

THE SENATE • SEVENTEENTH LEGISLATURE • COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS



# Senate Journal

## FIRST REGULAR SESSION, 2010

SJ 17-03

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Third Day

Friday

February 26, 2010

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The Senate of the Seventeenth Northern Marianas Commonwealth Legislature convened its Third Day, First Regular Session, on February 26, 2010, at 10:35 a.m., in the Senate Chamber, Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

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

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

**President Paul A. Manglona:** With all Nine (9) members being present, we have the necessary quorum to conduct today's session.

### READING AND APPROVAL OF THE JOURNAL

#### 1. SJ 17-02 (2<sup>nd</sup> Day, First Regular Session 02/04/10)

**Floor Leader Pete P. Reyes:** Mr. President, we have Senate Journal No. 17-02. I move for the adoption of the journal.

Several members seconded.

**President Paul A. Manglona:** It has been moved and seconded. Is there any discussion? I recognize the Vice President.

**Vice President Jude U. Hofschneider:** May I request if we can move to amend it. Somehow, the email did not come to me on time. It is not the fault of the Clerk, but it is just a server issue. So I want to make sure that I have the opportunity for the next couple of days to...

The Chair recognized the Floor Leader.

**Floor Leader Pete P. Reyes:** Mr. President, if there is no objection from the members, we should allow members to make an amendment before the Journal is transmitted to the Archive. Just make sure that our adoption of the Journal would include any further amendment into the Journal by the members who did not yet submitted their verification.

**President Paul A. Manglona:** So in essence, you are recommending that we adopt it – allowing members for typo or minor corrections to make the adjustment? Is there any further discussion? Can I get a motion?

**Floor Leader Pete P. Reyes:** Mr. President, I had already moved and was seconded...

**President Paul A. Manglona:** Okay. All in favor say, “aye”.

Several members voiced, “aye”.

**President Paul A. Manglona:** All opposed say, “nay”.

The motion was carried by voice vote.

**President Paul A. Manglona:** The motion is carried. Senate Journal 17-02 passes the Senate.

### MESSAGES FROM THE GOVERNOR

1. **Gov. Msg. No. 17-19:** January 29, 2010 – Certification for annual salary in excess of \$50,000 for Dr. John Rodgers, at DPH.
2. **Gov. Msg. No. 17-20:** January 29, 2010 – Certification for annual salary in excess of \$50,000 for Mr. Gilbert Birnbrich, at AG’s Office.
3. **Gov. Msg. No. 17-21:** January 29, 2010 – Certification for annual salary in excess of \$50,000 for Dr. Osman, at DPH.
4. **Gov. Msg. No. 17-22:** January 29, 2010 – Certification for annual salary in excess of \$50,000 for Dr. Bernon, at DPH.
5. **Gov. Msg. No. 17-23:** January 29, 2010 – Certification for annual salary in excess of \$50,000 for Dr. Brown, at DPH.
6. **Gov. Msg. No. 17-24:** January 29, 2010 – Certification for annual salary in excess of \$50,000 for Dr. Kanayjorn-Na-Ayuthaya, at DPH.
7. **Gov. Msg. No. 17-25:** January 29, 2010 – Certification for annual salary in excess of \$50,000 for Dr. Wilgus, at DPH.
8. **Gov. Msg. No. 17-26:** January 29, 2010 – Certification for annual salary in excess of \$50,000 for Ms. April Ricotta (Director of Nursing), at DPH.
9. **Gov. Msg. No. 17-27:** January 29, 2010 – Certification for annual salary in excess of \$50,000 for Mr. Wayne Hazlip, at AG’s Office.

10. **Gov. Msg. No. 17-28:** January 29, 2010 – Certification for vacant position for Central Statistic Director, at Dept. of Commerce.
11. **Gov. Msg. No. 17-29:** January 29, 2010 – Certification for vacant position for Small Business Development Director, at Dept. of Commerce.
12. **Gov. Msg. No. 17-30:** January 29, 2010 – Certification for vacant position for Chief Prosecutor, at AG’s Office.
13. **Gov. Msg. No. 17-31:** January 29, 2010 – Certification for vacant position for Assistant Attorneys General, at AG’s Office.
14. **Gov. Msg. No. 17-32:** January 29, 2010 – Appointment of Mr. Oscar M. Babauta to serve as the Secretary for Dept. of Public Lands.
15. **Gov. Msg. No. 17-33:** January 29, 2010 – Resume, statement of financial interests, drug test receipt and police clearance of Mr. Oscar M. Babauta to serve as the Secretary for Dept. of Public Lands.
16. **Gov. Msg. No. 17-34:** January 29, 2010 – Appointment of Mr. Melvin L.O. Faisao to serve as the Secretary for Dept. of Community & Cultural Affairs.
17. **Gov. Msg. No. 17-35:** January 29, 2010 – Resume, state of financial interest, drug test receipt and police clearance of Mr. Melvin L.O. Faisao to serve as the Secretary for Dept. of Community & Cultural Affairs.
18. **Gov. Msg. No. 17-36:** January 29, 2010 – Resume, state of financial interest, drug test receipt and police clearance of Mr. Martin C. Sablan to serve as the Secretary for Dept. of Public Works.
19. **Gov. Msg. No. 17-37:** January 29, 2010 – Resume, state of financial interest, drug test receipt and police clearance of Mr. Adam Hardwicke to serve as Public Defender.
20. **Gov. Msg. No. 17-38:** January 29, 2010 – Resume, state of financial interest, drug test receipt and police clearance of Mr. Santiago F. Tudela to serve as Secretary for DPS.
21. **Gov. Msg. No. 17-39:** January 29, 2010 – Appointment of Mr. Isidro K. Seman to serve as the Director of the Office of Personnel Management.
22. **Gov. Msg. No. 17-40:** January 29, 2010 – Re-appointment of Mr. Michael J. Ada to serve as the Secretary of the Department of Commerce.
23. **Gov. Msg. No. 17-41:** January 29, 2010 – Appointment of Mr. Melchor A. Mendiola, Jr. to serve on the MPLT to represent Rota.

24. **Gov. Msg. No. 17-42:** February 12, 2010 – Disapproval of H.B. No. 16-254, HD1, SS1, entitled, “To amend 1 CMC Section 8341(a) to include membership from a chartered or incorporated organization representing CNMI retirees.”
25. **Gov. Msg. No. 17-43:** February 18, 2010 – Copy of resume, statement of financial interest and drug test receipt, police clearance of Mr. Melchor J. Mendiola to serve as a member of MPLT representing Rota.
26. **Gov. Msg. No. 17-44:** February 18, 2010 – Copy of the drug test results for Dr. Ignacio T. Dela Cruz appointed to serve as the Secretary of DLNR.
27. **Gov. Msg. No. 17-45:** February 18, 2010 – Copy of the drug test results for Mr. Adam Hardwicke appointed to serve as Public Defender.
28. **Gov. Msg. No. 17-46:** February 18, 2010 – Copy of the drug test results for Mr. Martin C. Sablan appointed to serve as Secretary of Public Works.
29. **Gov. Msg. No. 17-47:** February 18, 2010 – Copy of the drug test results for Mr. Santiago F. Tudela appointed to serve as Commissioner of Public Safety.
30. **Gov. Msg. No. 17-48:** February 22, 2010 – Executive Order 2010-02 – Declaration of A State of Disaster Emergency: CUC Continuation #19.

**President Paul A. Manglona:** Any discussion from the members? I recognize the Floor Leader.

**Floor Leader Pete P. Reyes:** Mr. President, I noticed that there are members – there are people that have been nominated by the Governor, and since there is a representative here from the Governor’s Office – just request that they remind all these nominees to submit their drug test result so that the Senate can act on their confirmation. I understand that the Chairman has already put notice for public hearing on some of the members, and unfortunately today, we are ready to act on a confirmation, but because the drug test have not been submitted, it prevents us from acting. Thank you.

**President Paul A. Manglona:** Let me ask the Chairman – Mr. Chairman, I understand in our Rules that the drug test is required – can you elaborate on what the Floor Leader had just stated. We need the test result and not just an evidence of submitting to drug test, but rather the result, and may I ask – is that also a requirement for everyone, and that the Senate will not act on the nominee if there is no result?

**Chairman Francisco Q. Cruz:** Yes, Mr. President, it is in our Rules and Procedures in the Senate Rules that is required for all appointment or Governor’s nominees to submit their drug test result. Like what the Floor Leader mentioned, we cannot act on the nominee appointment without those results. We have zero tolerance for any appointments that come before the full Senate. We have to get those...

**President Paul A. Manglona**: Mr. Chairman, I know that we can always waive the Rules, so can I get the understanding of the members that there will be no waiver of Rules for drug test, even though they submitted the documents showing that they had taken the test – can I get the understanding that there will be no exemptions to that Rule? Floor Leader, recognized.

**Floor Leader Pete P. Reyes**: Mr. President, can I ask for a very short recess?

**President Paul A. Manglona**: Short recess.

**The Senate recessed at 10:25 a.m.**

**RECESS**

**The Senate reconvened at 10:30 a.m.**

**President Paul A. Manglona**: We are back to our Session. We are still under the Governor's Messages. Before recess, the Chairman had informed the members that there is a zero tolerance with regards to the Committee's consideration of all nominees that they need to confirm. It is the understanding of this body that test results should be submitted before any action is taken, and that there will be no exemption – although the Rule allows us to suspend such Rules, there will be no attempt to waive such Rule, so with that understanding, we urge the Governor's Legislative Affairs to inform all the nominees that as soon as they are nominated, that they immediately take the drug test so that there is sufficient time for the results to come out, and hopefully before the hearing is conducted that the results are out. I know in the past, as the Floor Leader mentioned, we had confirmed nominees without such result. Is there any further discussion, if none, let us move down to Communication from the Judiciary.

#### COMMUNICATIONS FROM THE JUDICIARY:

1. **Jud. Comm. No. 17-04**: February 18, 2010 – Certification for vacant position of Records Assistant in the Superior Court.

**President Paul A. Manglona**: Is there any discussion?

There was no discussion.

#### COMMUNICATIONS FROM HEADS OF EXECUTIVE DEPARTMENTS:

1. **Dept. Msg. No. 17-06**: February 05, 2010 – Council on Developmental Disabilities FORUM. (See attached schedule)

**President Paul A. Manglona**: Is there any discussion?

There was no discussion.

#### COMMUNICATIONS FROM THE HOUSE:

1. **Hse. Comm. No. 17-02:** February 04, 2010 – Transmitting H.J.R. No. 17-1, entitled, “Supporting the alliance between the CNMI and Guam through the Mariana Islands Legislature Association (MILA).”
2. **Hse. Comm. No. 17-03:** February 10, 2010 – Transmitting H.B. No. 17-15, HD1, entitled, “To authorize the Governor reprogramming authority for FY 2010, to provide relief to the NMHC for the agency to meet its guarantor obligation in home loans.”
3. **Hse. Comm. No. 17-04:** February 24, 2010 – Transmitting H.B. No. 17-20, entitled, “To provide for the lateral transfer of DOI personnel to other agencies or departments of the Commonwealth government.”

**President Paul A. Manglona:** Is there any discussion? Floor Leader recognized.

**Floor Leader Pete P. Reyes:** Mr. President, under discussion, I noticed that House Communication No. 17-04 is not appearing in the Agenda. At this time, without the objection from the members, I would like to make a motion to amend Order of Business in order to comply with the Open Government Act requirement in placing some of the bills and resolutions on the Calendar for action. That is a motion.

**President Paul A. Manglona:** Before you do that, Floor Leader, I know that is with regards to the Immigration, so I would just like to recognize the presence of the Immigration employees in the gallery as well as the sponsor for such legislation – our good Representative Sablan. Please proceed, Floor Leader.

**Floor Leader Pete P. Reyes:** Mr. President, the motion is for amendment to the Order of Business since some of these bills do not appear on the Order of Business – by majority vote, the OGA allows the amendment to the Order of Business by votes of majority, and at this time, under Prefiled Bills we have Senate Bill No. 17-13, Senate Bill No. 17-15 and Senate Bill No. 17-17 that may or may not appear on the Order of Business. We also have a new bill, Senate Bill No. 17-19 that was just recently introduced and is not on the Order of Business. We have Senate Resolution No. 17-7 that is not on the Order of Business, and the rest of them under Resolution appears on the Order of Business. My motion is to place these on today’s Calendar and at the same motion to waive any pertinent rules for the passage on First and Final Reading on some of these bills, so moved.

The motion was seconded.

**President Paul A. Manglona:** It has been moved and seconded. Is there any discussion? Floor Leader recognized.

**Floor Leader Pete P. Reyes:** Mr. President, since it requires majority consent of the members, I would like to ask that this be a voice vote.

**President Paul A. Manglona:** Is there any further discussion? Senate Clerk, roll call please.

The Clerk called the roll on the motion to place **Senate Bill No. 17-13, Senate Bill No. 17-15, Senate Bill No. 17-17, Senate Bill No. 17-19,** and **Senate Resolution No. 17-7** on the Calendar.

Senator Juan M. Ayuyu	yes	
Senator Luis P. Crisostimo	yes	
Senator Francisco Q. Cruz	yes	
Senator Jude U. Hofschneider		yes
Senator Pete P. Reyes	yes	
Senator Henry H. San Nicolas	yes	
Senator Jovita M. Taimanao	yes	
Senator Ralph DLG. Torres	yes	
Senate President Paul A. Manglona	yes	

**President Paul A. Manglona:** By a vote of 9-0, we have more than the majority to place set legislations on our prefiled Bills and Resolution Calendar. Floor Leader recognized.

**Floor Leader Pete P. Reyes:** Mr. President, I would also request my motion to include House Communication No. 17-4 – this is the bill on Immigration to placed on today’s Calendar on First and Final Reading. Again, I ask for voice vote on this.

**President Paul A. Manglona:** Can we include it in that motion its placement under House Communication so that it is reflected on our Agenda that it is under House Communication as well as placement. Is there any second?

Several members voiced, “Second.”

**President Paul A. Manglona:** Senate Clerk, Roll call please.

The Clerk called the roll on the motion to place **House Communication No. 17-04** on the Calendar.

Senator Juan M. Ayuyu	yes	
Senator Luis P. Crisostimo	yes	
Senator Francisco Q. Cruz	yes	
Senator Jude U. Hofschneider		yes
Senator Pete P. Reyes	yes	
Senator Henry H. San Nicolas	yes	
Senator Jovita M. Taimanao	yes	
Senator Ralph DLG. Torres	yes	
Senate President Paul A. Manglona	yes	

**President Paul A. Manglona:** By a vote of 9-0, House Communication No. 17-04 pertaining to House Bill No. 17-20 is hereby placed under Communications from the House as well as our Bill Calendar for Final Reading consideration. Is there any further discussion?

There was no further discussion.

### COMMUNICATIONS FROM THE WASHINGTON DELEGATE:

1. Wash. Delegate Comm. No. 17-01: February 12, 2010 – Office of Grants Management Act, Public Law 16-48.

**President Paul A. Manglona**: Is there any discussion?

There was no discussion.

### UNFINISHED BUSINESS:

(NONE)

### PRE-FILED BILLS AND RESOLUTIONS

1. **S.B. No. 17-09**: To create new Fire Department within the Executive Branch of the Commonwealth Government; to transfer responsibility for Fire Protection functions from the Dept. of Public Safety's Fire Division to the new department; to provide for the orderly transfer of records, personnel, and property to the new department. **(Sen. Ralph DLG. Torres – 02-04-10)**
2. **S.B. No. 17-10**: To establish a populated-based cancer registry in the CNMI. **(Sen. Ralph DLG. Torres – 02-04-10)**
3. **S.B. No. 17-11**: To enact a new Chapter 8 of Division 2 of Title 3 of the Commonwealth Code. **(Medical Consent Act of 2010)**  
**(Sen. Ralph DLG. Torres – 02/04/10)**
4. **S.B. No. 17-12**: To establish a DPS Operating Fund by allocating 25% of all criminal & Civil fines and all revenues collected by the courts of the Commonwealth pursuant to 1 CMC § 3403 or fines or fees collected pursuant to 7 CMC § 3206 and 7 CMC § 3251 or any other law and remitted or paid to the Commonwealth Treasury shall be deposited and credited to the DPS Operating Fund. **(Sen. Paul A. Manglona – 02/10/10)**
5. **S.B. No. 17-13**: To domesticate or allow the raising of Sambar Deer in captivity. **(Sen. Jovita M. Taimanao – 02/12/10)**

6. **S.B. No. 17-14:** To establish a Scholarship Tax Credit to encourage private individuals and businesses to make cash donations to qualifying scholarship programs. (**Sen. Jude U. Hofschneider – 02/18/10**)
7. **S.B. No. 17-15:** To mandate attendance for Early Childhood Education, to expand the age range for Early Childhood and Adult Education. (**Sen. Pete P. Reyes – 02/19/10**)
8. **S.B. No. 17-16:** To empower and define the authority, duties, responsibilities and functions of the Marshal Service Division of the CNMI Judicial Branch. (**Sen. Paul A. Manglona – 02/19/10**)
9. **S.B. No. 17-17:** To authorize the licensing of drag, trap, and surround nets for subsistence fishing. (**Sen. Jovita M. Taimanao – 02/19/10**)
10. **S.B. No. 17-18:** To amend Subsection (d) of Section 8122 of Title Four of the Commonwealth Code to merely clarify an ambiguity regarding the CUC's authority to set rates until such time as the PUC shall issue an order setting rates, fees, charges or rents for a utility service. (**Sen. Juan M. Ayuyu – 02/22/10**)
11. **S.R. No. 17-04:** To commend and recognize Reverend Reid D. Ellis, M.Ed. & Mrs. Joann L. Ellis, M.Ed. for their outstanding leadership and contributions to the education of the forever grateful students of the Grace Christian Academy in Tinian. (**Sen. Henry H. San Nicolas; Sen. Jude U. Hofschneider; Sen. Francisco Q. Cruz- 02/11/10**)
12. **S.R. No. 17-05:** In support of Congressman Gregorio Kili Camacho Sablan's HR 3511 to establish and operate Marianas Trench Marine National Monument Visitor Facility in the CNMI. (**Sen. Juan M. Ayuyu – 02/22/10**)
13. **S.R. No. 17-06:** Expressing the Senate's interest in having the CNMI considered as a viable location for the stationing and operation of the Department of Defense Joint High Speed Vessels. (**Sen. Jude U. Hofschneider – 02/22/10**)
14. **S.R. No. 17-07:** To amend the Official Rules of Procedure of the 17<sup>th</sup> NM Commonwealth Legislature. (**Sen. Jude U. Hofschneider – 02/26/10**)

**President Paul A. Manglona:** As listed on our Agenda, there are ten (10) bills as well as the bills that were motioned by the Floor Leader to be included. Senate Resolution No. 17-07 is the Official Rules of Procedure of the Senate offered by the Vice President. Let us move down to Reports of Standing Committees.

## REPORTS OF STANDING COMMITTEES

1. **Standing Committee Report No. 17-01:** February 22, 2010 – From the Committee on Executive Appointment and Government Investigations reporting on the Governor’s appointment of **Mr. Melchor Mendiola, Jr.** to serve on the **MPLT Board of Trustee** representing Rota.

**President Paul A. Manglona:** Let me recognize Chairman...

**Senator Luis Crisostimo:** Mr. President.

**President Paul A. Manglona:** I recognize Senator Crisostimo.

**Senator Luis Crisostimo:** Mr. President, can we go back to Introduction of Bills for my Initiative.

**President Paul A. Manglona:** Let us move back to Introduction of Bills and Resolution. I know that this does not sound right, but we are just following the Open Government Act here, even for introduction of bills, we have to get the approval of the majority. So let me recognize the Floor Leader.

#### **PRE-FILED BILLS AND RESOLUTIONS**

**Floor Leader Pete P. Reyes:** Mr. President, I move to amend the Order of Business and include Senate Legislative Initiative No. 17-04. I will let Senator Crisostimo offer his bill once we vote to amend the Order of Business. My motion is to amend the Order of Business to allow him to do that.

**President Paul A. Manglona:** Is there any second?

Several members voiced, “Second.”

**President Paul A. Manglona:** All in favor of the say, “aye”.

Several members voiced, “aye”.

**President Paul A. Manglona:** All opposed say, “nay”.

The motion was carried by voice vote.

**President Paul A. Manglona:** The motion is carried. I recognize Senator Crisostimo.

**Senator Luis Crisostimo:** Thank you members and Mr. President. My motion is to introduce Senate Legislative Initiative to propose a Constitutional amendment to Article XI, Section 3 of the CNMI Constitution to be changed the term permanent and long term interest in real property. I mean Article XII, correction. That is Senate Legislative No. 17-04.

**President Paul A. Manglona:** Okay. Is there any further introduction? I recognize Senator Taimanao.

**Senator Jovita M. Taimanao**: I believe the motion is to include the Initiative – and if so, I second it.

**President Paul A. Manglona**: Senator Crisostimo, you are just introducing? You want it placed on the Calendar for today for consideration?

**Senator Luis Crisostimo**: Yes, Mr. President. Can I ask for a short recess.

**The Senate recessed at 10:40 a.m.**

**RECESS**

**The Senate reconvened at 11:00 a.m.**

**President Paul A. Manglona**: We are back to our plenary session. Before we went on recess, we were under Reports of Standing Committees, and as reported by the Chairman, we will not be acting on Standing Committee Report No. 17-01 because of the lack of drug test result. So with that, let us move down to Special Conference Committee Report.

**SPECIAL/CONFERENCE COMMITTEE REPORTS**

**NONE**

**PUBLIC COMMENT**

**President Paul A. Manglona**: We are under Public Comment. Is there any one in the gallery so far who wants to comment on any of the Agenda or discussions so far? Let the record reflect that there is no member in the gallery that wish to comment.

*(There was no public comment)*

**RESOLUTION CALENDAR**

The Chair recognized the Floor Leader.

**Floor Leader Pete P. Reyes**: Thank you, Mr. President. Before I make the motion, let me just recognized the presence of Congressman and former Lieutenant Governor Diego Benavente in the gallery as well as Congressman Tony Sablan – Representative Sablan is the author of the bill that we will be entertaining today. Mr. President and members, I move for the adoption of Senate Resolution No. 17-04, Senate Resolution No. 17-05 and Senate Resolution No. 17-06.

The adoption motion was seconded.

**S.R. No. 17-04**: To commend and recognize Reverend Reid D. Ellis, M.Ed. & Mrs. Joann L. Ellis, M.Ed. for their outstanding leadership and contributions to the education of the forever grateful students of the Grace Christian Academy in Tinian.

**(Sen. Henry H. San Nicolas; Sen. Jude U. Hofschneider; Sen. Francisco Q. Cruz-02/11/10)**

**S.R. No. 17-05:** In support of Congressman Gregorio Kili Camacho Sablan's HR 3511 to establish and operate Marianas Trench Marine National Monument Visitor Facility in the CNMI. **(Sen. Juan M. Ayuyu – 02/22/10)**

**S.R. No. 17-06:** Expressing the Senate's interest in having the CNMI considered as a viable location for the stationing and operation of the Department of Defense Joint High Speed Vessels. **(Sen. Jude U. Hofschneider – 02/22/10)**

**President Paul A. Manglona:** Is there any discussion? All in favor of the say, "aye".

Several members voiced, "aye".

**President Paul A. Manglona:** All opposed say, "nay".

The motion was carried by voice vote.

**President Paul A. Manglona:** The motion is carried. Senate Resolution No. 17-04, Senate Resolution No. 17-05 and Senate Resolution No. 17-06 passes the Senate. Floor Leader recognized.

**Floor Leader Pete P. Reyes:** Mr. President, I move for the adoption of Senate Resolution No. 17-07. On this Resolution, we need to do a roll call.

The motion was seconded.

**S.R. No. 17-07:** To amend the Official Rules of Procedure of the 17<sup>th</sup> NM Commonwealth Legislature. **(Sen. Jude U. Hofschneider – 02/26/10)**

**President Paul A. Manglona:** Is there any discussion? Again, this Resolution would amend our Rules to allow the Legal Counsel to participate in discussions and the Clerk. So there being no discussion, Senate Clerk, roll call please.

The Clerk called the roll on the motion for the adoption of **Senate Resolution No. 17-07** on the Calendar.

Senator Juan M. Ayuyu	yes	
Senator Luis P. Crisostimo	yes	
Senator Francisco Q. Cruz	yes	
Senator Jude U. Hofschneider		yes
Senator Pete P. Reyes	yes	
Senator Henry H. San Nicolas	yes	
Senator Jovita M. Taimanao	yes	
Senator Ralph DLG. Torres	yes	
Senate President Paul A. Manglona	yes	

**President Paul A. Manglona:** Let me just declare that Senate Resolution No. 17-07 by a vote of 9-0 passes the Senate. Floor Leader recognized.

**Floor Leader Pete P. Reyes:** Mr. President, without objection from the members, I would like to move to Bill Calendar.

There was no objection.

#### FIRST READING

LEG. NO.	TITLE
<b>S.B. No. 17-14 Passed</b>	To establish a scholarship tax credit to encourage private individuals and businesses to make cash donations to qualifying scholarship programs
<b>S.B. No. 17-19 Passed</b>	The Commonwealth Judgments & Financial Obligations Act of 2010
<b>S.L.I. No. 17-04, SD1 Passed</b>	To propose a constitutional amendment to Article XII Sections 3 and 5 of the CNMI Constitution to change the term permanent and long term interest in real property and to change the definition of an NMD corporation

#### FINAL READING

LEG. NO.	TITLE
<b>S.B. No. 17-04</b>	To amend 6 CMC §§ 3154 and 3156(a)(3) "Video Lottery"
<b>S.B. No. 17-06</b>	To include gaming commission officers as recipients of the Law Enforcement Officers' Benefit Act
<b>H.B. No. 17-20, SD1</b>	To provide for the lateral transfer of Division of Immigration personnel to other agencies or departments of the Commonwealth government
<b>S.B. No. 17-13</b>	To domesticate or allow the raising of Sambar Deer in captivity

<b>S.B. No. 17-15</b>	To mandate attendance for Early Childhood Education, to expand the age range for Early Childhood and Adult Education
<b>S.B. No. 17-17</b>	To authorize the licensing of drag, trap, and surround nets for subsistence fishing
<b>S.B. No. 17-18</b>	To amend Subsection (d) of Section 8122 of Title Four of the Commonwealth Code to merely clarify an ambiguity regarding the CUC's authority to set rates until such time as the PUC shall issue an order setting rates, fees, charges or rents for a utility service

The Chair recognized the Floor Leader.

**Floor Leader Pete P. Reyes:** Mr. President, I move for the passage on First and Final Reading, House Bill No. 17-20.

The motion was seconded.

**President Paul A. Manglona:** There is a motion on the floor and it has been seconded. We are discussing House Bill No. 17-20. Is there any discussion? No discussion? Senator Torres recognized.

**Senator Ralph DLG. Torres:** Thank you, Mr. President. I would like to make a minor amendment on the bill. On the "Findings and Purposes" to include...- although the government has already placed the majority of its employees, the remaining of individuals who have not been placed shall be accommodated through this bill. Currently, we have ten (10) employees here in Saipan and four (4) in Rota.

**President Paul A. Manglona:** Well, I know that we just passed the Rule – our Rule allows us for our legal counsel to participate, and I see her raising her hands. We need to make a motion for the Committee of the Whole, right? Let me recognize our legal counsel.

**Senate Legal Counsel Antonette R. Villagomez:** *I just wanted to point to the members that if we amend this and pass this bill, it has to go back down to the House again for acceptance of our amendment. That is all.*

**Senator Ralph DLG. Torres:** The author has agreed to make the minor changes and the House will be acting on it again hopefully by the next session.

**President Paul A. Manglona:** Senator Torres, can you explain the intention of this amendment so we can understand a little?

**Senator Ralph DLG. Torres:** The intention of this bill – when the Federalization came on November 28<sup>th</sup>, the Immigration department...

**President Paul A. Manglona:** I am sorry, the intent of your floor amendment where you want to clarify the finding, because to me, it appears that the finding is clear already that we are only talking about current employees, and not employees of Immigration that have been transferred already.

**Senator Ralph DLG. Torres:** Let me just apologize, Mr. President. The bill's intention and the amendment is to clarify that the only remaining ten (10) employees in Saipan and four (4) employees from Rota will be accommodated through this bill. The other employees from Immigration had already been accommodated for their lateral transfer. So this bill will not allow them that had already been transferred to have that luxury or to change to another position. The bigger issue here is not actually under "findings." The bigger issue here is on page 2, line 5. That is the bigger issue here on this bill to make the amendment. That is another amendment that I need to make. The earlier intention of my amendment was to clarify that – the other employees that have been accommodated do not have the luxury or the option. The second amendment is on page 2, line 5, where it says, "The Division of Immigration shall be provided a lateral transfer." We have discussed this with the Lieutenant Governor, the members and the author and agreed to keep "shall be" but change "provided" to "offered." So now it would read, "*Current personnel of the Division of Immigration shall be offered a lateral transfer within their agencies.*"

The motion was seconded by the Floor Leader.

**President Paul A. Manglona:** It has been moved and seconded...[Inaudible-microphone turned off]...Senator Crisostimo recognized.

**Senator Luis Crisostimo:** Mr. President, just to add on. The intent is understood, but just to add on that not just the CNMI Government but even CNMI autonomous and other agencies outside the government or private company if the Administration could help these individuals. Also, if they could be...like in other enforcement federal government or CNMI non-profit or whatever agencies other than what it's intended. I just want to put that on the record.

**President Paul A. Manglona:** Okay. All in favor of the amendment say, "aye".

Several members voiced, "aye".

**President Paul A. Manglona:** All opposed say, "nay".

The motion was carried by voice vote.

**President Paul A. Manglona:** The motion is carried. Senate Clerk, roll call on House Bill No. 17-20 as amended.

The Clerk called the roll on the motion to pass **House Bill No. 17-20** as amended on Final Reading.

Senator Juan M. Ayuyu

yes

Senator Luis P. Crisostimo	yes	
Senator Francisco Q. Cruz	yes	
Senator Jude U. Hofschneider		yes
Senator Pete P. Reyes	yes	
Senator Henry H. San Nicolas	yes	
Senator Jovita M. Taimanao	yes	
Senator Ralph DLG. Torres	yes	
Senate President Paul A. Manglona	yes	

**President Paul A. Manglona:** By a vote of 9-0, House Bill No. 17-20 as amended passes the Senate. Floor Leader recognized.

**Floor Leader Pete P. Reyes:** Mr. President, I now move for the passage on First Reading, Senate Bill No. 17-19.

The motion was seconded by Senator Crisostimo.

**President Paul A. Manglona:** Is there any discussion?

Several members voiced, “ready.”

**President Paul A. Manglona:** I know that there were concerns regarding the applicabilities – so the legal counsel is working on that, so hopefully before we pass this on Final Reading that would be addressed. Those in favor say, “aye”.

Several members voiced, “aye”.

**President Paul A. Manglona:** All opposed say, “nay”.

The motion was carried by voice vote.

**President Paul A. Manglona:** The motion is carried. Floor Leader recognized.

**Floor Leader Pete P. Reyes:** Mr. President, motion to pass on First Reading, S.L.I. No. 17-04, SD1 with referenced to Article XII.

The motion was seconded by Senator Crisostimo.

**President Paul A. Manglona:** Is there any discussion? I understand that Senator Crisostimo – the sponsor for the Initiative made corrections prior to the introduction and your Initiative should say ninety-nine (99) years. He did not make a floor amendment because he corrected it prior to submitting it to the Senate Clerk. With that, is there any discussion? Vice President recognized.

**Vice President Jude U. Hofschneider:** Just for clarify – so anything that is referenced to eight (80) years we put in ninety-nine (99)?

**President Paul A. Manglona:** That is right. I think the Clerk has reflected such corrections and copies have been provided to the members. Is there any further discussion? Senator Crisostimo recognized.

**Senator Luis Crisostimo:** Mr. President and members, also, I think this legislation prompted us from the recommendation of our business community. This legislation had passed in the Sixteenth, and I guess with minimal amendment and that I am happy that we are putting it on First Reading. Thank you.

The Chair recognized Floor Leader Reyes.

**Floor Leader Pete P. Reyes:** Just to point out on the first page under line 18 – if the intent is for ninety-nine (99) years, I think this bill needs further amendments because if you notice it says, “leasehold interest of more than ninety-nine (99) years” so it could go into one hundred (100) years and one hundred and fifty (150). I just want to clarify whether the intent of this is to limit it to ninety-nine (99) years or to go beyond ninety-nine (99) years because the language says, “more than ninety-nine (99) years...”

**President Paul A. Manglona:** Well, I think what that means is that, if it is more than ninety-nine (99) years then that would be defined as long-term interest and only Northern Marianas Descent can obtain such interest. So, that is the language from the Constitution except that they scratched fifty-five (55) to ninety-nine (99) years. So anything below ninety-nine (99) years will be considered not long-term interest, and therefore, Non-CNMI Descent can obtain such lease. It is just defining what long-term interest is. Is there any further discussion? Can I ask the Floor Leader to make an amendment so that on page 2, we can add the same sentence that is reflected in Section 1, to say, “that this amendment does not apply to existing leasehold interest.” Just so that it could also reflect on line 14, page 2 at the bottom of the paragraph.

**Floor Leader Pete P. Reyes:** So moved, Mr. President and allow the legal counsel to just make the appropriate language enter into the second page.

The motion was seconded.

**President Paul A. Manglona:** Okay. It has been moved and seconded. Is there any further discussion?

There was no further discussion.

**President Paul A. Manglona:** All in favor say, “aye”.

Several members voiced, “aye”.

**President Paul A. Manglona:** All opposed say, “nay”.

The motion was carried by voice vote.

**President Paul A. Manglona:** The motion is carried. We are back to Senate Legislative Initiative No. 17-04 as amended. Is there any further discussion? I recognize Senator Crisostimo.

**Senator Luis Crisostimo:** I just want to add on page 1, line 14 as well. Just change the “eighty (80) years” to ninety-nine (99).”

**President Paul A. Manglona:** That is a minor amendment. Senate Clerk, we do not have to vote on that, but just reflect such. Is there any further discussion?

There was no discussion.

**President Paul A. Manglona:** All in favor say, “aye”.

Several members voiced, “aye”.

**President Paul A. Manglona:** All opposed say, “nay”.

The motion was carried by voice vote.

**President Paul A. Manglona:** The motion is carried. The Senate passes on First Reading, Senate Legislative Initiative No. 17-04. Floor Leader recognized.

**Floor Leader Pete P. Reyes:** I move for the passage on Second and Final Reading, Senate Bill No. 17-4.

The motion was seconded.

**President Paul A. Manglona:** Is there any discussion? This is for Final Reading. Senate Clerk, roll call please.

The Clerk called the roll on the motion to pass **Senate Bill No. 17-04** as amended on Final Reading.

Senator Juan M. Ayuyu	yes	
Senator Luis P. Crisostimo	yes	
Senator Francisco Q. Cruz	yes	
Senator Jude U. Hofschneider		yes
Senator Pete P. Reyes	yes	
Senator Henry H. San Nicolas	yes	
Senator Jovita M. Taimanao	yes	
Senator Ralph DLG. Torres	yes	
Senate President Paul A. Manglona	yes	

**President Paul A. Manglona:** By a vote of 9-0, Senate Bill No. 17-04 passes the Senate. Floor Leader recognized.

**Floor Leader Pete P. Reyes:** Mr. President, before I make my motion, I would like to recognize the presence of our CUC Executive Director, Mr. Tony Muna. Welcome, Mr. Muna. I move for the passage on Second and Final Reading, Senate Bill No. 17-13.

The motion was seconded by Vice President Hofschneider.

**President Paul A. Manglona:** Is there any discussion on Senate Bill No. 17-13. I recognize Senator Taimanao.

**Senator Jovita M. Taimanao:** I request for a motion to pass and adopt Senate Bill No. 17-13 to domesticate or allow the raising sambar deer in captivity.

**President Paul A. Manglona:** It is under discussion. The motion by the Floor Leader is for its passage.

**Senator Jovita M. Taimanao:** I highly encourage our colleagues to really reconsider because a lot of our people from all the islands are – a lot of them are unemployed and they are self-sufficient in terms of looking for the family livelihood, and from this, from allowing the domestication of such deer would help also in their livelihood.

The Chair recognized Vice President Hofschneider.

**Vice President Jude U. Hofschneider:** Mr. President, the last two Legislature, we voted on this and my vote was “yes”, so my vote today again on this will be “yes.” Thank you.

The Chair recognized Senator Crisostimo.

**Senator Luis Crisostimo:** Mr. President, I commend my colleague for continuing, pushing and caring for not just our people in the CNMI, but people would eventually take care and have these as a livestock, and eventually not just enhance themselves, but they can forecast and have consumption as they wish and multiple – probably do better than the wildlife. I commend again the Senator and I am in support of this legislation. Thank you.

**President Paul A. Manglona:** If there is no further discussion, Senate Clerk, roll call please.

The Clerk called the roll on the motion to pass **Senate Bill No. 17-13** on Second and Final Reading.

Senator Juan M. Ayuyu	yes	
Senator Luis P. Crisostimo	yes	
Senator Francisco Q. Cruz	yes	
Senator Jude U. Hofschneider		yes
Senator Pete P. Reyes	yes	
Senator Henry H. San Nicolas	yes	
Senator Jovita M. Taimanao	yes	
Senator Ralph DLG. Torres	yes	
Senate President Paul A. Manglona	yes	

**President Paul A. Manglona:** By a vote of 9-0, Senate Bill No. 17-13 passes the Senate on Final Reading. Floor Leader recognized.

**Floor Leader Pete P. Reyes:** Thank you, Mr. President. I move for the passage on Second and Final Reading, Senate Bill No. 17-15.

The motion was seconded.

**President Paul A. Manglona:** Is there any discussion on Early Childhood Education legislation?

Several members voiced, “ready.”

**President Paul A. Manglona:** Senate Clerk, roll call please.

The Clerk called the roll on the motion to pass **Senate Bill No. 17-15** on Second and Final Reading.

Senator Juan M. Ayuyu	yes	
Senator Luis P. Crisostimo	yes	
Senator Francisco Q. Cruz	yes	
Senator Jude U. Hofschneider		yes
Senator Pete P. Reyes	yes	
Senator Henry H. San Nicolas	yes	
Senator Jovita M. Taimanao	yes	
Senator Ralph DLG. Torres	yes	
Senate President Paul A. Manglona	yes	

**President Paul A. Manglona:** By a vote of 9-0, Senate Bill No. 17-15 passes the Senate on Final Reading. Floor Leader recognized.

**Floor Leader Pete P. Reyes:** Mr. President, I move for the passage of Senate Bill No. 17-06 on Second and Final Reading.

The motion was seconded.

**President Paul A. Manglona:** Floor Leader, can you state the title for that bill.

**Floor Leader Pete P. Reyes:** It is to amend 6 CMC § 3154 and § 3156 (a) with regards to video lottery. Let me correct that, Mr. President. To include Gaming Commission Officers recipient of the Law Enforcement Officers Benefit Act.

The Chair recognized the Vice President.

**Vice President Jude U. Hofschneider:** I was just going to...

**President Paul A. Manglona:** Okay. Is there any second?

Several members voiced, “second.”

**President Paul A. Manglona**: Is there any discussion?

Several members voiced, “ready.”

**President Paul A. Manglona**: Senate Clerk, roll call please.

The Clerk called the roll on the motion to pass **Senate Bill No. 17-06** on Second and Final Reading.

Senator Juan M. Ayuyu	yes	
Senator Luis P. Crisostimo	yes	
Senator Francisco Q. Cruz	yes	
Senator Jude U. Hofschneider		yes
Senator Pete P. Reyes	yes	
Senator Henry H. San Nicolas	yes	
Senator Jovita M. Taimanao	yes	
Senator Ralph DLG. Torres	yes	
Senate President Paul A. Manglona	yes	

**President Paul A. Manglona**: By a vote of 9-0, Senate Bill No. 17-06 passes the Senate on Final Reading. Floor Leader recognized.

**Floor Leader Pete P. Reyes**: Thank you, Mr. President. I move for the passage on Second and Final Reading, Senate Bill No. 17-14 with respect to Scholarship.

The motion was seconded by Senator Torres.

**President Paul A. Manglona**: Is there any discussion? I recognize Vice President Hofschneider.

**Vice President Jude U. Hofschneider**: Thank you. This bill is just allowing a business community including private individuals that have interest in donating to the CNMI Scholarship. The SHEFA, the Tinian Municipal Scholarship and the Rota Municipal Scholarship Foundation, to allow them to donate their donations to their respective scholarship, and to use it also as tax incentive for...on their part. This bill’s intent is to also seek ways or means of funding the scholarships other than the appropriation that are being made with the government. Thank you and I seek the support of the members.

**President Paul A. Manglona**: Can I ask that the sponsor – can you distinguish between these and the other legislation that you are introducing regarding the 30%?

**Vice President Jude U. Hofschneider**: Actually, this one is kind of similar to the Education Tax Credit, but currently, what that does is, the businesses or individuals that are donating to their respective schools whether be it private or public or getting also tax breaks. To answer your question, Mr. President, I am also working with the legal counsel in coming up with a different bill

to specifically allow 30% of the tax credit to donate to the CNMI Scholarship. Maybe perhaps include it in this bill, but I would have to ask for a floor amendment to include just that.

**President Paul A. Manglona**: Can I ask the Chairman with your indulgence, if we can pass this on First Reading so that we can incorporate your other concern?

**Vice President Jude U. Hofschneider**: Sure.

**President Paul A. Manglona**: I think that this is a very good legislation, however, we should do it together with your other proposed legislation so that you can put them into one bill, if there is no objection?

**Vice President Jude U. Hofschneider**: There is no objection. I welcome any...to fine tune it.

**President Paul A. Manglona**: Okay. Let me recognize the Floor Leader.

**Floor Leader Pete P. Reyes**: In that case, let me rephrase the motion. The motion is for the passage of Senate Bill No. 17-14 on First Reading only.

The motion was seconded.

**President Paul A. Manglona**: With that, is there any discussion?

Several members voiced, "ready."

**President Paul A. Manglona**: All in favor say, "aye".

Several members voiced, "aye".

**President Paul A. Manglona**: All opposed say, "nay".

The motion was carried by voice vote.

**President Paul A. Manglona**: The motion is carried. Senate Bill No. 17-14 passes the Senate on First Reading only. Floor Leader recognized.

**Floor Leader Pete P. Reyes**: Mr. President, without any objection from the members, I would like the Senate Clerk to just place this on the Calendar for the next session. This would allow the members...

**President Paul A. Manglona**: There was no objection and I advise the legal counsel to work with Senator Hofschneider so that the other amendment could be incorporated so that we can pass this on our next session. Floor Leader recognized.

**Floor Leader Pete P. Reyes**: Thank you, Mr. President. I now move for the passage on Second and Final Reading, Senate Bill No. 17-17 with respect to a drag net fishing.

The motion was seconded by Vice President Hofschneider.

**President Paul A. Manglona**: Is there any discussion?

Several members voiced, “ready.”

**President Paul A. Manglona**: No discussion? Senate Clerk, roll call please.

The Clerk called the roll on the motion to pass **Senate Bill No. 17-17** on Second and Final Reading.

Senator Juan M. Ayuyu	yes
Senator Luis P. Crisostimo	yes
Senator Francisco Q. Cruz	yes
Senator Jude U. Hofschneider	yes
Senator Pete P. Reyes	yes
Senator Henry H. San Nicolas	yes
Senator Jovita M. Taimanao	yes
Senator Ralph DLG. Torres	yes
Senate President Paul A. Manglona	yes

**President Paul A. Manglona**: With a vote of 9-0, Senate Bill No. 17-17 hereby passes the Senate on Final Reading. Floor Leader recognized.

**Floor Leader Pete P. Reyes**: Thank you, Mr. President. There are no more bills on the Calendar.

**President Paul A. Manglona**: I understand that there is Senate Bill No. 17-14?

**Floor Leader Pete P. Reyes**: Yes, Senate Bill No. 17-14 passed on First Reading only.

**President Paul A. Manglona**: Alright. There being no further legislation, we go down to Petition, Memorials and Miscellaneous.

#### **PETITIONS, MEMORIALS AND MISCELLANEOUS COMMUNICATIONS:**

1. **Misc. Comm. No. 17-13**: February 05, 2010 - Sen. Jovita Taimanao’s letter to DPS regarding curfew enforcement in the CNMI.
2. **Misc. Comm. No. 17-14**: February 16, 2010 – Chairman, Saipan & NI Municipal Council regarding Japan-U.S. “Open Skies” Agreement for October 2010.
3. **Misc. Comm. No. 17-18**: February 22, 2010 – Transfer of LB employees.

**President Paul A. Manglona**: Is there any discussion under Miscellaneous Communication? Floor Leader recognized.

**Floor Leader Pete P. Reyes:** Mr. President, on Miscellaneous Communication No. 17-18. This is in respect to the Legislative Bureau Director's letter to the Speaker. I do not know whether the members have read the communication, and in addition to the communication and also the coverage of the media report – I am very disappointed that the Speaker is considering himself a member of the Senate by intrusion into the affairs of the Senate by requesting that an employee working for the Senate be transferred to his office. This is such a blatant disrespect to the members of the Senate. I am not sure whether or not the Speaker understands that this is a bicameral system of legislature where there are two different houses – they have the House of Representatives and the House of Senate, and each house should be respecting the other houses. I am not sure whether or not the Speaker believes that he can just walk through the Senate and make some changes in the Senate without the consent of the members of the Senate. I take this very personal. I do not know whether he thinks that he can do that or whether he still feels that he is still the Governor, and can be making that kind of changes. I think that someone should inform the Speaker that he is no longer a Governor. He is now a member of the House of Representatives and just that. He cannot walk through the affairs of the Senate and start making changes because he has no authority to do that. Mr. President and members, sometimes we need to speak out because the Speaker has been out of government too long, and his mentality is still – he is still living in the old base when he was a member of the Senate and when he was elected Governor. He is still not accepting the fact that during his absence in government, there are many changes that have occurred and he has not updated himself to educate himself with regard to those changes. Further, the Bureau is a non-political entity. The only political position in the Bureau is the Executive Director, and while I try very hard not to get involved with the affairs and the Bureau – and not to interfere because that is the requirement of the Constitution, it appears that the Speaker have not fully digest the intention of the Constitution. I raise this up because just last January we took an Oath to uphold the Constitution, and while he is lecturing other agencies – not too long ago, he was lecturing the Northern Marianas College to make sure that you comply to the full extend of the language in the Constitution in one hand, on the other hand, he is the one breaking the Constitution by trying to politicize the operation of the Bureau. I do not know. The language in the Constitution is preventing the political interference and intrusion to the operation of the Bureau. The language is so clear that it boggles my mind how anyone can interpret that differently because the language is so clear that it is difficult to interpret it any other way. So, Mr. President, I know that you have been very patient in trying to put him on notice not to interfere with the operation of the Senate. Somebody needs to speak out and tell him that he is no longer a Governor, and that his many years of absence in government, many things have changed, and all he has to do is read the Constitution because – Mr. President and members, I am not a college graduate. I graduated from High School. I am just a simple person and I learn by experience. I grew up through experience and he is an engineer, and for someone like me who is just a high school graduate to correctly interpret the Constitution and for him not to do – it is so difficult to understand that. While I am saying this, there are other means to try and educate himself – he could just call in the attorney's if he needs help interpreting the Constitution. Just call in the attorney's and they will clearly define and clarify the intent of the Constitution. He cannot terminate the employees of the Bureau and replace them with his political supporters. The reason why the Legislative Bureau is independent and non-political is because of that very same thing. I think that the people are tired of making positions political, and the employees of the Legislative Bureau need to be protected. They cannot – every election worry about their job security because they have families to feed, they have obligations to pay, and every election, we have to worry about the house specifically and mentality like the Speaker who thinks that he can just walk in and change

the entire employees of the Bureau, and that is what he tried to do. That is the reason why the Constitution amended the Bureau to make it a non-political for that very same purpose. I hate to be the one because I am just a simple guy. I just do not want to be the one to remind him because he is an engineer, a college graduate with I do not know what kind of degrees, but sometimes I wonder where he gets those degree. I think he should start acting like a mature individual instead of engaging his diarrhea of the mouth before he engage his mind. His experience as a Governor should educate him sufficiently enough not to be making these kinds of bloopers – this kind of errors are so unreal. I have a lot more to say, Mr. President and members, but I am going to wait to see what kind of reaction we get from this. I know, Mr. President, you had asked me to be patient and be calm – this is nothing to do with who the Director of the Bureau or not, it has a lot to do with members of the Legislature encroaching into the obligation and responsibility of the Bureau. Somebody should tell him to come to a scratching hole, and stop violating the Constitution and listen to his own advice to other agencies of the government. When he was sworn in to uphold the Constitution, he should take his own advice. I do not know if other members would speak out on this, but I take exceptions to his direction and directives to try and move Senate employees to his office. I take special exception when he tried to force practically the Director to hire his own personal staff, and that is the reason why the Constitution is amended to allow each member to have their own funds so they can hire their own employees. It is not the intent of the Constitution to allow each member to send a name over to the Bureau and ask the Bureau to hire their own supporters. He has the funds to hire his own supporters – that is the reason why the funding is made. Mr. President and members, I am going to yield for now because I have a lot to say about this issue, but I will wait and when the opportunity comes again, I will speak out. Thank you.

**President Paul A. Manglona:** Thank you, Floor Leader. Let me just say few things about this issue. Number one, we will never allow anyone to take our Journal Clerk. She has done a tremendous job here in the Senate. We should commend her for her dedication – however, she decided to resign. She is moving on, but if anyone in the Legislature intends to take her, we will never give her away. Thank you Vicky, for all your hard work, and the great job that you have been doing for the Senate. On another issue, at the same time, I want to thank the Director for being very professional in handling all these issue. I know that there are a lot of pressures on her and she has been professional thus far, and for that, I thank our Legislative Bureau Director. To the members, I really appreciate the fact that we have all been professional. We have all been keeping our eyes on the ball so to speak and focusing on issues, and for that, I thank all of you for being professional. To the Floor Leader also for continuing to work on the legislation. I know that we have a lot of things on our hands before us and our people out there are really suffering. When we go out to the villages and homesteads, we see that there are many issues before us and I continue to ask the members to be focused. As far as the issue with the LB, I am working with the legal counsel to come up with a legislation, and I hope that...

**Floor Leader Pete P. Reyes:** Mr. President, can we just take a short recess so we can have a change of tape?

**President Paul A. Manglona:** Short recess.

**The Senate recessed at 11:45 a.m.**

## RECESS

**The Senate reconvened at 11:55 a.m.**

**President Paul A. Manglona:** We are back to our plenary session. We are still under Miscellaneous Business. As I was saying, I am working with our legal counsel to come up with legislation to address all these ongoing so that in the future we can try to prevent as far as possible political interference as well as any future misunderstanding. With that, is there any further discussion? I recognize the Floor Leader.

**Floor Leader Pete P. Reyes:** Mr. President, I just want to add that in a critical situation such as we have now where we have an economic downturn, and that we are faced with multiple problems in government, it is imperative that the relationship between the House and the Senate not be destroyed. Instead of the Speaker trying to improve the relationships so that legislations can flow and be passed, he is creating an atmosphere of animosity between the House and the Senate, and that is wrong for someone or the head of the House to do that. That is not a very good thing to do. I hope that he takes notice of this so that the relationship can begin to improve, and his attention on different issues and not the needs of the public is so evident that it is embarrassing. Thank you.

**President Paul A. Manglona:** Thank you. I understand that the Chairman of PUTC has requested for the consideration of Senate Bill No. 17-18. I believe that copies have been provided to all the members. This is pertaining to CUC's...[inaudible – microphone turned off]...

**Floor Leader Pete P. Reyes:** Mr. President and members, I would like to move for Senate Bill No. 17-18 to be placed on today's Calendar, and this requires for a roll call.

The motion was seconded.

**President Paul A. Manglona:** Is there any discussion?

There was no discussion.

**President Paul A. Manglona:** Clerk, roll call please.

The Clerk called the roll on the motion to place **Senate Bill No. 17-18** on the Calendar.

Senator Juan M. Ayuyu	yes	
Senator Luis P. Crisostimo	yes	
Senator Francisco Q. Cruz	yes	
Senator Jude U. Hofschneider		yes
Senator Pete P. Reyes	yes	
Senator Henry H. San Nicolas	yes	
Senator Jovita M. Taimanao	yes	
Senator Ralph DLG. Torres	yes	
Senate President Paul A. Manglona	yes	

**President Paul A. Manglona:** With a vote of 9-0, Senate Bill No. 17-18 is hereby placed on Final Reading Calendar. Floor Leader recognized.

**Floor Leader Pete P. Reyes:** Thank you, Mr. President. I move for the passage of Senate Bill No. 17-18 on First and Final Reading.

The motion was seconded by Vice President Hofschneider.

**President Paul A. Manglona:** Is there any discussion. I recognize Senator Crisostimo.

**Senator Luis Crisostimo:** Mr. President, I just want to be on record that if we pass this, does it mean that we would be going back on the rates retroactively or can I get clarity from the counsel?

**President Paul A. Manglona:** I would like to take this opportunity to go on recess or Committee of the Whole to invite the Executive Director of CUC. Can we get a motion Floor Leader?

**Floor Leader Pete P. Reyes:** Mr. President, I move to resolve into the Committee of the Whole so we can hear on record, Mr. Muña.

The motion was seconded.

**President Paul A. Manglona:** All in favor of the motion say, “aye”.

Several members voiced, “aye”.

**President Paul A. Manglona:** All opposed say, “nay”.

The motion was carried by voice vote.

**President Paul A. Manglona:** The motion is carried.

**[The Senate resolved into the Committee of the Whole at 12:00 p.m.]**

**CUC Director Antonio Muña:** Mr. President, thank you very much for allowing me this opportunity to address. What Senate Bill No. 17-18 will effectively do is, in a nutshell, avert a rate increase. For the period of July 22<sup>nd</sup> through October 23<sup>rd</sup> there was a rate affected in order to ensure that we could recover cost for fuel and for which we did, and for every dollar that we recover for that period we used to purchase fuel to power the generators. Essentially, without the passage of this bill, CUC would be forced to collect that particular dollar that we utilize to pay for the purchase of fuel and provide service to the customers on the distribution of that period to collect that back from our customers in order to allow for a credit to their billings, and ensuring that there is no adverse impact or cash flow, we would essentially have to raise the rate, and then give back the credit. The impact of doing that, for those customers that were there during that period probably will not affect them. It would be dollar for dollar trade off, but for those customers that hook up with us after the 23<sup>rd</sup> of October, essentially would have to pay for a higher rate because there will be no credit for them to offset that increase. And, that of course essentially – the inequity here is

that they would be paying for an expense to provide service for which they were not on the grid at that time, and we want to avoid that inequity. So essentially, the Supreme Court in its decision in allowing for credit – for two CUC customers for that particular period – their decision appeared to be hinged on this lack of clarification as when the rate increase was essentially legal, and for the recovery of fuel cost. I believe the bill as it is will allow for clarifying that and retroactively make the rate effective as of 22<sup>nd</sup> of July and I believe the bill maybe as far back as January to ensure we cover all essential periods during that time of crisis where the Governor had to issue an Executive Order and bring CUC back into the central government.

**Vice President Jude U. Hofschneider:** Good afternoon, Tony. Just to further understand the intent whereas there is a rate setting – it is currently being employed by a way of...prior to that, I remember, there were times there are some issues concerning rapid change of rates almost on a monthly basis so it almost does not give - it was very hard on the community out there. I will support this bill provided that – that thing will not be – that is my concern basically – if we do pass this, is it going to go back to some sort of like a rate setting of that nature again.

**CUC Director Tony Muña:** No, this basically confirms that whatever rate that was instituted as of 22 of July moving forward by CUC would confirm that increase and make it legitimate. As it is, the Supreme Court case is – without this clarification – as I read the decision has advised that the rate increase could only be effective as of 23 October. So there is a period for which essentially uncovered and the bill would cover that period accordingly. As I said, the bill would essentially avert rate increase in order to allow for the credits. It would also avert an equity for which customers who were currently not customers during that period from 22 July to 23 October 2006 to pay for expenses related for a service period for which they were not on the grid – shall we want to avoid that inequity as well.

The Floor Leader recognized Senator Crisostimo.

**Senator Luis Crisostimo:** *Tony, para ta pula ha esti gi vernacular, yanggen ta aplika esti na legislation, kao guaha tinulaika gi man mamaila? Kulan enague ilelekha na para ta akseptá eyi hafa ta nafan man apasi siha nai ya i manmamaila sumaga-ha. Gi mismo tiempo, taya para ta nahi tatti ni inapasin niha yan taya para tanafan man apasi mas gi tisiha umusa na elektrisidat pat hafa na manera ma hagsada. Pues, siña un alaba dididi gi fino Chamorro pot fabot?*

**CUC Director Tony Muña:** *Hafa un sangan guenao magahit dinanche. Para tana siguru ha na eyu na hafa ta chogue gi biente dos gi Julio ni ta haksa i utility rate specifically gi eyu i bandan lana ni para ta rikohi eyu na salape ni para ta apasi siha i gastota. Ta na siguru na tita nahi eyi tatti sa eyi gue ginagao-na gin a tiempo sa kumo tita chogue eyu gi ta'ta'lu i gobietno pat i gobietnamiento ni mu apasi eyu na ginagao. Kumo tisina i gobietnamiento ha apasi eyu nai siempre ha ta puno ha i kandit sa taya salape ni para ta fa'an i lana. Taiguehiha i punto na kumo tita chogue esti siempre ha hayi siha tita sietbisio gi eyu na tiempo teniki siha manman apasi. Pues ma apapasi para eyu na sietbisio ni ti ma resibe ya eyague lakkue na para tana siguru na tita na afekta enao na tratamiento para i customer siha giya CUC.*

**Senator Luis Crisostimo:** *Pot otimo, nu pues yanggen ta aplika esti na Lai ya ta pasa na ha'ane taya para unina afekta operation mu pat unina afekta lakkue i CUC gi manmamaila yan taya tinulaika – ileklek-hu na kulan unina...*

**CUC Director Tony Muña:** *Gi bandan i – kumo ta pasa esti teniki nu otro siha na chochu ya ni hafa in chechegue pago yan nesisidat puet esti i stipulated order siempre eyague para bai in atetendi ya ta dagao talo i tiempo-ta ni para ta address siha na issue siha. Siña inafekta talo i bandan collection sa kumo ti ma chogue esti ya nesisario manman gagao eyu i rate increase nai, maseha ta bill pago, siempre tinaka sisienta dias ni para ta reside eyi na salape ni para tana siguru na – pues duranten eyu na tiempo siña ha ti munahung salape ni para ta fahan hafa siha ni para ta apasi gastu taigu'e ha i lana ni mayuria gi bandan gastu para CUC. Mas ki Sinkuenta pot sienta – kada un peso ni mahlom gi CUC mas ki sinkuenta pot sienta mahalom gi bandan lana. Pues kumo inafekta eyu na cash flow pago, siempre ha ti munahung salape. Siempre man apu hami tatti giya hamyo ni para in fanman gagao ayudu duranten esti na tiempo ni mahalom salape ni para umana siguru na bumalansia i para apas gastu.*

**Floor Leader Pete P. Reyes:** *Tony, hafa i impact right now? Is it one point (\$1.) something dollars or...*

**CUC Director Tony Muña:** *I impact guine pago \$9.8 Million Dollars iyun mami. That is how much of a credit or we will have to give back and essentially effect in terms of credits or eyu i para ta apasi ha on a dollar basis or like I said, depending how CUC approaches this. Siña ha dosi mesis, but like I said, the rate as it is right now it is expensive, siempre mu la'guaguan talo maseha – siña ha ta polu na dikiki kinahulo'ña lao esta pago na tiempo esta in chechegue hafa para bai in chegue ni para in na siguru na ti hu kahulo. Kumo kumahulo mas, eyu gue mu chochonik i taotao-ta ni pot ti para ufan ma disconnect siha sa tisiña ma afotta i kandit pat hanom.*

**Floor Leader Pete P. Reyes:** My understanding about the bill is to prevent the possibility of filing of class action suit against the government – if this happens, then the consequence of that would be about \$9.8 Million dollars, right?

**CUC Director Tony Muña:** Right.

**Floor Leader Pete P. Reyes:** And also, at the same time, this bill corrects inequity that you talked about because for those period from July to October, those customers will be refunded back their overpayment – if that takes place, the \$9.8 Million dollars kicks in, but CUC cannot pay that back, so what this bill intends to do is, if it is not passed then the consequence of that would be that the \$9.8 Million will be recovered by means of increasing the CUC rate...

**CUC Director Tony Muña:** Yes.

**Floor Leader Pete P. Reyes:** And those people who do are not hooked up between June to October will end up having to pay the new rate while those that were covered between that period would get credit. So *ti fair nai enao.*

**CUC Director Tony Muña:** That is correct.

**Floor Leader Pete P. Reyes:** So I just want to clarify that portion.

**CUC Director Tony Muña:** I just want to – from my stand point – you mentioned overpayment – when CUC collects for costs...there is only an overpayment when we collect more than cost. So if CUC – there will be legitimacy to allow for the credit if CUC have \$10 Million dollars in the bank right now – essentially an environment for which, but of course, that is not reality. We do not have that or any overpayment. We are going to the process of trying to get rate stability and that continues to be a challenge for us, and of course, every dollar that we bring in, we pay it right out to ensure that we procure the necessary supplies and fuel and the like to provide services to our people.

**Floor Leader Pete P. Reyes:** Thank you. I do not know whether there is any other member that wishes to – if not, thank you Tony. I appreciate your help and clarification. At this time, Mr. President, I move that we resolve back to our plenary session.

The motion was seconded.

**[The Senate rise back into plenary session at 12:15 p.m.]**

**President Paul A. Manglona:** We are back to our plenary session. We want to thank the Executive Director for educating us in our discussion of Senate Bill No. 17-18. Is there any further discussion?

Several members voiced, “ready.”

**President Paul A. Manglona:** Senate Clerk, roll call please.

The Clerk called the roll on the motion to pass **Senate Bill No. 17-18** on Final Reading.

Senator Juan M. Ayuyu	yes
Senator Luis P. Crisostimo	yes with reservation
Senator Francisco Q. Cruz	yes
Senator Jude U. Hofschneider	yes
Senator Pete P. Reyes	yes
Senator Henry H. San Nicolas	yes
Senator Jovita M. Taimanao	yes
Senator Ralph DLG. Torres	yes
Senate President Paul A. Manglona	yes

**President Paul A. Manglona:** By a vote of 9-0, Senate Bill No. 17-18 passes the Senate on Final Reading. We are back to Miscellaneous Business.

### MISCELLANEOUS BUSINESS

The Chair recognized Vice President Hofschneider.

**Vice President Jude U. Hofschneider:** Mr. President, I want to apologize – I know that we all want to go to lunch, but I just want to comment on the Resolution that I introduced and adopted in referenced to Senate Resolution No. 17-06. In the interest of expressing and possibly allowing the

economic benefits of the Military movement into the region, we have an understanding that there are some high speed...vessels that are being on the way here or now being stored somewhere in Guam. So there are also issues on having them be situated within the Mariana Islands. Of course, that includes Guam, but this Resolution generally is just expressing the interest in having the Commonwealth of the Northern Mariana Islands considered as a viable location for the stationing and operation of the Department of Defense joint high speed vessels. I encourage the members to read the “whereas” clause and I want to go ahead and thank you for your support on the Resolution. That is all, Mr. President.

**President Paul A. Manglona:** I understand, Senator Guthertz from the Guam Legislature is in support of such a Resolution – I think because of all these impending Military Build Up issues on Guam, they actually are asking us if we want to look at this possibility – so this is a Resolution that is timely. I understand that copies will be provided to the Guam Legislature so that they could also support this Resolution.

**Vice President Jude U. Hofschneider:** That is correct.

**President Paul A. Manglona:** Is there any further discussion? If none, let us move down to Announcements.

## ANNOUNCEMENTS

**President Paul A. Manglona:** I understand that there is a hearing coming up on some nominations. Mr. Chairman, can you list some nominations that are taking place sometime next week?

**Senator Francisco Q. Cruz:** Thank you, Mr. President. We have public hearing on March 2<sup>nd</sup> for the Department of Public Works, Mr. Sablan. It will be in the afternoon session. We also have the Department of Public Lands, Mr. Oscar Babauta on March 2<sup>nd</sup>.

The Chair recognized Vice President Hofschneider.

**Vice President Jude U. Hofschneider:** Mr. President, I think on March 3<sup>rd</sup>, we also have the Commissioner of the Department of Public Safety.

**Senator Francisco Q. Cruz:** We also have the Department of Public Safety on March 3<sup>rd</sup>.

**President Paul A. Manglona:** Thank you, Mr. Chairman. If there is no further announcement, I recognize the Floor Leader for adjournment.

**Floor Leader Pete P. Reyes:** Mr. President, I move to adjourn subject to your call.

The motion was seconded.

**President Paul A. Manglona:** The motion has been moved and seconded. All in favor of the motion say, “aye”.

Several members voiced, “aye”.

**President Paul A. Manglona:** All opposed say, “nay”.

The motion was carried by voice vote.

**President Paul A. Manglona:** This session is hereby adjourned subject to the call.

**The Senate recessed at 12:20 P.M.**

Respectfully submitted,

/s/Victoria T. Guerrero  
Journal Clerk

### APPEARANCE OF SENATE LOCAL BILLS

LEG. NO.	TITLE
<b>S.L.B. 17-01</b>	To rename the Rota Jr. High School located in Songsong Village, Rota as the “Dr. Rita Hocog Inos Junior High School” in recognition and appreciation of her untiring and outstanding contributions to PSS and to the people of the Commonwealth. <b>(Sen. Jovita M. Taimanao)</b> <b>2nd Appearance</b>