



Senate Journal

THIRD REGULAR SESSION, 2014

SJ 18-32

Second Day

Tuesday

February 18, 2014

In compliance with the Open Government Act, Senate President Ralph Dlg. Torres issued a notice on February 14, 2014 announcing that the Senate of the Eighteenth Northern Marianas Commonwealth Legislature will convene this open and public session. The notice, the official session call, and the session agenda were filed in the Office of the Senate Clerk; released to the media; and posted at the Entrance Halls of the Office of the Governor, House of Representatives, and the Senate, and on the Commonwealth Legislature's website at www.cnmileg.gov.mp.

The Senate of the Eighteenth Northern Marianas Commonwealth Legislature convened its Second Day, Third Regular Session, on February 18, 2013, at 11:00 a.m., in the Senate Chamber, Capitol Hill Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Ralph Dlg. Torres, President of the Senate, presided.

A moment of prayer was observed.

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

President Ralph Dlg. Torres: With all nine (9) members present, we have the necessary quorum to conduct today's session. Clerk, I mean Floor.

READING AND APPROVAL OF THE JOURNAL

NONE

MESSAGES FROM THE GOVERNOR

1. **Gov. Msg. No. 18-236:** January 09, 2014 – Resume, statement of financial interest, police clearance and drug test receipt of Ms. Adelina C. Roberto to serve as a member of the CUC Board of Directors.

2. **Gov. Msg. No. 18-237:** January 10, 2014 – Resume, statement of financial interest, police clearance and drug test receipt of Mr. Phillip Mendiola-Long to serve as a member of the CHCC Board of Directors.
3. **Gov. Msg. No. 18-238:** January 17, 2014 – Signed into local law H.L.B. No. 18-39 – To amend and to re-appropriate the fund balance from Business Unit 33950 SLL 17-9) [To repair bus shelter Precinct I], became **SAIPAN LOCAL LAW NO. 18-9.**
4. **Gov. Msg. No. 18-239:** January 17, 2014 – Copy of resume, statement of financial interest, police clearance and drug test receipt of Mr. Christopher A. Concepcion, to serve as a member of the CUC Board of Directors.
5. **Gov. Msg. No. 18-240:** January 16, 2014 – Executive Order No. 2014-01 – CUC Declaration of A State of Significant Emergency.
6. **Gov. Msg. No. 18-241:** January 10, 2014 – Signed into local law H.L.B. No. 18-20 – To rename Kagman Fire Station #5 to ‘Ernie T. Dela Cruz Fire Station #5’, became **SAIPAN LOCAL LAW NO. 18-8.**
7. **Gov. Msg. No. 18-242:** January 10, 2014 – Signed into local law H.L.B. No. 18-29 – To rename Hagoi Road “Knight Street” in honor of Mt. Carmel School’s Sixty-First Anniversary, became **SAIPAN LOCAL LAW NO. 18-10.**
8. **Gov. Msg. No. 18-243:** January 23, 2014 – Signed into local law H.L.B. No. 18-30 – To rename the newly merged ‘Haiguas Lane’ and ‘Niyok Drive’ located in the village of Chalan Kanoa to the ‘Tun Ben Kappon Road’ in honor of the Late Tun Ben Kappon and his contributions to Precinct 2 and the people of the Commonwealth, became **SAIPAN LOCAL LAW NO. 18-11.**
9. **Gov. Msg. No. 18-244:** January 23, 2014 – Signed into local law H.L.B. No. 18-33 – To name the public beach located behind the San Antonio Elementary School in San Antonio, Saipan (Lot Nos. 004 I 26, 002 I 43, 002 I 42), to ‘San Antonio Village Beach Park’, became **SAIPAN LOCAL LAW NO. 18-12.**
10. **Gov. Msg. No. 18-245:** January 23, 2014 – Signed into local law H.L.B. No. 18-38 – To amend the Saipan Zoning Law of 2013, 10 CMC § 3511, became **SAIPAN LOCAL LAW NO. 18-13.**
11. **Gov. Msg. No. 18-246:** January 23, 2014 – Signed into law H.B. No. 18-160 – To amend 6 CMC § 2304 to establish the exit of the United States Post Office as an official Customs Point of Entry,; and for other purposes became **PUBLIC LAW NO. 18-33.**
12. **Gov. Msg. No. 18-247:** December 26, 2013 – Executive Order No. 2013-28 (Declaration of Health Emergency) - Commonwealth Healthcare Corporation.

13. **Gov. Msg. No. 18-248:** January 23, 2014 – Certification for annual salary in excess of \$50,000 to Mr. Gilbert J. Birnbrich, Deputy AG, to receive \$75,000 per annum.

Floor Leader Ray N. Yumul: Thank you Mr. President. Moving down our Order of Business, item B, Reading and Approval of the Journal, we have none; Messages from the Governor, we have quite a few under item C. We have a total of thirteen messages from the Governor and I will not read the messages but the floor is open for discussion.

President Ralph Dlg. Torres: Thank you, Floor. Just for clarification on Section C of the Order of Business, we have number two. I just want to point that out as a typographical error. I want to make sure that is not CUC Board. It's CHCC Board for Mr. Phillip Mendiola-Long.

Floor Leader Ray N. Yumul: So noted.

President Ralph Dlg. Torres: Ready?

The Chair recognizes Vice President Victor B. Hocog.

Vice President Victor B. Hocog: Thank you Mr. President. On Governors Communication No. 18-240, regarding again another Declaration of State of Significant Emergency, I would like to note Mr. President, that hopefully that the Senate will consider the nomination for the three CUC Board of Directors to act on today's session so that we can see in the future the end of this continuous Executive Emergency Declaration for CUC. I can see that the Governor will continue to declare this kind of declaration in the absence of the pending nominees before this Senate's confirmation and I hope that upon acting on these members, that the Declaration of Continuous State of Emergency for CUC will end. That is just my thought that would possibly happen in the near future. Thank you.

President Ralph Dlg. Torres: Thank you, Vice.

The Chair recognizes Floor Leader Ray N. Yumul.

Floor Leader Ray N. Yumul: I yield. I was going to mention pretty much the same thing as the Vice. Thank you.

President Ralph Dlg. Torres: Ready?

The Chair recognizes Floor Leader Ray N. Yumul.

COMMUNICATIONS FROM THE JUDICIARY

NONE

COMMUNICATIONS FROM HEADS OF EXECUTIVE DEPARTMENTS**NONE****COMMUNICATIONS FROM THE HOUSE**

1. **Hse. Comm. No. 18-146:** January 13, 2014 – Returning without amendments S.B. No. 18-26 – To authorize the Governor to negotiate a settlement and resolution of the judgments entered against the CNMI Government; and for other purposes. [Transmitted to the Governor 01/15/14]
2. **Hse. Comm. No. 18-147:** February 04, 2014 – Accepted Senate amendments of H.B. No. 18-159, SD1 – To amend the Commonwealth Insurance Act of 1983 as codified by 4 CMC § 7101 et. Seq., to add a new Chapter 6 to 4 CMC, Div. 7, to provide for a premium rate review process; and for other purposes.
3. **Hse. Comm. No. 18-148:** February 04, 2014 – Transmitting for Senate action H.B. 18-143, HD2 – To allow the government to satisfy judgments without an appropriation and to allow judgments against the government to be enforced as any other judgment.
4. **Hse. Comm. No. 18-149:** February 04, 2014 – Transmitting for Senate action H.J.R. 18-1, HD1 – Respectfully requesting and urging the United States Congress to recognize the longstanding ancestral rights of persons of Northern Marianas descent with respect to their ownership of the submerged lands of the NMI and its adjacent waters; and for other purposes.
5. **Hse. Comm. No. 18-150:** February 10, 2014 – Returning without amendments S.B. No. 18-04 – To require all commercial wireless service providers produce wireless service coverage maps, readily available for consumers; and for other purposes.
6. **Hse. Comm. No. 18-151:** February 10, 2014 – Returning without amendments S.B. No. 18-33, SS1 – To amend 4 CMC §§ 8144 to include commercial customers pertaining to reconnection of utility services and to amend 8145(a) to reduce the utilities reconnection fee from \$60 to \$25 for residential consumers and \$75 for commercial consumers; and for other purposes.
7. **Hse. Comm. No. 18-152:** February 10, 2014 – Transmitting for Senate action H.B. No. 18-69, HS1 – To reduce the rebate from the Northern Marianas Territorial Income Tax.

8. **Hse. Comm. No. 18-153**: February 10, 2014 – Transmitting for Senate action H.B. No. 18-170 – To amend the Commonwealth Development Authority Act of 1984 to provide for the issuance of bonds other than general obligation bonds.
9. **Hse. Comm. No. 18-154**: February 10, 2014 – Transmitting for Senate action H.L.I. No. 18-5, HD1 – To amend Article XI, Section 5 (c) to increase the maximum term of a lease of public lands ninety-nine years.
10. **Hse. Comm. No. 18-155**: February 13, 2014 – Transmitting for Senate action H.B. No. 18-65 - To preserve and designate two hectares of public land on the island of Rota for the future site of the Rota Public Cemetery; and for other purposes.
11. **Hse. Comm. No. 18-156**: February 13, 2014 – Transmitting for Senate action H.B. No. 18-87 - To establish the offense of Abuse of authority/Issuance of Unlawful Orders.
12. **Hse. Comm. No. 18-157**: February 13, 2014 – Transmitting for Senate action H.B. No. 18-89, HD1 – To establish the offense of Obstruction or Interference with a Court Order or Subpoena and dispose of all fees within Article 1 by amending Offenses Against Public Administration, Article I, Chapter 3 of Title 6 of the CNMI Code.
13. **Hse. Comm. No. 18-158**: February 13, 2014 – Transmitting for Senate action H.B. No. 18-123, HD2 – To amend PL 18-18 FY 2014 Budget.
14. **Hse. Comm. No. 18-159**: February 13, 2014 – Transmitting for Senate action H.B. No. 18-125, HD1 – To increase the salary level for the Secretary of the Department of Finance, the Secretary of the DCCA and Secretary of the Department of Commerce.
15. **Hse. Comm. No. 18-160**: February 13, 2014 – Transmitting for Senate action H.B. No. 18-129, HD1 – To amend 9 CMC Section 2201 Operator’s License: Fees subsection (d) as amended by PL 16-1 to change the penalty for driving without a license from a crime to an infraction; and for other purposes.
16. **Hse. Comm. No. 18-161**: February 13, 2014 – Transmitting for Senate action H.B. No. 18-131 - To amend section 2 of Public Law 17-91 to reprogram the appropriation for the construction of a fence around the Rota water cave to fund the construction of a concrete wall, concrete road, and retaining wall at the Rota water cave site; and for other purposes.
17. **Hse. Comm. No. 18-162**: February 13, 2014 – Transmitting for Senate action H.B. No. 18-134 - To amend 6 CMC § 2208 to include that the Sergeant of Arms of the House of Representatives and the Sergeant of Arms of the Senate in the exception to the Weapons Control Act.

18. **Hse. Comm. No. 18-163**: February 13, 2014 – Transmitting for Senate action H.B. No. 18-140 – To amend PL 17-43 to give the Commonwealth Office of Transit Authority (COTA) the power to adopt rules & regulations in furtherance of its duties; and for other purposes.
19. **Hse. Comm. No. 18-164**: February 13, 2014 – Filed S.B. No. 18-13 – To amend 1 CMC § 8282, 6 CMC § 1434(b), and 6 CMC § 2208, and for other purposes. (Death benefit)
20. **Hse. Comm. No. 18-165**: February 13, 2014 – Returning without amendments S.B. No. 18-38 - To establish by law the preservation, protection, and maintenance of public access of Managaha pursuant to Article XIV, section 3 of the CNMI Constitution by amending 1 CMC § 2653(c) and also establish by law the disposition and management of submerged lands by amending § 2653(k); and for other purposes.
21. **Hse. Comm. No. 18-166**: February 13, 2014 – Returning with amendments S.B. No. 18-31, SS1, SD1, **HD1** – To repeal Executive Order No. 94-3, Section 211: Scholarships; To establish a new CNMI Scholarship Office as an autonomous agency; and for other purposes.

Floor Leader Ray N. Yumul: Thank you Mr. President. Moving down the Order of Business under item D, Communication from the Judiciary, we have none; Communications from the Heads of Executive Departments, we have none; under item F, Communication from the House we have twenty-one House Communications. Again, because it's lengthy, I will reserve the time for the members to review the communication and the floor is open.

President Ralph Dlg. Torres: Just so that as you look over the House Communication, I ask the members to look at the number twenty-one which is House Communication No. 18-166, regards to Senate Bill No. 18-31, SS1, SD1, HD1, regarding the Scholarship Office Autonomous Agency. We have one of the members in the gallery with us this morning. I would like to ask and look into this and give consideration and make a motion for entertainment.

Floor Leader Ray N. Yumul: Thank you. There being no comment from the members, I guess we would be in order if there is no objection from the members, under House Communication No. 18-166, which is Senate Bill No. 18-31, SS1, SD1, HD1 which was returned to the Senate with amendments. If no objections, I asked the members if we would like to rise into the Committee of the Whole and ask one of the CNMI Scholarship Board members to come forward and talk about this for a few minutes so that we can take appropriate action.

President Ralph Dlg. Torres: I guess there is no objection but I guess with the amendment that was made, I believe, and guess that our action is just to accept or reject and so if there is no question to the Board member, then I think we should just go ahead and just act on the bill. Otherwise, if we do have questions to the Board member then that is the time we recess and go to the Committee as a Whole.

The Chair recognizes Senator Pete P. Reyes.

Senator Pete P. Reyes: Thank you Mr. President. I was actually present in the gallery when the House of Representatives were debating the bill and some of the amendments that were made were actually conferred or discussed with me prior to the session. As you know, this is my bill and it appears to me that the amendments made to the bill are required necessary amendments. So if the members wish, we can go into recess and explain this or we can go to the Committee of the Whole and explain the amendments or we can wait until the bill is placed on Calendar and motion is made. I could respond to questions reference to the amendment.

President Ralph Dlg. Torres: To my understanding Senator Reyes, I don't think we are going to put this on the calendar. It's just for us to accept the changes and the amendments made.

Senator Pete P. Reyes: Right, and so if there is any need to explain to the members, then this is the time.

President Ralph Dlg. Torres: That is why I am asking is there any member – does any of the members have concerns regarding the bill? If not, then I will ask to make a motion to accept the House Communications so we can move forward. Do I hear a motion to accept the amendments on House Communications? Do I hear a motion? Floor Leader, can you make a motion?

Floor Leader Ray N. Yumul: Thank you. With respect to House Communication No. 18-166, dated February 13, 2014, returning with amendments, Senate Bill No. 18-31, SS1, SD1, HD1, to repeal Executive Order No. 94-3, Section 211: Scholarships; to establish a new CNMI Scholarship Office as an autonomous agency; and for other purposes. My motion is to accept the House amendments in the form of House Communication No. 18-166.

President Ralph Dlg. Torres: Motion has been made to accept House Communication No. 18-166 returning with amendments, Senate Bill No. 18-31, SS1, SD1, HD1. Motion has been seconded. Discussion? Ready? Clerk, please roll – Vice? All those in favor say “aye”.

Several members voiced, “aye”.

President Ralph Dlg. Torres: All opposed say, “nay”.

The motion was carried by voice vote.

The Chair recognizes Floor Leader Ray N. Yumul.

Floor Leader Ray N. Yumul: Thank you. The floor is still open under House Communications.

The Chair recognizes Senator Jovita M. Taimanao.

Senator Jovita M. Taimanao: Yes, thank you very much. I just want to make a comment on House Bill, I mean House Communication No. 18-161 and this is a House No. 18-131, which is amending the funds that was original on Public Law No. 17-91. I just want to make a comment on

this because the safety of this water cave on Rota was very extremely needed and based on this House Bill, it says that it is amend to reprogram the appropriation to reconstruct fencing around it and all those. I just want to make it known to the people of Rota that at one time, when this terrorism was coming over around the world, you know, we need to really make and action and protect what we have, the natural resources and I just don't understand why it was redirected to build the fence and wall and all this concrete roads as stated on this bill. Once again, you know, we support what it is to make it safe and the way it is now, it is for convenience not for the safety. So again, I just want that to be noted upon. Thank you, Mr. President.

President Ralph Dlg. Torres: Thank you Senator Taimanao. So noted. Discussion?

The Chair recognizes Vice President Victor B. Hocog.

Vice President Victor B. Hocog: I sympathize with my good Senator for supporting the bill. I don't know whether this is for convenience only Senator Taimanao. I think the bill addresses a serious issue about securing the perimeter of the Rota Water Cave for safety reason and this is one thing again *nay*, like I have been mentioning to the members that CUC continues to charge Rota people with water electric and here again, they are asking us now to put some money again for CUC regarding this security of our water cave. It is very important that the bill will address to secure the safety of the water cave area by securing it with a fence. We would like to take this matter also for discussion on our next legislative, Rota Legislative Delegation issue. I see the need for the project but we need to seriously make this critical decision amongst the Rota Legislative Delegation. Thank you.

President Ralph Dlg. Torres: Any questions? Ready?

The Chair recognizes Floor Leader Ray N. Yumul.

Floor Leader Ray N. Yumul: Thank you Mr. President. Moving on, we are now under item G, Communication from the Washington Delegate, we have none; under item H, Unfinished Business, we have none; under item I, Pre-Filed Bills and Resolutions, we have six. Do the members wish to introduce them individually or shall we consider it introduced?

President Ralph Dlg. Torres: Any member that would like to state for the record their resolution or pre-filed bills? If not, then we will move forward.

Floor Leader Ray N. Yumul: Thank you Mr. President. As a note, the resolutions that have been pre-filed are automatically on the Resolution Calendar. Under item J, Introduction of Bills and Resolutions that is not appearing on our Order of Business, the floor is now open.

The Chair recognizes Senator Jovita M. Taimanao.

Senator Jovita M. Taimanao: Yes, thank you Mr. President. I do have a resolution that I would like the Senate members to consider taking action in today's session, Senate No. 18-24. This is a Senate Resolution to honor and commend Sergeant Major Herman M. Atalig for his distinguished contribution to the CNMI and for his tremendous dedication to the youth of the CNMI through the

Junior Reserve Officer Training Corp. So I ask the members to support this resolution in very honorable prestigious dedication for one member. Thank you.

President Ralph Dlg. Torres: Thank you Senate Secretary. Also I would like to, excuse me, I have a Senate Resolution No. 18-25, to honor and pay tribute to the Late Honorable Mayor Jesus fondly known as “Gere” Sablan Deleon Guerrero for his many contributions and service to the people of the Commonwealth of the Northern Mariana Islands. I would like to also ask the members that we put this on today’s calendar.

The Chair recognizes Senator Joaquin H. Borja.

Senator Joaquin H. Borja: Can I ask the two authors and thank you Mr. President, can I ask the two authors to consider the resolution as a whole? The entire Senate members.

President Ralph Dlg. Torres: With no objection, this resolution will be a Committee as a Whole.

Senator Joaquin H. Borja: Thank you, Mr. President.

The Chair recognizes Senator Paul A. Manglona.

Senator Paul A. Manglona: Since we are under Resolutions Mr. President, also appearing in the pre-filed bills is Senate Resolution No. 18-23. It’s not a new issue for the Senate. I believe the Rota Delegation members met with the Mayor and also Senators from Guam who introduce a similar resolution *si* Senator Barns. So it’s just to express the Senate’s sentiments and in support of the Guam resolution and the APIL resolution and to inform COTA the Commonwealth Office of Transit Authority so if that can also be placed if there is no objection on the Resolution Calendar. Thank you.

President Ralph Dlg. Torres: Thank you. No objection? So moved.

Senator Paul A. Manglona: Likewise if other members wish to participate as sponsors, there is no objection to that Mr. President.

President Ralph Dlg. Torres: Thank you.

The Chair recognizes Floor Leader Ray N. Yumul.

Floor Leader Ray N. Yumul: Thank you Mr. President. Moving down to item no. L, we have a few reports from Standing Committees.

President Ralph Dlg. Torres: Can we go to K first?

PUBLIC COMMENT**NONE**

Floor Leader Ray N. Yumul: Correction. Excuse me. Thank you. I withdraw that. Moving back to item K, Public Comments. Thank you Mr. President.

President Ralph Dlg. Torres: Thank you Floor Leader. We are now on K, Public Comments. I would like to open now to the gallery to any member of the community to come up and express your concerns. Thank you very much. Moving forward, Clerk, just note that no member in the gallery in the community wish to make a comment in today's session.

The Chair recognizes Floor Leader Ray N. Yumul.

COMMUNICATIONS FROM THE WASHINGTON DELEGATE**NONE****UNFINISHED BUSINESS****NONE****PRE-FILED BILLS AND RESOLUTIONS**

1. **Senate Commemorative Resolution No. 18-14:** To promote and support the abolition of Human Trafficking in the Commonwealth of the Northern Mariana Islands and to recognize January 11, 2014 as National Human Trafficking Awareness Day. (SEN. RALPH DLG. TORRES – 01/16/14)
2. **Senate Bill No. 18-45:** To amend 1 CMC § 8245 (D), as amended by PL 17-52, to allow flexibility in setting the salary of the Director of Tax and Revenue; and for other purposes. (SEN. PAUL A. MANGLONA – 01/29/14)
3. **Senate Legislative Initiative No. 18-03:** To amend Article III, § 9(a) of the NMI Constitution to cap the government annual expenditure level at \$104,320,000, which is the level of fiscal year 2013, to require any surplus revenue collected to be distributed to the NMI Retirement government obligations and land compensation

- payments, and to establish a trust account for any surplus funds; and for other purpose.
4. **Senate Resolution No. 18-23**: To support alternative regional transportation between Guam and the Commonwealth of the Northern Mariana Islands through ferry service or by similar vessels. (SEN. PAUL A. MANGLONA – 02/14/14)
 5. **Senate Bill No. 18-46**: To establish the Hunting Act of 2014 for the Commonwealth, and for other purposes. (SEN. JOVITA M. TAIMANAO – 02/05/14)
 6. **Senate Bill No. 18-47**: To establish a CNMI Civilian Volunteer Police Reserve to provide additional manpower for the suppression of crime and preservation of law and order; and for other purposes. (SEN. PAUL A. MANGLONA – 02/14/14)

INTRODUCTION OF BILLS AND RESOLUTIONS

NONE

REPORTS OF STANDING COMMITTEES

1. **Standing Committee Report No. 18-46**: From the Committee on Executive Appointments and Government Investigations reporting on Mr. David J. Sablan to serve as a member of the CUC Board of Directors.
2. **Standing Committee Report No. 18-47**: From the Committee on Executive Appointments and Government Investigations reporting on Ms. Adelina C. Roberto to serve as a member of the CUC Board of Directors.
3. **Standing Committee Report No. 18-48**: From the Committee on Executive Appointments and Government Investigations reporting on Mr. Phillip Mendiola-Long to serve as a member of the Commonwealth Healthcare Corporation Board of Trustees.

Floor Leader Ray N. Yumul: Thank you Mr. President. Now moving forward to item K, Reports of Standing Committees, we have, corrections item L. We have three Standing Committees. Standing Committee Report No. 18-46 from the Committee on Executive Appointments and Government Investigation reporting on Mr. David J. Sablan to serve as a member of the CUC Board of Directors, Standing Committee Report No. 18-47, from the Committee on Executive Appointments and Government Investigations reporting on Ms. Adelina C. Roberto to serve as a member of the CUC Board of Directors and Standing Committee Report No. 18-48, from the

Committee on Executive Appointments and Government Investigations reporting on Mr. Philip Mendiola-Long to serve as a member of the Commonwealth Health Care Corporation, Board of Trustees. I now move for the adoption of Standing Committee Report No. 18-46, so move.

President Ralph Dlg. Torres: Motion has been made for the adoption of Standing Committee Report No. 18-46. It has been seconded. Under discussion?

The Chair recognizes Senator Francisco Q. Cruz.

Senator Francisco Q. Cruz: Thank you Mr. President. This is the Senate Standing Committee Report No. 18-46. Mr. President and members of the Senate, your Standing Committee on Executive Appointments and Government Investigation to which was referred the appointment of Mr. David J. Sablan Jr. to serve as a member of the Commonwealth Utilities Corporation Board of Directors, appointed by Governor Eloy S. Ions on December 19, 2013 pursuant to 4 CMC, Section 3341 A. Mr. President and members of the Senate, it is the intent of your committee on Executive Appointments and Government Investigation to assure the appointment of Mr. David J. Sablan Jr. is in conformance with the mandated duties and responsibilities pursuant to 4 CMC, Section 8341 A. Mr. David Sablan Jr. has submitted all required documents in conformance with Section 5, under Rule 7, of the Senate Rules. However, your Standing Committee has examined all pertinent documents submitted relating to Mr. Sablan's overall credentials. In addition, we also took into account all written and oral testimonies presented during the public hearing and after much deliberation and based on our overall assessment of Mr. Sablan's credentials, experiences, testimonials and all other relevant issues considered, we are convinced that Mr. Sablan possesses the qualification, and leadership skills necessary to serve as a member of the Commonwealth Utilities Corporation Board of Directors. In summation, your Standing Committee on Executive Appointments and Government Investigations recommends that the members of the full Senate gives its advice and consent to confirm the appointment of Mr. David J. Sablan Jr. to serve as a member of the Commonwealth Utilities Corporation Board of Directors. Again, I ask for your patience and understating to support Standing Committee Report No. 18-46. Thank you Mr. President.

President Ralph Dlg. Torres: Thank you Senator Cruz. Under discussion? Ready? Clerk, please roll call for the adoption on Standing Committee Report No. 18-46.

The Clerk called the roll on the motion to adopt **Standing Committee Report No. 18-46.**

Senator Francisco M. Borja	yes
Senator Joaquin H. Borja	yes
Senator Francisco Q. Cruz	yes
Senator Victor B. Hocog	yes
Senator Paul A. Manglona	yes
Senator Pete P. Reyes	yes
Senator Jovita M. Taimanao	yes
Senator Ray N. Yumul	yes
Senator Ralph Dlg. Torres	yes

President Ralph Dlg. Torres: With 9 members voting yes, we hereby adopt Standing Committee Report No. 18-46.

The Chair recognizes Floor Leader Ray. N. Yumul.

Floor Leader Ray N. Yumul: Thank you Mr. President. I now move for the adoption of Standing Committee Report No. 18-47 from the committee on Executive Appointments and Government Investigation reporting on the Ms. Adelina C. Roberto to serve as a member of the CUC Board of Directors, so moved.

President Ralph Dlg. Torres: Motion has been made for the adoption of Standing Committee Report No. 18-47. It has been seconded. Under discussion?

The Chair recognizes Senator Francisco Q. Cruz.

Senator Francisco Q. Cruz: Thank you Mr. President. This is Senate Standing Committee Report No. 18-47. Mr. President and members of the Senate, again your Standing Committee on Executive Appointments and Government Investigation to which was referred the appointment of Ms. Adelina C. Roberto to serve as a member of the Commonwealth Utilities Corporation Board of Directors appointed by Governor Eloy S. Ions on December 23rd, 2013, pursuant to 4 CMC, Section 8131 A, correction, 8341 A. Mr. President and members of the Senate, it is the intent of your committee on Executive Appointments and Government Investigation to assure the appointment of Ms. Adelina C. Roberto is in conformance with the mandated duties and responsibilities pursuant to 4 CMC, Section 8341 A. Mrs. Adelina Roberto has submitted all required documents in conformance with Section 5, under Rule 7, of the Senate Rules. However, your Standing Committee has examined all pertinent documents submitted relating to Mrs. Adelina C. Roberto's overall credentials. In addition, we also took into account all written and oral testimonies presented during the public hearing. After much deliberation and based on our overall assessment of Mrs. Roberto's credentials, experiences, testimonials and all other relevant issues considered, we are convinced that Ms. Roberto possesses the qualification, and leadership skills necessary to serve as a member of the Commonwealth Utilities Corporation Board of Directors. In summation, your Standing Committee on Executive Appointments and Government Investigations recommends that the members of the full Senate gives its advice and consent to confirm the appointment of Ms. Adelina C. Roberto to serve as a member of the Commonwealth Utilities Corporation Board of Directors. Again, I ask for your patience and understating to support Standing Committee Report No. 18-47. Thank you Mr. President.

President Ralph Dlg. Torres: Thank you Senator Cruz. Ready?

Floor Leader Ray N. Yumul: Thank you. Mr. President, I just like to ask the Chairman of PUTC if he is aware if Ms. Roberto resigned her or anybody for that matter, if she had resigned her position as Retirement Fund Board member? I believe you can't be a member if you are holding two positions. Can someone explain?

Senator Pete P. Reyes: I raised that up with her during the public hearing and I have not been informed whether or not she has resigned already, but she is aware that she needs to resign. This time I would assume that in order for her to be confirmed she needs to resign.

Floor Leader Ray N. Yumul: Thank you Senator Reyes. So are we talking about swearing in or confirm by the body? If we confirm her then she will assume this position or?

President Ralph Dlg. Torres: Counsel, does a member for the CUC Board have to be approved by both houses? Correct? I guess if we act or it's still in the privy of her whether to resign or not. Thank you.

The Chair recognizes Vice President Victor B. Hocog.

Vice President Victor B. Hocog: [*..inaudible..*]

President Ralph Dlg. Torres: That is the other question. I guess if it's not, I don't want to be – I will just leave that to the legal counsel.

Vice President Victor B. Hocog: Is she really representing the - or is there any Retirement Board of Directors at this point in time? Or is it all defunct Board of Directors? Anyway, this is a question that we will have time for her to come back to if she is going to thoroughly accept the nomination for CUC. Does she have to clarify that as it reaches the other House for her conformation?

President Ralph Dlg. Torres: And perhaps also Vice being at that, I think we should also once we act on her nomination, then we can go ahead and inform the House members of our issues so that maybe that can be address prior to their action of this nomination.

The Chair recognizes Senator Pete P. Reyes.

Senator Pete P. Reyes: Thank you. I am confident that the Chairman of EAGI has looked into this and would not prepare a Committee Report if she's not eligible and ready to fill the board position. I support the nominee.

President Ralph Dlg. Torres: Okay, I guess there is a clarification here with the counsel. The counsel just said that with regard to CUC Board member, only the Senate needs confirmation. So it's the CPUC that needs both houses. Before we go to a short recess, let me address, acknowledge Senator Frank Cruz.

Senator Francisco Q. Cruz: Thank you, Mr. President. I was going to raise the issue and ask the counsel for her opinion on this but [*..inaudible..*] Board of trustee, I don't see why the presence of Ms. Adelina can make any decision at the Retirement Fund so before the Committee Report was sent to the Clerk for action, I always have the Legal Counsel review the Committee Report to make sure whether or not there's a deficiency or anything that will jeopardize the confirmation of that individual. Like what the counsel was saying, I trusted the Legal Counsel of the Senate but [*..inaudible..*] any controversy issue on the appointment of Adelina.

President Ralph Dlg. Torres: And I appreciate that Senator Cruz. I have no doubt about that. I guess the only issue we have now is has she resigned her post and if we confirm her today, she needs to resign prior to swearing in. I guess that is the other question that we have. I think counsel she

needs to resign before she gets sworn in or she needs to resign before confirmation. That is the question that is before us.

Legal Counsel Antonette Villagomez: *Once you confirm her then that is already final. So you won't be able to change that. So I would recommend to find out first because once you confirm her, she is confirm and then she has the option to resign or not but if you find out before, then we could make a definite decision regarding the confirmation.*

President Ralph Dlg. Torres: Let me call for a short recess.

The Senate recessed at 11:38 p.m.

And

The Senate reconvened at 11:40 p.m.

President Ralph Dlg. Torres: We are back in session. Short recess.

The Senate recessed at 11:40 p.m.

And

The Senate reconvened at 11:43 p.m.

President Ralph Dlg. Torres: We are back in session. Senator Frank Cruz, you still have the floor.

Senator Francisco Q. Cruz: Thank you. Mr. President, after a lengthy discussion with the members in regards to Mr. Roberto's still being a member of the Northern Mariana Retirement Fund Board of Trustee. In consideration, I guess, with all the members, we will act on this Committee Report No. 18-47, to confirm Ms. Adelina C. Roberto to serve a member of the Commonwealth Utilities Corporation subject to her immediate resignation. Otherwise, the confirmation is nulled and void. Is that good enough? Thank you.

President Ralph Dlg. Torres: Motion has been made to include on the amendment to the Standing Committee Report that the adoption of the Standing Committee Report No. 18-47 is conditional to make sure that Ms. Adelina Roberto resigns before she gets sworn in. Motion has been made. Do I hear a second?

The motion was seconded by several members.

President Ralph Dlg. Torres: Second. Discussion? Ready for the amendment? Those in favor say “aye”.

Several members voiced, “aye”.

President Ralph Dlg. Torres: All opposed say, “nay”.

The motion was carried by voice vote.

President Ralph Dlg. Torres: For the main motion for the adoption of Standing Committee Report No. 18-47, Clerk, please roll call.

The Clerk called the roll on the motion to adopt **Standing Committee Report No. 18-47.**

Senator Francisco M. Borja	yes
Senator Joaquin H. Borja	yes
Senator Francisco Q. Cruz	yes
Senator Victor B. Hocog	yes
Senator Paul A. Manglona	yes
Senator Pete P. Reyes	yes
Senator Jovita M. Taimanao	yes
Senator Ray N. Yumul	yes
Senator Ralph Dlg. Torres	yes

President Ralph Dlg. Torres: With all 9 members voting yes, we hereby adopt Standing Committee Report No. 18-47.

The Chair recognizes Floor Leader Ray. N. Yumul.

Floor Leader Ray N. Yumul: Thank you Mr. President. I now move for the adoption of Standing Committee Report No. 18-48, from the Committee on Executive Appointments and Government Investigations reporting on Mr. Phillip Mendiola-Long to serve as a member of the Commonwealth Health Care Corporation Board of Trustees, so moved.

President Ralph Dlg. Torres: Motion has been made and seconded for the adoption of Standing Committee Report No. 18-48, Senator Frank Cruz.

Senator Francisco Q. Cruz: Thank you Mr. President. This is Senate Standing Committee Report No. 18-48. Mr. President and members of the Senate, your Standing Committee on Executive Appointments and Government Investigation to which was referred the appointment of Mr. Phillip Mendiola-Long to serve as a member of the Commonwealth Health Care Corporation Board of Trustees appointed by Governor Eloy S. Ions on December 20, 2013 pursuant to 3 CMC, Subsection 2805 B. Mr. President and members of the Senate, it is the intent of your committee on Executive Appointments and Government Investigation to assure the appointment of Mr. Phillip Mendiola-

Long is in conformance with the mandated duties and responsibilities pursuant to 3 CMC, Subsection 2805 B. Mr. Phillip Mendiola-Long has submitted all required documents other than his drug test result in conformance with Section 5, under Rule 7, of the Senate Rules. However, your Standing Committee has examined all pertinent documents submitted relating to Mr. Phillip Mendiola-Long’s overall credentials. In addition, we also took into account all oral testimonies presented during the public hearing. After much deliberation and based on our overall assessment of Mr. Long’s credentials, experiences, testimonials and all other relevant issues considered, we are convinced that Mr. Long possesses the qualification, and leadership skills necessary to serve as a member of the Commonwealth Health Care Corporation Board of Trustees. In summation, your Standing Committee on Executive Appointments and Government Investigations recommends that the members of the full Senate gives its advice and consent to confirm the appointment of Mr. Phillip Mendiola-Long to serve as a member of the Commonwealth Health Care Corporation Board of Trustees representing the island of Tinian subject to his drug test result which if it comes back positive should null his appointment. Thank you Mr. President.

President Ralph Dlg. Torres: Thank you Senator Cruz. Ready? For the adoption of Senate Standing Committee Report No. 18-48 regards to Mr. Phillip Mendiola-Long to serve as a member of the Commonwealth Health Care Corporation Board of Trustee. Clerk, please roll call.

The Clerk called the roll on the motion to adopt **Standing Committee Report No. 18-48.**

Senator Francisco M. Borja	yes
Senator Joaquin H. Borja	yes
Senator Francisco Q. Cruz	yes
Senator Victor B. Hocog	yes
Senator Paul A. Manglona	yes
Senator Pete P. Reyes	yes
Senator Jovita M. Taimanao	yes
Senator Ray N. Yumul	yes
Senator Ralph Dlg. Torres	yes

President Ralph Dlg. Torres: With all nine (9) members voting yes, we hereby adopt Standing Committee Report No. 18-48.

The Chair recognizes Floor Leader Ray. N. Yumul.

REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

NONE

Floor Leader Ray N. Yumul: Thank you Mr. President. Before, correction, under item M, Special and Conference Committee Reports, we have none; under item N, Resolution Calendar, before we move ...

President Ralph Dlg. Torres: Let me ask for...

Floor Leader Ray N. Yumul: Ready.

President Ralph Dlg. Torres: Ready? Okay, Floor Leader.

Floor Leader Ray N. Yumul: Thank you. I would like to effectuate a motion to suspend the Rules of Procedures, Rule 8, Section 6, 7, and 8 in order to place resolutions under our Bill Calendar in compliance with the Open Government Act and Senate Rules, so moved.

The motion was seconded by several members.

President Ralph Dlg. Torres: Motion has been made to suspend pertinent rules so that we can entertain certain bills or resolutions. Those in favor say “aye”.

President Ralph Dlg. Torres: Clerk, do we need a roll call for this one?

Floor Leader Ray N. Yumul: Yes.

President Ralph Dlg. Torres: Okay, Clerk, please roll call for the amendment to suspend pertinent rules of the Senate.

The Clerk called the roll on the motion to suspend pertinent rules of the Senate.

Senator Francisco M. Borja	yes
Senator Joaquin H. Borja	yes
Senator Francisco Q. Cruz	yes
Senator Victor B. Hocog	yes
Senator Paul A. Manglona	yes
Senator Pete P. Reyes	yes
Senator Jovita M. Taimanao	yes
Senator Ray N. Yumul	yes
Senator Ralph Dlg. Torres	yes

President Ralph Dlg. Torres: With 9 members voting yes, we hereby have an amendment to the order of business.

The Chair recognizes Floor Leader Ray. N. Yumul.

RESOLUTION CALENDAR

1. **Sen. Comm. Res. No. 18-14**
2. **S.R. No. 18-20** – Chalan Galaide
3. **S.R. No. 18-23**

Amended to include:

4. **Senate Resolution No. 18-24**
5. **Senate Resolution No. 18-25**

Floor Leader Ray N. Yumul: Thank you Mr. President and I now move to add into the Resolution Calendar, Senate Resolution No. 18-24, to honor and commend Sergeant Major Herman M. Atalig (Retired) for his distinguished contribution to the CNMI and for his tremendous dedication to the youth of the CNMI through the Junior Reserve Officer Training Corp and to also include in our Resolution Calendar, Senate Resolution No. 18-25, to honor and pay tribute to the Late Honorable Mayor Jesus “Gere” Sablan Deleon Guerrero for his many contributions and service to the people of the Commonwealth of the Northern Mariana Islands.

President Ralph Dlg. Torres: Motion to place on calendar.

Floor Leader Ray N. Yumul: No objection.

President Ralph Dlg. Torres: No objection.

Floor Leader Ray N. Yumul: Thank you. There being no objections, I now move for the adoption of Senate Commemorative Resolution No. 18-14, a Senate Commemorative Resolution to promote and support the abolition of Human Trafficking in the Commonwealth of the Northern Mariana Islands and to recognize January 11, 2014 as National Human Trafficking Awareness Day, so move for its adoption.

President Ralph Dlg. Torres: Motion has been made and seconded. Discussion? Those in favor of say “aye”.

Several members voiced, “aye”.

President Ralph Dlg. Torres: All opposed say, “nay”.

The motion was carried by voice vote.

The Chair recognizes Floor Leader Ray. N. Yumul.

Floor Leader Ray N. Yumul: Thank you Mr. President. I now move for the adoption of Senate Resolution No. 18-23, to support alternative regional transportation between Guam and the

Commonwealth of the Northern Mariana Islands through ferry service or by similar vessels, so moved for its adoption.

President Ralph Dlg. Torres: Motion has been made and seconded. Those in favor say “aye”.

Several members voiced, “aye”.

President Ralph Dlg. Torres: All opposed say, “nay”.

The motion was carried by voice vote.

The Chair recognizes Floor Leader Ray. N. Yumul.

Floor Leader Ray N. Yumul: Thank you Mr. President. I now move for the adoption of Senate Resolution No. 18-24. A Senate Resolution to honor and commend former Sergeant Major Herman M. Atalig for his distinguished contribution to the CNMI and for his tremendous dedication to the youth of the CNMI through the Junior Reserve Officer Training Corp, so moved.

President Ralph Dlg. Torres: Motion has been made and seconded to adopt Senate Resolution No. 18-24. Under discussion?

The Chair recognizes Vice President Victor B. Hocog.

Vice President Victor B. Hocog: Yeah, on the caption of the resolution, I am wondering whether if it is appropriate to put the word former. Again, for the record, I was just wondering whether the caption of the resolution needs to have the former Sergeant Major. I believe when you are Sergeant Major, you are a Sergeant Major so Senator Reyes, maybe you might be the most appropriate person here to correct the caption of this resolution. Do we call former or still a Sergeant Major?

President Ralph Dlg. Torres: Thank you Vice. We have clarification from Senator Reyes.

Senator Pete P. Reyes: Thank you Mr. President. The Vice President is correct. Once you obtain the rank, you will continue to serve on that rank and you cannot be a former member of the Armed Forces, unless you lose that rank, but former Sergeant Major is still a Sergeant Major even under retirement.

President Ralph Dlg. Torres: So with no objection from the author, can we go ahead and strike out former. No objection?

The Chair recognizes Floor Leader Ray. N. Yumul.

Floor Leader Ray N. Yumul: Thank you. I think the more appropriate reference should be to recognize – I am assuming the once you reach this high up in the level Sergeant Major you must have already even exceeded twenty plus years so it will be more fitting if it’s to honor and commend Sergeant Major Herman M. Atalig and then in parenthesis retired that would be the more appropriate word.

Vice President Victor B. Hocog: Retired Sergeant Major.

Floor Leader Ray N. Yumul: Usually – it’s a placement issue so.

President Ralph Dlg. Torres: If no objection, I would like to keep it and retired at the end of Atalig so that it will be just one motion.

The Chair recognizes Vice President Victor B. Hocog.

Vice President Victor B. Hocog: If no objection, Mr. President maybe – that said former to be change to retired. To insert the work retired and allow the Legal Counsel to make those corrections if no objection. Thank you. Ready.

President Ralph Dlg. Torres: [*..inaudible..*] so that we can do one motion of the amendment. The first amendment is to strike out former on the title and also include retired in parenthesis after the word Atalig and make grammar changes and delete all former in front of Sergeant so that will be that one motion. Second?

Floor Leader Ray N. Yumul: Second.

President Ralph Dlg. Torres: Those in favor of the amendment say “aye”.

Several members voiced, “aye”.

President Ralph Dlg. Torres: All opposed say, “nay”.

The motion was carried by voice vote.

President Ralph Dlg. Torres: For the main motion. For the adoption of Senate Resolution No. 18-24, those is favor say “aye”.

Several members voiced, “aye”.

President Ralph Dlg. Torres: All opposed say, “nay”.

The motion was carried by voice vote.

The Chair recognizes Floor Leader Ray. N. Yumul.

Floor Leader Ray N. Yumul: Thank you Mr. President. I now move for the adoption of Senate Resolution No. 18-25. A Senate Resolution to honor and pay tribute to the Late Honorable Mayor Jesus “Gere” Sablan Deleon Guerrero for his many contributions and service to the people of the Commonwealth of the Northern Mariana Islands. I so move for its adoption.

President Ralph Dlg. Torres: Motion has been made for the adoption of Senate Resolution No. 18-25. It has been seconded. Discussion? Ready? Clerk, please roll call. Okay, those in favor of Senate Resolution No. 18-25 say “aye”.

Several members voiced, “aye”.

President Ralph Dlg. Torres: All opposed say, “nay”.

The motion was carried by voice vote.

Floor Leader Ray N. Yumul: Short recess.

President Ralph Dlg. Torres: Short recess.

The Senate recessed at 12:00 p.m.

And

The Senate reconvened at 12:25 p.m.

President Ralph Dlg. Torres: Everybody, we are back in session. I would like to ask everybody a few minutes because the reporters are anxious to report something hot tomorrow. The concern about the casino. They don't want to leave the action of the chamber. Just so you know, we are not going to be acting on anything on any gaming at all today. Okay? Not tomorrow. None for the history. Not now. Can you call Senator Frank Borja. Floor Leader, we are on First Reading on our Bill Calendar. Okay.

The Senate recessed at 12:25 p.m.

And

The Senate reconvened at 12:26 p.m.

President Ralph Dlg. Torres: We are back in session.

The Chair recognizes Floor Leader Ray. N. Yumul.

Floor Leader Ray N. Yumul: Thank you. We are still under item N, Resolution Calendar. We now move for the adoption of Senate Resolution No. 18-20, so moved.

President Ralph Dlg. Torres: For the adoption of Senate Resolution No. 18-20

Floor Leader Ray N. Yumul: As amended.

President Ralph Dlg. Torres: As amended. Do I hear a second?

The motion was seconded by Senator Joaquin H. Borja.

President Ralph Dlg. Torres: There is a second.

Floor Leader Ray N. Yumul: And the amendments have been passed out.

President Ralph Dlg. Torres: There is a second for the adoption of Senate Resolution No. 18-20 with amendments. Under discussion, Senator Reyes.

Senator Pete P. Reyes: Yes, I just wanted to find out if we acted on this resolution already. I seem to recall that we passed this resolution once. If not, then we can act on this but otherwise we need to introduce a new resolution with the amendments but just clarifying if this has been reviewed whether we acted on this resolution. If not, then we can act on the resolution. Thank you.

President Ralph Dlg. Torres: There’s a question from Senator Reyes clarification whether we have acted on this bill and I would like to have our clerk please give us this advice. Senator Reyes, is that clarified? Thank you very much. We are back in session or we are in session. I apologize. Okay, under discussion?

Several members voiced, “ready”.

President Ralph Dlg. Torres: Ready? For the adoption of Senate Resolution No. 18-20 as amended, those in favor say “aye”.

Several members voiced, “aye”.

President Ralph Dlg. Torres: All opposed say, “nay”.

The motion was carried by voice vote.

The Chair recognizes Floor Leader Ray. N. Yumul.

BILL CALENDAR

LEG. NO.	TITLE
<p><u>H.B. No. 18-20</u> (Hse. Comm. No.18-27)</p>	<p>To allow the DPL to grant revocable consent without fees to individuals, businesses, or organizations to construct and maintain certain structures on public property such as driveways and sidewalks; and for other purposes</p>

<u>S.L.I. No. 18-02</u>	To propose constitutional amendments to Article XII Section(s) 3, and 5 of the CNMI Constitution to extend the term of leaseholds from 55 to 99 and to change the definition of corporations permitting minority interests by persons not of Northern Marianas Descent
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FINAL READING

LEG. NO.	<u>TITLE</u>
<u>S.B. No. 18-28</u>	To establish the Criminal Offender Registration Act; and for other purposes
<u>S.B. No. 18-37, SD1</u>	To amend 1 CMC § 7205; and for other purposes (Budget Timetable – Penalties)
<u>H.B. No. 18-25, HD1</u> (Hse. Comm. No. 18-84)	To add a new Chapter 9 to Division 3 of Title 2 of the Commonwealth Code to authorize the Department of Lands and Natural Resources to develop a system for the assessment of fees on non-residents visiting Marine Protected Areas in order to better invest in the Marine Resources of the Commonwealth; and for other purposes
<u>H.B. No. 18-36</u> (Hse. Comm. No. 18-58)	To establish higher mandatory sentences for crimes that occur within 1,000 feet of tourist sites and recreational areas
<u>H.B. No. 18-103, HD2</u> (Hse. Comm. No. 18-120)	To amend 9 CMC Section 8210 Penalties for Violations of 9 CMC 8203 and 8204 (a) Civil Fines and Section 2107 Registration: Expiration and Renewal; and for other purposes

Floor Leader Ray N. Yumul: Thank you Mr. President. Moving now to the Bill Calendar.

Senator Paul A. Manglona: Mr. President, point of information. I believe that this Senate Resolution No. 18-23 originally was for a particular subject but appearing also in today’s introduction of Bills and Resolution is a resolution for the ferry service and so it might have been numbered incorrectly, in advertently and so if that is the case, then to assign a new number so we can address the alternative regional transportation resolution.

President Ralph Dlg. Torres: Thank you for your concern Senator Paul and Senator Reyes.

Senator Pete P. Reyes: I remember on January 14 we adopted Senate Resolution No. 18-23. This resolution is to respectfully urge President Barack Obama to delay the proclamation of submerge land and to impose a one hundred and eighty days sunset provision to resolve issues and to include the CNMI Government and so forth. We adopted this with amendments on January 14 of 2014. Maybe Senator Manglona is correct. It should have been Senate Resolution No. 18-26 or another number subsequent to 23.

President Ralph Dlg. Torres: Okay, let me go ahead in a short recess so we can just discuss it with the clerk.

The Senate recessed at 12:26 p.m.

And

The Senate reconvened at 12:30 p.m.

President Ralph Dlg. Torres: We are back in session. We have clarification and before we went to recess, Senator Paul had asked of his Senate Resolution No. 18-23 and we have the clerk that now just clarified that we need amend the Senate Resolution from 18-23 to 18-26. So I would like to ask everyone, all the members, to please correct the Senate Resolution regarding the fairy to 18-26 and also change that on the Order of Business and include Senate Resolution No. 18-26 in the Resolution Calendar. Thank you. Yes, we are back in session so Floor Leader. We adopted the fairy but we need to amend the change between 18-23 to 18-26. That's to make sure it coincides with our records. Okay? So Clerk and Counsel make sure that during the journal that what we pass on Senator Resolution No. 18-23 is in fact Senate Resolution No. 18-26 and it's in regards to support alternative regional transportation between Guam and the Commonwealth of the Northern Marinas Island through ferry service or by similar vessels. Okay? Alright, everybody clear? Okay, Floor Leader.

Floor Leader Ray N. Yumul: Thank you Mr. President. Moving down to item O, Bill Calendar, we have two bills on First Reading, House Bill No. 18-20 with corresponding House Communication No. 18-27 to allow DPL to grant revocable consent without fees to individual business or organizations to construct or maintain certain structures on public property such as driveways and sidewalks and for other purposes. So without objection if no further debate, I would like to move for its passage in Frist and Final, so moved.

President Ralph Dlg. Torres: Motion has been made and seconded for the passage of House Bill No. 18-20, House Communication No. 18-27, under discussion? Ready? Clerk, please roll call. For First Reading or for passage?

Floor Leader Ray N. Yumul: For passage. It's on First Reading and if there is no further debate from the members, then my motions to move for its final passage.

President Ralph Dlg. Torres: For final passage, first and final passage on House Bill No. 18-20. Do I hear a second?

The motion has been seconded by several members.

President Ralph Dlg. Torres: Motion has been seconded. Under discussion. Ready? Clerk, please roll call for the passage.

The Clerk called the roll on the motion to pass **House Bill No. 18-20.**

Senator Francisco M. Borja	yes
Senator Joaquin H. Borja	yes
Senator Francisco Q. Cruz	yes
Senator Victor B. Hocog	yes
Senator Paul A. Manglona	yes
Senator Pete P. Reyes	yes
Senator Jovita M. Taimanao	yes
Senator Ray N. Yumul	yes
Senator Ralph Dlg. Torres	yes

President Ralph Dlg. Torres: With nine members voting yes, we hereby pass House Bill No. 18-20.

The Chair recognizes Floor Leader Ray N. Yumul.

Floor Leader Ray N. Yumul: Thank you Mr. President. Also on First Reading is Senate Legislative Initiative No. 18-02, to propose constitutional amendments to Article XII, Sections 3 and 5 of the CNMI Constitution to extend the term of leaseholds from 55 to 99 and to change the definition of corporations permitting minority interests by persons not of Northern Marianas Descent. If there is no further debate then my motion is to move on Frist and Final.

President Ralph Dlg. Torres: Well, I have a question here I guess with the Legal Counsel regarding the – is there a public hearing on this and for the committee and also the word when you look at the proposed constitutional amendment to Article XII, Section 3 and 5 with the term leasehold from 55 to 99 the word “and” when we issued this? I guess when we have the people vote on it if it gets to that route, you are changing both 99 and then the definition together in one ballot? Or is that separate ballot?

Legal Counsel Antonette Villagomez: *It will be one.*

President Ralph Dlg. Torres: So it will be the same also if we were to...

Legal Counsel Antonette Villagomez: It's the same article. You can make different amendments so long as it's within one article.

President Ralph Dlg. Torres: So we can also make an amendment to change blood quantum and so forth?

Legal Counsel Antonette Villagomez: *If it's the same article, then yes. The only restriction is that the amendments are limited to one article.*

President Ralph Dlg. Torres: Okay, so we are still under discussion.

The Chair recognizes Vice President Victor B. Hocog.

Vice President Victor B. Hocog: Are we on recess or what?

President Ralph Dlg. Torres: No we are in session.

Vice President Victor B. Hocog: So the amendment is to – this is privy for private people party?

Legal Counsel Antonette Villagomez: *Article XII.*

Vice President Victor B. Hocog: Article XII only.

The Chair recognizes Senator Paul A. Manglona.

Senator Paul A. Manglona: Yes, Senate Legislative Initiative No. 18-02 has only two major amendments. The first one is to extend the definition of leasehold interest so that now the cap is ninety-nine years instead of fifty-five years. The second one is also an amendment to define what's a Northern Marianas Corporation. When they first passed our Constitution, passed by the first Constitutional Convention, this was the language that was in our Constitution until the second Con-Con when it changed it to a hundred percent. So this language is just restoring it back to the way it originally was and I guess the intent here is if they have a corporation that is at least fifty one percent they can own a fee simple and again this is for First Reading and as a sponsor, I do not have any objection even if the second part is removed so that we can stick to the one subject amendment which is the ninety-nine years but since this is First Reading, we can pass it on First Reading if there is no objection and for the Final Reading we can entertain other amendments if the members desire...

President Ralph Dlg. Torres: Thank you.

The Chair recognizes Senator Pete P. Reyes.

Senator Pete P. Reyes: Thank you. I really have no objections on the returning of the percentage to fifty-one percent. This is what we have a couple of years ago under the Foreign Investment Act. We had fifty-one percent controlling by NMD and that should be sufficient to allow the corporation to own land as long as the controlling number of shares is fifty-one percent. I don't know if other members have any problems with this, but it's often difficult for Northern Marianas Decent to control fifty one. I mean one hundred percent in order to be entitled to own land under Article XII

but fifty-one percent is achievable and we have people or some of our people who are capable of actually, if not individually, by different shares that are belonging to NMD. So I have no problem with fifty-one percent. I support the bill.

President Ralph Dlg. Torres: Okay, with no objection we can go ahead and leave it on First Reading and put it to Second Reading.

The Chair recognizes Vice President Victor B. Hocog.

Vice President Victor B. Hocog: Well point of clarification. On the fifty-one percent, does this necessarily have to be one Northern Marianas Decent to be in a corporation to be a holder or a combination of multimembers of the Board of Directors combined in a total of fifty-one percent?

Senator Pete P. Reyes: My understanding of the language in the initiative is that it could be a combination of NMD so long as the combination measures up to fifty-one percent. That is my understanding and I am speaking on record.

Senator Paul A. Manglona: Yes, even on the bill it says, fifty-one percent of whom. So that is a plural there, of whom are persons of Northern Marianas Decent. So I think it's very clear that it's as long as the shareholders own fifty-one percent either one, two, or as many as you want as long as they are Northern Marianas Decent. Thank you.

Vice President Victor B. Hocog: So another question, in the event that the local participation in the corporation that own fifty-one percent, assuming a corporation will decide to close in the future, what will be the status of the corporation having someone with forty-nine percent ownership?

Senator Paul A. Manglona: Well, this corporation will be considered as NMD so it will be just like any other person. So if in the future they decide to sell it to a forty-nine percent corporation, I don't think they can do that because it will be selling it to a none Northern Marianas Decent entity. They can sell it to another fifty-one percent NMD Corporation but just like there are restrictions to the individual person, that same restriction goes to this corporation also. Thank you.

The Chair recognizes Senator Joaquin H. Borja.

Senator Joaquin H. Borja: I think to put a clarification on that Senator Manglona is that no one controlling in the stocks that would have twenty-five, twenty-five to add up to fifty-one then they are going to be a controlling factor of the one individual of forty-nine percent. The forty-nine will take precedence of the controlling corporation. So it's going to be a one person fifty-one possession. It's going to be like that. Look at any stocks. It's not added up to fifty-one.

Senator Paul A. Manglona: Well, you know that could happen in a corporation where one person owning forty-nine team up with one NMD stock holder owning two percent and they end up being the majority. Sure, that could happen but that is the way the corporation works but for purpose of that corporation owning land is that requirement that it'd be fifty-one percent NMD and has to always be adhere to. It has to be that you have fifty-one percent. The decision the corporation made, business decisions, that is up to who has the majority of the total number of shares.

President Ralph Dlg. Torres: You still have the floor Senator Jack.

Senator Joaquin H. Borja: [*..inaudible..*]

President Ralph Dlg. Torres: Legal Counsel? Okay Senator Jack, if you don't mind we will go ahead and acknowledge *si* Vice. Vice, go ahead.

Vice President Victor B. Hocog: Yeah, that is why Senator Jack Borja that I asked *ney* the multiple combination of local participation in a corporation combined total will provide the corporation ownership of the property and this is strictly on owning ownership of the property not necessarily to have the majority decision making. This is only about owning a property in the set corporation. It is correct that it's a business decision in any combination in a minority self-order or stockholders combine with one local or Northern Marianas Decent is for the decision of the corporation to move forward with their action *ney* but as far as land ownership, it will just have to be stuck with NMD owning fifty-one percent. Thank you.

President Ralph Dlg. Torres: Alright, ready? So we are just putting this on Second Reading passage of First Reading.

Vice President Victor B. Hocog: We should move already Mr. President to pass on First and Final as we have clarified the gray areas of [*..inaudible..*].

President Ralph Dlg. Torres: Alright, motion has been made. Floor Leader, can you make the proper motion?

Floor Leader Ray N. Yumul: Thank you. With that, if no objection, I now move for the passage of First and Final Reading, Senate Legislative Initiative No. 18-02, so move.

President Ralph Dlg. Torres: Motion has been made for Frist and Final Reading for the passage of Senate Legislative Initiative No. 18-02. Motion has been seconded. Under discussion. Ready? Clerk, please roll call.

The Clerk called the roll on the motion to pass **Senate Legislative Initiative No. 18-02.**

Senator Francisco M. Borja	yes
Senator Joaquin H. Borja	yes
Senator Francisco Q. Cruz	yes
Senator Victor B. Hocog	yes
Senator Paul A. Manglona	yes
Senator Pete P. Reyes	yes
Senator Jovita M. Taimanao	yes
Senator Ray N. Yumul	yes
Senator Ralph Dlg. Torres	yes

President Ralph Dlg. Torres: With nine members voting yes, we hereby pass Senate Legislative Initiative No. 18-02 regards to the amendment of Article XII.

The Chair recognizes Floor Leader Ray N. Yumul.

Floor Leader Ray N. Yumul: Thank you Mr. President. I now move for the passage on First and Final Reading, correction, on Final Reading, Senate Bill No. 18-37, SD1, to amend 1 CMC § 7205 and for other purposes, so moved.

President Ralph Dlg. Torres: Motion has been made. Do I hear a second?

The motion was seconded by several members.

President Ralph Dlg. Torres: Motion has been seconded for the passage of Senate Bill No. 18-37, SD1.

The Chair recognizes Senator Jovita M. Taimanao.

Senator Jovita M. Taimanao: Yes, thank you. Look at the faces of the members looking at me now. Okay, thank you very much Mr. President and with a lot of discussions on this specific legislations the Senate members and the author who is myself have really evaluated the outcome or the effect of this bill and I as the author has come to submit an SD2 in terms of changing the legislature on paragraph number 6, Section 16, Page 1. So instead of saying a penalty provision if the legislature, I would like to offer an amendment to show either House or Senate who does not comply or fails to complete the annual appropriation. So in other words, instead of putting on the whole legislature, we will put it on either house who does not comply to the set table, time table and this will follow on page 2, where it says legislature on line 13, I would like to offer again or will on the amendment to reflect House or Senate and again on line 16, House or Senate, the House and the Senate are responding.

President Ralph Dlg. Torres: Senate Secretary, just for further clarification on that amendment. If there is a deadline here for example page 1, if the House misses the date of July 1st then they get the penalty? If they do their action before July 1st and the Senate neglects to act before August 1st then the Senate will then have the penalty imposed upon them? Is that correct? That is the intention of your amendment? Okay, do I hear a second?

Senator Paul A. Manglona: Um, Mr. President, I think we need to further clarify that because there should be then a new Section (c) and we re-number the Section (c) here as (d) because (c) still has to be consistent because this (c) that we have originally is for the August 30 deadline which then both the Senate and the House will be penalized. So we just need to create a new subsection in there saying exactly what you stated Mr. President. If you don't comply with July 1st for the House and August 1st for the Senate and just keep (c) for the August 30. So with that clarification, and also I just want to thank Senator Taimanao because what this does really is set a new date of August 30 and as you know August 30 is thirty days before the beginning of the fiscal year. So before the government is shut down, we are saying that Subsection (c) here kicks in so there is like a thirty day window before you actually shut down the government. You are already penalizing the legislature.

Before it was just October 1st. So this one puts in a new date of August 30 and I just thank the sponsor for acknowledging that before we penalize the government for shut down that we have this August 30 deadline. Thank you.

President Ralph Dlg. Torres: Thank you. Also, just on line 19, it's a minor grammar code on the word Senate competes, its completes. For the amendment, Senator Frank Cruz.

Senator Francisco Q. Cruz: Thank you. I'm supporting the bill but I want to, since this is on Final Reading, the last copy does not reflect who is the Legal Counsel that reviewed this. It doesn't show on my copy for legal sufficiency.

President Ralph Dlg. Torres: Was there any legal sufficiency for this bill?

Senator Jovita M. Taimanao: Yes, and the counsel is present this afternoon.

President Ralph Dlg. Torres: Ms. Antonette? Antonette is the author?

Senator Jovita M. Taimanao: Yes, Antonette is the Legal Counsel.

President Ralph Dlg. Torres: [*..inaudible..*]

Legal Counsel Antonette Villagomez: *Yes, but I don't know what version you are looking at. [*..inaudible..*]*

Senator Paul A. Manglona: So I guess that answers the Chairman's concern.

President Ralph Dlg. Torres: Alright, first now we have the motion. So for the motion that was made by the amendments made by Senator Taimanao, those in favor say "aye".

Several members voiced, "aye".

President Ralph Dlg. Torres: All opposed say, "nay".

The motion was carried by voice vote.

President Ralph Dlg. Torres: Now for the main motion of her bill. Under discussion, Vice President.

Vice President Victor B. Hocog: Yeah, I think the Senator is trying to put more burden on the members for not really going to work on the bill if the House delays that and the Senate also delays it, how can we work on the completion of the bill if our legislative funding is suspended from further operation? I don't see why would the good Senator draft this bill when the last appropriation bill she did an outstanding job by approving the appropriation bill thirty days before the deadline of a new budget year. So I don't know whether the last experience by having the bill passed twenty eight days prior to the effective of a new budget year constitutes to have this penalty bill before us today. I just want to find that out why.

The Chair recognizes Senator Jovita M. Taimanao.

Senator Jovita M. Taimanao: Yes, thank you Mr. President and thank you Vice for sharing that concern. Well, through experiences in the past, the bill stayed in one particular house for a lengthy period of time and then when it reached the Senate it gave us like ten days to act or fifteen days to act. So we were very lucky that we have members here in the Senate who are very cooperative and the willingness to work and ensure that there is a bill passed and we did a turnaround of the budget bill 2014 in a period of let's say less than two weeks. Whereas, in the first budget that I engaged myself in the year 2011 budget, there was a lot of debate back and forth and it obligated the government to have a shut down. So this is something that I am not going to impose on the Senate members of the fiscal affairs again to stay throughout the night and then come real early in the morning to ensure that we have a budget from the Senate. So with that, with those experiences, I have come about into looking at a time table and making sure because there is a Budget Act but the Budget Act also specifies the time line but it wasn't taken seriously. So with this consequence, I understand that all of us here in the legislature will be very keen and mindful in terms of putting all our efforts, working together to ensure that we comply to the time line in order that a budget will effectuate. Thank you and I hope I did share that- I mean discuss to the point of your question Vice.

Vice President Victor B. Hocog: Well I guess you have [*..inaudible - mic not on..*].

The Chair recognizes Senator Jovita M. Taimanao.

Senator Jovita M. Taimanao: Vice, there shouldn't be any question regarding the success of the Senate and the House and that shouldn't be penalized just to clarify your statement that with the good work that each one of us in the Senate and in the House last year, that is a great accomplishment but notice on the timeline here that the timeline we have here is July 1st. A House completes action upon annual appropriation. Last year it was not given to us until August. So you know the pressure is too much for the Senate to work on two weeks and did turnaround. So the whole intension of this bill again is to ensure that one does its part and that you know we don't want to take like one house will take the whole five months, four months and then giving the other house who has a very minimal time to work because it doesn't work that way. Every reporting, every submission there is always a timeline. So if one feels offended on this, my whole intension is not to bring any offense to anyone but rather to put certain timelines so that you know this will be a smooth, the budget bill will be a smooth transaction and passage in the legislature and again I continue to recognize all the hard works from the Senate that you all did a good job. We all did a good job. The Fiscal Affairs and everyone in passing a bill in two weeks and like I said earlier, I stated that it was very strenuous on the time, the effort and the energy that we had put in the budget and it was a very big recognition for the legislature. Once again, I would like to say that, you know, the intention of this is not really focusing on the penalizing. It rather focuses on the timeline so I hope again Vice, you will give your support on this and the rest of the Senate members, I ask for your support to pass this legislation in order that we look at the timeline and we are very positive that no one will be penalized.

President Ralph Dlg. Torres: Thank you Senator.

Vice President Victor B. Hocog: For the last time Mr. President.

President Ralph Dlg. Torres: Last, last?

Vice President Victor B. Hocog: Last, last.

President Ralph Dlg. Torres: Last, last, Vice.

Vice President Victor B. Hocog: Senator Taimanao, the bill addresses penalty and I don't know how would any one of us accept to be penalized not at his fault and that is the thing that is disturbing my mind. How can I support a bill to penalize myself when it is not my wrong doing and that is the only thing that is mind boggling you know. How can you provide penalty to you when you are doing your job? Should we put here a penalty for those that did not or will not do their job on a timely basis rather than including each member of the Senate for such penalty? That is all I am concern about. I will support you to make you happy on your bill but I just want to find the real answer whether it's really, is it really fair that you penalize yourself when you are doing the job that you are assigned to and accomplishing it or what? I rest and no more comments Mr. President.

President Ralph Dlg. Torres: No hold on. Let us just go ahead and call Senator Frank Cruz so we can move forward on the passage of the bill.

Senator Francisco Q. Cruz: Thank you. I guess the Chairperson of the Fiscal Affairs is trying to put a bill or law in place for future appropriation in case we are not – this group of Senators are not here in the future perhaps it's going to be another but with this group of Senators at the Senate we are doing a great job. I think that she is trying to put a bill in place for future legislators.

President Ralph Dlg. Torres: Thank you Senator Frank.

Senator Francisco Q. Cruz: Thank you.

The Chair recognizes Senator Pete P. Reyes.

Senator Pete P. Reyes: Thank you. For the record, I am supporting the bill but I need to ask for clarification. First, I wanted to find out whether salaries of the members are going to be affected by the sanction under this bill because you are not the expenditure authority; none of us members are the expenditure authority. It's the President I think that has the expenditure authority for salaries and so we are bounded by that right? The second question, I hate to raise is for those of us who are retirees not paid by the government because if I don't do my job, I don't mind coming back and doing it for free. This is our responsibility to come up with a budget but for those who are retired will not be affected by this bill and you cannot impose this on the Retirement Fund on the pension. We may want to clarify this with the Legal Counsel, but I believe that there is a possible constitutional issue if you were to extend the penalty to the retirees who are not receiving regular salaries by the government. So I just want to raise that up as something that we should consider because I know that other members who are receiving a salary will be affected but as far as retiree's pension, I think there is a constitutional protection for that. Thank you.

The Chair recognizes Senator Paul A. Manglona.

Senator Paul A. Manglona: Just point of information on the issue. I think the salary would not be affected because that is a constitutional provision. Only during shut down because that was a constitutional amendment that the people passed. When they passed that Legislative Initiative that when there is a shutdown, then I believe not even the salary but it's a constitutional provision so what would be withheld will only be the operational funding on each members of the legislature.

President Ralph Dlg. Torres: Even at that counsel, to go further, seriously on line 15, it says the expenditure authority of the members of the legislature shall terminate – okay, I may not have the authority now but the funding does not go away. Is that correct?

Legal Counsel Antonette Villagomez: *Well, yes.*

President Ralph Dlg. Torres: So, this bill basically just say that if you fail, if each member fails to meet a certain date then they failed and their expenditure authority to sign any document within that time is revoked or suspended.

Legal Counsel Antonette Villagomez: *[..inaudible – mic not on..]*

President Ralph Dlg. Torres: Thank you. Let's move for passage. Senator Frank Cruz? It has nothing to do with salary.

Legal Counsel Antonette Villagomez: *[..inaudible – mic not on..]*

President Ralph Dlg. Torres: If it comes to salary we need to that under the Constitution. For the passage, Floor Leader, please make the proper motion.

Floor Leader Ray N. Yumul: Thank you Mr. President. Once again for the passage on First and Final Reading, Senate Bill No. 18-37, SD2.

President Ralph Dlg. Torres: SD2? With the amendments?

Floor Leader Ray N. Yumul: As amended. Thank you.

President Ralph Dlg. Torres: Clerk, please roll call for the passage.

The Clerk called the roll on the motion to pass **Senate Bill No. 18-37, SD2 as amended.**

Senator Francisco M. Borja	yes
Senator Joaquin H. Borja	yes
Senator Francisco Q. Cruz	yes
Senator Victor B. Hocog	yes
Senator Paul A. Manglona	yes
Senator Pete P. Reyes	yes

Senator Jovita M. Taimanao	yes
Senator Ray N. Yumul	yes
Senator Ralph Dlg. Torres	yes

President Ralph Dlg. Torres: With nine members voting yes, we hereby pass Senate Bill No. 18-37, SD2.

The Chair recognizes Floor Leader Ray N. Yumul.

Floor Leader Ray N. Yumul: Thank you Mr. President. Before I move on to the next bill, I believe that we had meet earlier and had decided to refer to the respective committee, House Bill No. 18-25, HD1 for further analysis and research so if no objection from the members to withdraw this bill from the calendar.

Several members voiced, “no objection”.

President Ralph Dlg. Torres: No objection?

Vice President Victor B. Hocog: No objection.

President Ralph Dlg. Torres: So moved.

Floor Leader Ray N. Yumul: Thank you and also in the meeting we had decided to withdraw also House Bill No. 18-36 to the respective committee for further work. This is the thousand feet mandatory sentence on crimes within a tourist site, so moved.

President Ralph Dlg. Torres: Motion has been made for passage of...

Floor Leader Ray N. Yumul: *Ahe*, to withdraw and refer to the committee.

President Ralph Dlg. Torres: To withdraw House Bill No. 18-36 to the committee. Is there a second?

Floor Leader Ray N. Yumul: If no objection.

President Ralph Dlg. Torres: If no objection, withdraw House Bill No. 18-36 and give it to the committee.

Floor Leader Ray N. Yumul: Thank you. Back to the Bill Calendar Mr. President. I now move for the passage on First and Final Reading, Senate Bill No. 18-28, to establish the Criminal Offender Registration Act and for other purposes, so moved.

President Ralph Dlg. Torres: Motion has been made. Do I hear a second?

The motion was seconded by several members.

President Ralph Dlg. Torres: The motion was seconded. Discussion? Ready? Clerk, please roll call for the passage.

The Chair recognizes Vice President Victor B. Hocog.

Vice President Victor B. Hocog: I am supporting the bill [*..inaudible – mic is not on..*]

President Ralph Dlg. Torres: For the passage of Senate Bill No. 18-28, Clerk, please roll call.

The Clerk called the roll on the motion to pass **Senate Bill No. 18-28.**

Senator Francisco M. Borja	yes
Senator Joaquin H. Borja	yes
Senator Francisco Q. Cruz	yes
Senator Victor B. Hocog	yes
Senator Paul A. Manglona	yes
Senator Pete P. Reyes	yes
Senator Jovita M. Taimanao	yes
Senator Ray N. Yumul	yes
Senator Ralph Dlg. Torres	yes

President Ralph Dlg. Torres: With nine members voting yes, we hereby pass Senate Bill No. 18-28.

The Chair recognizes Floor Leader Ray N. Yumul.

Floor Leader Ray N. Yumul: Thank you Mr. President. Last bill on our agenda, House Bill No. 18-103, HD2, to amend 9 CMC Section 8210 Penalties for Violations of 9 CMC 8203 and 8204 (a) Civil Fines and Section 2107 Registration: Expiration and Renewal, and for other purposes, so moved.

President Ralph Dlg. Torres: Motion has been made and seconded. Discussion.

Floor Leader Ray N. Yumul: Mr. President, if I may.

President Ralph Dlg. Torres: Go ahead Floor.

Floor Leader Ray N. Yumul: I don't have a problem with the legislation. It's calling for fines on first and subsequent violations of the Motor Vehicle Liability Insurance. On page 2, it talks about a late fee will be charged if above thirty dollars on top of the registration if you fail to renew on time but I don't believe three days is enough of a time because if you are caught driving with an expired registration, there is a separate fine for that. That still needs to be paid and then lastly the disposition of the fees collected. It's not going to the general fund. It's going to a special account and it doesn't specify how the money is to be used. So if the members would like, you know, I would like to make amendments otherwise...

President Ralph Dlg. Torres: Floor, if there is no objection, maybe three days maybe a little too short. I would like to ask for at least two weeks or at least ten working days. So can we make a motion?

Floor Leader Ray N. Yumul: Thank you Mr. President and I don't have a problem doing that. So for the first amendment on page 2, line 20, after the word "has" strikeout the word "three" and insert "ten" so the new language will be the owner of the vehicle has ten business days after the last day of the month designated by the Bureau to renew the vehicle registration and so forth, so moved. Ten working days.

President Ralph Dlg. Torres: Motion has been made and seconded. Do I hear a second? Motion has been seconded. Discussion?

Senator Jovita M. Taimanao: I just want to point out something.

President Ralph Dlg. Torres: For the amendment?

Senator Jovita M. Taimanao: No, not the amendment.

President Ralph Dlg. Torres: So, those in favor of the amendment say "aye".

Several members voiced, "aye".

President Ralph Dlg. Torres: All opposed say, "nay".

The motion was carried by voice vote.

President Ralph Dlg. Torres: We hereby have the amendment of ten days. Main motion. Under discussion.

Floor Leader Ray N. Yumul: Thank you. Further discussion, oh, I yield to Senator Taimanao.

The Chair recognizes Senator Jovita M. Taimanao.

Senator Jovita M. Taimanao: Yes, thank you. Just to respond to what our Floor Leader, shared earlier that he doesn't know where the account is going to. On page 3, line 1, and 2, it talks about the collected amount of this will be deposited to the Department of Public Safety. So again, the Commissioner is the expenditure authority. So I just want to point that out Floor because on the first two pages, it did not mention where is the fine going to, the amount but then the last page, it identifies again that it's going to DPS.

Floor Leader Ray N. Yumul: I understand that but it doesn't specify what is the purpose of the special account. You know we are trying to beef up our general fund and I don't have any real concerns in terms of a special account but if we are going to set up a special account, we really need to identify what is the purpose. Is it for purchasing fuel? For example, is it going to be used to purchase help replace tires? It always makes sense that as a body, at least identify what are the

parameters. Of course, this is a CNMI wide late registration fee and you know Rota and Tinian will eventually ask that question also what happens to the fees that are collected in those respective islands. Where is it going to be used? Will it benefit the island of Rota and Tinian respectively? These are the questions that I am asking. In the years past if we legislate to raise fees or fines especially with Motor Vehicle under 9 CMC we just try to have the funds go to the general fund and then the Governor's Office will make the appropriation for it. After a while, if we start setting up these special accounts but we are not stating what is its purpose, then we are going to end up coming back a few years later saying you know, we are hearing that you are not spending it for the benefit of the department. Thank you.

President Ralph Dlg. Torres: Ready?

The Chair recognizes Senator Pete P. Reyes.

Senator Pete P. Reyes: I know we are anxious to adjourn but what is the current time limit after midnight expiration in the current? There is nothing right? So we are just giving them ten days? So what is the floor amendment? So now we are giving them ten days, right? That was my question.

Floor Leader Ray N. Yumul: Ten days.

Senator Pete P. Reyes: And at the current practice, the law does not allow any grace period so to speak and this one is just to add the ten days. Okay.

President Ralph Dlg. Torres: Ready? For the passage, Clerk, please roll call.

The Clerk called the roll on the motion to pass **House Bill No. 18-103, HD2 as amended.**

Senator Francisco M. Borja	yes
Senator Joaquin H. Borja	yes
Senator Francisco Q. Cruz	yes
Senator Victor B. Hocog	yes
Senator Paul A. Manglona	yes
Senator Pete P. Reyes	yes
Senator Jovita M. Taimanao	yes
Senator Ray N. Yumul	yes
Senator Ralph Dlg. Torres	yes

President Ralph Dlg. Torres: With nine members voting yes, we hereby pass House Bill No. 18-03, HD3, or as amended. Floor Leader, for our last bill.

Floor Leader Ray N. Yumul: Huh?

President Ralph Dlg. Torres: 18-25?

Senator Pete P. Reyes: On House Communication No. 18-166.

The Chair recognizes Floor Leader Ray N. Yumul.

Floor Leader Ray N. Yumul: Short recess.

President Ralph Dlg. Torres: Short recess.

The Senate recessed at 1:20 p.m.

And

The Senate reconvened at 1:21 p.m.

President Ralph Dlg. Torres: We are back in session.

The Chair recognizes Floor Leader Ray N. Yumul.

Floor Leader Ray N. Yumul: Thank you Mr. President. Earlier we've adopted or accepted House Communication No. 18-166 returning with amendments on Senate Bill No. 18-31, SS1, SD1, HD1 which repeals Executive Order 94-3, Section 211 regards to scholarship and to establish a new CNMI Scholarship Office as an autonomous agency and for other purposes and to clarify that we are just not accepting the communication but we are going to pass the bill as amended. I move to place the bill, Senate Bill No. 18-31, SS1, SD1, HD1 on our Bill Calendar as it does appear on our Order of Business. So that is my first motion.

President Ralph Dlg. Torres: Motion has been made to place House Communication No. 18-166, Senate Bill No. 18-31, SS1, SD1, HD1 into today's calendar. Motion has been seconded. Discussion?

Vice President Victor B. Hocog: Ready.

President Ralph Dlg. Torres: Ready? Clerk, please roll call. To place Senate Bill No. 18-31, SS1, SD1, HD1.

Floor Leader Ray N. Yumul: Thank you Mr. President. I now move for the passage on First and Final Reading, Senate Bill No. 18-31, SS1, SD1, HD1

The Clerk called the roll on the motion to place Senate Bill No. 18-31, SS1, SD1, HD1 on calendar.

Senator Francisco M. Borja	yes
Senator Joaquin H. Borja	yes
Senator Francisco Q. Cruz	yes

Senator Victor B. Hocog	yes
Senator Paul A. Manglona	yes
Senator Pete P. Reyes	yes
Senator Jovita M. Taimanao	yes
Senator Ray N. Yumul	yes
Senator Ralph Dlg. Torres	yes

President Ralph Dlg. Torres: With nine members voting yes, we hereby place Senate Bill No. 18-31 into today’s Bill Calendar. Floor, make a motion.

Floor Leader Ray N. Yumul: Thank you Mr. President. I now move for the passage on First and Final Reading, Senate Bill No. 18-31, SS1, SD1, HD1.

President Ralph Dlg. Torres: There’s a motion for the passage of Senate Bill No. 18-31, SS1, SD1, HD1. Under discussion? Do I hear a second?

The motion was seconded by Senator Francisco M. Borja.

President Ralph Dlg. Torres: Second. Under discussion?

Senator Francisco M. Borja: Ready.

President Ralph Dlg. Torres: Ready? Clerk, please roll call for passage.

The Clerk called the roll on the motion to pass **Senate Bill No. 18-31, SS1, SD1, HD1.**

Senator Francisco M. Borja	yes
Senator Joaquin H. Borja	yes
Senator Francisco Q. Cruz	yes
Senator Victor B. Hocog	yes
Senator Paul A. Manglona	yes
Senator Pete P. Reyes	yes
Senator Jovita M. Taimanao	yes
Senator Ray N. Yumul	yes
Senator Ralph Dlg. Torres	yes

President Ralph Dlg. Torres: With nine members voting yes, we hereby pass Senate Bill No. 18-31, SS1, SD1, HD1 as amended.

The Chair recognizes Floor Leader Ray N. Yumul.

PETITIONS, MEMORIALS AND MISCELLANEOUS COMMUNICATIONS

1. **Misc. Comm. No. 18-43**: January 29, 2014 – MPLT comments on H.B. No. 18-4, HS1 on Managaha Landing Fees.
2. **Misc. Comm. No. 18-44**: February 04, 2013 – Partial summary judgment declaring the Power Purchase Agreement Void.

Floor Leader Ray N. Yumul: Thank you. No further bill on our calendar, I now move to item P, Petitions, Memorials, and Miscellaneous Communications. We have two Miscellaneous Communications. First is Miscellaneous Communication No. 18-43, a letter from MPLT commenting on House Bill No. 18-04, HS1 on the Managaha Landing Fee. Second, is Miscellaneous Communication No. 18-44 partial summary judgment declaring the Power Purchase Agreement Void.

President Ralph Dlg. Torres: Ready?

The Chair recognizes Floor Leader Ray N. Yumul.

MISCELLANEOUS BUSINESS

Floor Leader Ray N. Yumul: Thank you. No comments on item P, we now move to item Q, Miscellaneous Business. The floor is open.

The Chair recognizes Senator Paul A. Manglona.

Senator Paul A. Manglona: Yes, thank you Mr. President. I will just try to make it quick. In today's session I introduced three legislations that all pertains to or related to revenue generation or saving the government and also addressing government liabilities. The first is Senate Bill No. 18-45 which is actually to amend further Public Law No. 17-52 which we passed about a year and a half ago to allow flexibility in the salary of the Director of Tax and Revenue. As you know Mr. President, since 2008, we have not had a permanent Revenue and Tax Director. So I just ask the members if they can place that at least on First Reading in the next session. I have asked the Legal Counsel to make three amendments. The first is once the bill is passed, the Governor shall advertise within sixty days the position. The second amendment is that the position be made permanent for six years only for good because shall the director be terminated and of course the third is that we have to establish a minimum qualification maybe such as CPA or equivalent experience. I think that if we are going to put out the best effort in this government to collect revenue and to help honest businesses that we have to make or create a level playing field as far as the enforcement of tax obligations in the CNMI. We can no longer go further without having a permanent Revenue and Tax Director and I hope that this bill would address that with the amendments that I have asked the Legal Counsel to incorporate. Also, I have Senate Legislative Initiative No. 18-03 which is to cap the level

of government expenditure a hundred and four million dollars. Again, I ask the Legal Counsel to come up with an amendment that would say that anything above one hundred and four at any given fiscal year that twenty to thirty percent of that be added on top of the 104 and the eighty to seventy percent be used and set aside for payments of any and all government obligation. I believe that if you do not do this, the legislature in the future will continue to add on to the deficit and as you know, actually, we don't need Senate Legislative Initiative No. 18-03 if we follow strictly the language of the Constitution which says that there shall be no deficit and that all deficit shall be quickly eliminated in two or three years. That is under the Constitution but as you know, we have been going on for years and the deficit continues to add up. So what this would do is it will not penalize future legislatures. It will just mean that any increase over 104 that twenty percent or thirty percent be given to the general fund for this legislature or future legislature to appropriate but the seventy percent shall be used to pay obligations such as the Retirement Fund, land compensation and other judgment by the court for this government to take care. After all this obligation are paid, fifteen years, twenty years down the road then this money again but this time the percentage is changed to seventy percent going to the general fund. Thirty percent going into a rainy day account or a trust account to be set up by the legislature before such day comes and the seventy percent the legislature would appropriate on top of the 104 and the thirty percent, the legislature will have to do a Legislative Initiative to appropriate such funding and to present to the people in a referendum for the people to appropriate for whatever usage. I repeat again further restriction on the twenty percent immediately that we give to the general fund other than the set aside amount. It has to go to PSS, DPS and CHC so again the additional revenue that will be going to the legislature will go to at least those three departments. The number 104 is obtained because last year I think it was one hundred and fourteen including the retirement contribution. So when you take out the retirement contribution then it brings us to 104 and I think that 104 is a level then that this legislature has to work out and juggle the numbers and re-appropriate to other departments or agencies that needs help such as CUC also. So again, I ask that it'd be placed on First Reading for the members to at least familiarize themselves with the detail especially after incorporating the amendments that I share with Antonette. Finally Senate Bill No. 18-47 is the creation of the Civilian Volunteer Reserve for DPS. This will provide additional man power to DPS. I did not invent this legislation. I asked our legal assistant to just take it directly from Guam because I was inform that its working perfectly on Guam and I think the retired Police Officers and Firemen have been helping a lot with the departments. They do not get paid any salary of course. Maybe a little help as far as their equipment's and uniform but they do not get paid and I think this will help our DPS relieve them with their recruitment process. It will provide more man power to Police Officers in the streets. Again, I ask if this can be place, these three legislation can be placed on First Reading on the next session and the respective committee to hold a public hearing if necessary or committee meeting so we can pass it on the second session after today. Thank you Mr. President.

President Ralph Dlg. Torres: Thank you Senator Paul. We are still under E, Miscellaneous. Business.

The Chair recognizes Floor Leader Ray N. Yumul.

ANNOUNCEMENT

Floor Leader Ray N. Yumul: Thank you Mr. President. There being no further Miscellaneous Business moving down to item R, Announcements, the floor is open.

President Ralph Dlg. Torres: Under Announcements, we have Senator Taimanao.

Senator Jovita M. Taimanao: Yes, thank you Mr. President. Just a reminder to the Senate members that the Fiscal Committee is conducting a public hearing tonight on Tinian at 6:00 p.m. and the two legislation that we will be addressing out will be House Bill No. 18-118 and this bill states to increase tax on cigarettes and the next bill will be the, I mean the next legislation also is the House Legislative Initiative No. 18-06 and these two legislations will be addressed on three areas, Tinian tonight, Saipan tomorrow at 6:00 p.m. at the Multi-Purpose and Rota on Friday at 6:00 p.m. at the Mayor's Office. So once again, please be reminded of all these information and public hearing schedules as well for the public information. Thank you Mr. President.

President Ralph Dlg. Torres: Thank you very much.

The Chair recognizes Legal Counsel Antonette Villagomez.

Legal Counsel Antonette Villagomez: *Mr. President. I just wanted to clarify and let all the members know about the CUC Board members. Earlier I stated that the Senate is the only body that will be confirming the CUC members or Board members and that's correct but for the transition period, according to Public Law No. 16-17, there's a transition period where we go – where the Governor has to appoint the first initial Board member and under that section of the law, it says that for the first eight members of the CUC Board, both the House and the Senate shall confirm them and then after that all the members after them will be confirmed only by the Senate. So I just want to make that correction to the members.*

President Ralph Dlg. Torres: Thank you very much Counsel. Also, since there is no one else under the announcement, I would like to go ahead and appoint three members for the Conference Committee on House Bill No. 18-107, HD1, SS1, regarding the Election Commission Bill. I would like to go ahead and appoint Senator Reyes, Senator Jack Borja and Senator Taimanao to the committee as you work with the counterparts in the House. Thank you.

The Chair recognizes Floor Leader Ray N. Yumul.

ADJOURNMENT

Floor Leader Ray N. Yumul: Thank you and there being no further announcements, I move to adjourn subject to your call.

President Ralph Dlg. Torres: Motion has been made for the adjournment. Those in favor of the adjournment say "aye".

Several members voiced, “aye”.

President Ralph Dlg. Torres: All opposed say, “nay”.

The motion was carried by voice vote.

President Ralph Dlg. Torres: We hereby adjourn subject to the call of the Chair.

The Senate adjourned at 1:35 p.m. subject to the call of the Chair.

Respectfully Submitted,

/s/ Geraldine T. Cruz
Senate Journal Clerk

APPEARANCE OF SENATE LOCAL BILLS

LEG. NO.	TITLE
	NONE

The Senate may consider, debate, and/or act upon any item contained in this Order of Business at the time and place described herein.