty here. Even if we repeal House Bill No. 12-317, this particular problem will still come back in the very, very, near future. This particular amendment that Senator Guerrero inserted to this bill provides us a time frame whereby we allow the business community also to continue to enjoy the non-resident workers manpower. But still, if you look at the moratorium, if you put it in total time frame, it extends to four years from now. What we're trying to do here is to try to resolve this problem once and for all. We can not just turn our backs on this problem. This particular problem, the non-resident workers' problem here in the CNMI, is our current issue. I honestly believe that we have to bring in all the people involve to make sure that we make the right decision once and for all. This particular amendment addresses that. The business community came in and told us that if the three-year takes effect which is March of next year it will kill their businesses. Well, this amendment extends the period to make it 2005. We can not just simply repeal it, put it on the side, and not address the situation we're in. My position from day one is the most crucial of issues here, which is not to give the business community additional burden, additional cost to doing business in the CNMI. This particular legislation does not give them additional burden or additional cost because it continues the present set up of resident workers. But, at the same time, it provides also an avenue where a group of expertise can come together and address this situation once and for all. Thank you, Mr. President.

<u>President Manglona:</u> Is there any other discussion? None? We're voting on House Bill No. 12-317, SS1. Senate Clerk, call the roll please.

#### The Senate Clerk called the roll with the following result:

Senator Joaquin G. Adriano	Yes
Senator Ricardo S. Atalig	Yes
Senator David M. Cing	Yes
Senator Jose M. Dela Cruz	Yes
Senator Ramon S. Guerrero	Yes
Senator Edward U. Maratita	No
Senator Pete P. Reyes	Yes
Senator Thomas P. Villagomez	Yes
President Paul A. Manglona	Yes

Eight (8) members voted yes and one (1) no.

President Manglona: By a vote of eight (8) yes and one (1) no, House Bill No. 12-317, SS1, passes the Senate.

#### RESOLUTION CALENDAR

SENATE RESOLUTION NO. 12-37: A SENATE RESOLUTION TO HONOR THE LATE MR. LEON TAITINGFONG CAMACHO FOR HIS DISTINGUISHED PUBLIC SERVICE, AND TO CONVEY THE SINCERE CONDOLENCES AND SYMPATHY OF THE SENATE TO HIS BEREAVED FAMILY ON THE OCCASION OF HIS PASSING, AND TO PAY FOND TRIBUTE TO HIS MEMORY.

SENATE RESOLUTION NO. 12-38: A SENATE RESOLUTION CONGRATULATING AND SALUTING TASI TOURS & TRANSPORTATION, INC. ON THE OCCASION OF ITS  $25^{TH}$  ANNIVERSARY AS A LEADING ROUT OPERATOR IN THE NORTHERN MARIANA ISLANDS.

SENATE RESOLUTION NO. 12-39: A SENATE RESOLUTION SUPPORTING THE PROCLAMATION OF THE MONTH OF MARCH 2001 AS "CNMI RECOGNITION MONTH FOR PERSON WITH DISABILITIES".

SENATE RESOLUTION NO. 12-40: A SENATE RESOLUTION COMMEMORATING THE 20<sup>TH</sup> ANNIVERSARY OF THE ESTABLISHMENT OF NORTHERN MARIANAS COLLEGE; AND RECOGNIZING THE COLLEGE'S OUTSTANDING ACHIEVEMENT FOR BEING GRANTED JOINT ACCREDITATION FROM THE WESTERN ASSOCIATION OF SCHOOLS AND COLLEGES' (WASC) ACCREDITING COMMISSION FOR COMMUNITY AND JUNIOR COLLEGES AND THE ACCREDITING COMMISSION FOR SENIOR COLLEGES AND UNIVERSITIES.

SENATE RESOLUTION NO. 12-41: A SENATE RESOLUTION CONGRATULATING AND COMMENDING MS. ALICIA S. ATALIG FOR HER OUTSTANDING ACHIEVEMENT IN BECOMING THE FIRST FEMALE JET-AIRCRAFT PILOT OF NORTHERN MARIANAS DESCENT, AND FOR HER RECENT PROMOTION TO CAPTAIN AT ASIA PACIFIC AIRLINES.

SENATE RESOLUTION NO. 12-42: A SENATE RESOLUTION TO EASE THE TRANSIT OF CHINESE TOURISTS TO THE COMMONWEATH BY URGING THE UNITED STATES TO AMEND THEIR VISA POLICY AND ESTABLISHING A PROCEDURE BY THE COMMONWEALTH DEPARTMENT OF LABOR AND IMMIGRATION THAT SHALL ALLOW ENTRY OF CHINESE TOURISTS WITHOUT A LETTER OF INVITATION FROM THE SECRETARY OF LABOR; AND FOR OTHER PURPOSES.

SENATE RESOLUTION NO. 12-43: A SENATE RESOLUTION RECOGNIZING AND CONGRATULATING MS. JANET HAN KING ON THE OCCASION OF HER SELECTION BY THE NORTHERN MARIANAS BEAUTY PAGEANT ASSOCIATION TO REIGN AS THE NEW MISS CNMI UNIVERSE, 2001-2002.

Floor Leader Reyes moved for the adoption of Senate Resolution No. 12-37 through Senate Resolution No. 12-42 and several members seconded.

<u>President Manglona:</u> Floor Leader Reyes, Senate Resolution No. 12-39 and Senate Resolution No. 12-38 are the same resolution? Vice President Villagomez, please explain that?

<u>Vice President Villagomez:</u> Senate Resolution No. 12-39 is a typo, it should read "A Senate Resolution supporting the proclamation of the month of March 2001 as CNMI recognition months for persons with disabilities."

<u>President Manglona:</u> So, with that correction, the motion remains for the passage of Senate Resolution No. 12-37 through Senate Resolution No. 12-43 and the correction as noted by the Vice President Villagomez is on Senate Resolution No. 12-39. Is there any discussion?

Several members voiced, "ready".

President Manglona: We will be voting on the resolutions as stated.

The adoption of Senate Resolution No. 12-37 through Senate Resolution No. 12-43 was carried by voice vote.

President Manglona: The Senate hereby passes Senate Resolution No. 12-37 through Senate Resolution No. 12-43.

Floor Leader Reyes: Mr. President, I congratulate the members. We have a lot of bills on the Calendar and we have done it. I guess the short Leadership meeting that we had allowed us to sail smoothly through the bills, but I congratulate the members for their patience to sit down and entertain all these bills. Without any objection from members, Mr. President, I move for adjournment—I recall that motion, Mr. President.

The Chair recognized Senator Adriano.

Senator Adriano: If there is no objection, Mr. President, I would like to go back to Agenda L. I would like to introduce two-unnumbered bills.

President Manglona: There is no objection from the members.

#### INTRODUCTION OF BILLS AND RESOLUTIONS

The Chair recognized Senator Adriano.

Senator Adriano: Thank you, Mr. President. This is unnumbered Senate Bill to create a taxicab authority to oversee the administrative function pertaining to taxicab operation in the Commonwealth and for other purposes. The other one, I would like to substitute House Bill No. 12-353, SS1, to amend 4 CMC section 9141 regarding utility service rates and for other purposes. Thank you, Mr. President.

The Chair recognized Vice President Villagomez.

Vice President Villagomez: Are we back to Miscellaneous?

<u>President Manglona:</u> So there's one under Introduction of Bills and Resolutions.

## PETITIONS, MEMORIALS AND MISCELLANEOUS COMMUNICATIONS

#### None

#### MISCELLANEOUS BUSINESS

The Chair recognized Vice President Villagomez.

<u>Vice President Villagomez:</u> This is just a short one because I know everyone is in a hurry. I would like to commend the Committee on Federal Relation and Independent Agencies for working together on a very important issue which is the Federal Symposium. Since I am not a member, I would like to point out that we must be very cautious with the upcoming symposium with the intent of the federal government cutting back on their taxes. We might not get about the same if they do go ahead with the tax cut, but at least I know that you have been finding other avenues and areas where you can tap the money. I hope that we don't have any decrease on the number of dollars coming in. Thank you.

The Chair recognized Senator Cing.

Senator Cing: In line with that, Mr. President, I want the full credit to go to my Vice Chairman, Senator Guerrero, on that one. I trust that he will report back to us whether it's an increase, a cut, or whatsoever.

President Manglona: Thank you, Senator Cing. Is there any other member?

## **ANNOUNCEMENT**

The Chair recognized Senator Adriano.

<u>Senator Adriano:</u> Mr. President, since the public hearing of the EAGI Committee is scheduled for next Tuesday which is holy week, I would like to recommend that we continue the public hearing on the following Tuesday which is the seventeenth.

President Manglona: Any motion for adjournment.

Floor Leader Reyes moved that the Senate adjourns subject to the call of the Chair. The motion was seconded and carried.

President Manglona declared the Senate adjourn subject to the call of the Chair at 1:30 p.m.

Respectfully submitted,

Adopted Jan. 11,22002

Ramona I. Kapileo Senate Journal Clerk