

THE SENATE TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE



SENATE JOURNAL

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SJ 24-18

9th Day

Monday, December 22, 2025

In compliance with the Open Government Act, Senate President, Karl R. King-Nabors, issued a session call on December 19, 2025 that the Senate of the Twenty-Fourth Northern Marianas Commonwealth Legislature will convene this open and public session. The notice, the official session call, and the session agenda was filed in the Office of the Senate Clerk; released to the media; and posted at the Entrance Halls of the Office of the Governor, the Senate and the House of Representatives, posted on the Commonwealth Legislature's website at [www.cnmileg.net](http://www.cnmileg.net)

*The Honorable President of the Senate, Karl R. King-Nabors presided.*

**President Karl R. King-Nabors:** Good afternoon everyone. I appreciate everyone's patience today. I hereby call this 9th Day, Second Regular Session to order. Today is Monday, December 22, 2025. The time is officially 2:18 p.m. here in the Senate Chamber of the Honorable Vice Speaker Jesus P. Mafnas Memorial Building Capitol Hill, Saipan. It's my honor to welcome everyone here today in the gallery, as well as everyone viewing on our social media platforms, the Senate's YouTube page, cable television Channel 23, and the Northern Marianas Commonwealth Legislature's Facebook page. Before proceeding forward, I would like to kindly ask for a moment of silence.

*A moment of silent prayer was observed.*

But before we proceed, I kindly ask the members to please put your mobile devices on silent mode or turn them off so as to not to interrupt the proceedings. Clerk, please call the roll.

ROLL CALL

**CLERK** called the roll with the following results:

|                                         |                             |
|-----------------------------------------|-----------------------------|
| Senator Celina R. Babauta               | <i>Presente</i> (Present)   |
| Senator Ronnie M. Calvo                 | Present                     |
| Senator Manny Gregory T. Castro         | <i>Esti guiha</i> (Present) |
| Senator Francisco Q. Cruz               | Here                        |
| Senator Jude U. Hofschneider            | <i>Gaige</i> (Here)         |
| Senator Karl R. King-Nabors (President) | Here                        |

|                            |                  |
|----------------------------|------------------|
| Senator Corina L. Magofna  | Present          |
| Senator Donald M. Manglona | Present          |
| Senator Paul A. Manglona   | Absent - Excused |

**CLERK:** Mr. President, eight (8) members are present and one (1) member is absent.

**President Karl R. King-Nabors:** With eight members present, we have the requisite number to proceed with today's Session. Please let the record reflect that Senator Paul Manglona is hereby excused from today's Session. Before proceeding any further, I'd like to take this opportunity to recognize and thank our LB Support Staff assisting us here today. Our Legal Counsel Mrs. Antonette Villagomez, Senate Clerk Mrs. Dolores Bermudes, our Fiscal Analyst Mr. Dave Demapan, our Senior LA Mrs. Jolyn Duenas-Tagabuel, our Journal Clerk Mrs. Valerie Aguon. Assisting us, our Sergeant-At-Arms Mr. Jonathan DeLeon Guerrero, using our media and also our Youth Congress coordinator, Mr. Luis John Castro, and Delbert Camacho is our IT Assistant. At this I would like to ask the patience of the public while we call a short recess and await the product from the Senate. Thank you. From the house, I'm sorry. Thank you. Short recess.

*The Senate recessed at 2:20 p.m.*

*RECESS*

*The Senate reconvened at 5:59 p.m.*

**President Karl R. King-Nabors:** We now rise back to Session. Before we proceed any further onto Public Comments, I would like to recognize the Floor Leader to effectuate the proper motions.

**Floor Leader Donald M. Manglona:** Thank you, Mr. President. At this time, I move to suspend pertinent rules to amend the agenda to include House Communication No. 24-107 and House Communication No. 24-108 and to place House Concurrent Resolution No. 24-3, HS1 on today's Resolution Calendar and House Bill No. 24-80, HS1 on today's Bill Calendar for action. So, moved.

**Senator Jude U. Hofschneider:** Second.

*This motion has been seconded.*

**President Karl R. King-Nabors:** There has been a motion to place House Communication No. 24-107 and 24-108 on the agenda. And also, to place the respective bills and resolutions on Bill Calendar and Resolution Calendar, and has been seconded. Discussion. Ready?

**Floor Leader Donald M. Manglona:** Ready.

**President Karl R. King-Nabors:** Clerk, please call the roll.

**ROLL CALL**

**CLERK** called the roll with the following results:

|                                         |                      |
|-----------------------------------------|----------------------|
| Senator Celina R. Babauta               | <i>Hunggan</i> (Yes) |
| Senator Ronnie M. Calvo                 | Yes                  |
| Senator Manny Gregory T. Castro         | <i>Hunggan</i> (Yes) |
| Senator Francisco Q. Cruz               | Yes                  |
| Senator Jude U. Hofschneider            | <i>Hunggan</i> (Yes) |
| Senator Corina L. Magofna               | Absent - Excused     |
| Senator Donald M. Manglona              | Yes                  |
| Senator Paul A. Manglona                | Absent - Excused     |
| Senator Karl R. King-Nabors (President) | Yes                  |

**CLERK:** Mr. President, all seven (7) members present voting “yes”, two (2) are absent.

**President Karl R. King-Nabors:** With seven members voting “yes”, the motion hereby passes and places the items on agenda and the respective calendar locations. On to Public Comments. The floor is now open for Public Comments, as a portion of our agenda which will allow our public to provide any comments on the agenda. Please limit your comments to five minutes and state your name for the record. Public Comments are now open.

**PUBLIC COMMENT**

NONE

There being none, Public Comments is officially closed. Under the next item of agenda, Reading and Approval of the Journal, I recognize the Floor Leader.

**Floor Leader Donald M. Manglona:** Thank you, Mr. President. We have Senate Journal No. 24-17, 8<sup>th</sup> Day, Second Regular Session dated December 1, 2025. I move for its adoption.

**Senator Jude U. Hofschneider:** Second.

*This motion has been seconded.*

**President Karl R. King-Nabors:** There has been a motion for the adoption of Senate Journal No. 24-17, and has been seconded. All in favor say “aye”.

*Members present voiced “aye”.*

All opposed, Senate Journal No. 24-17 is hereby adopted. On to agenda Item D, Messages from the Governor. I recognize the Clerk.

**MESSAGES FROM THE GOVERNOR:**

**Clerk:** Mr. President, we have 15 on our agenda, No. 24-179 to 193.

**President Karl R. King-Nabors:** The floor is open for discussion to the members.

**Floor Leader Donald M. Manglona:** Ready.

**President Karl R. King-Nabors:** On to Item E, Communications from the Judiciary. I recognize the Clerk.

**COMMUNICATIONS FROM THE JUDICIARY:**

**Clerk:** We have one Mr. President, No. 24-07.

**President Karl R. King-Nabors:** Any discussion from the members? Ready?

**Senator Celina R. Babauta:** Ready.

**President Karl R. King-Nabors:** On to Item G, Communications from the House.

**COMMUNICATIONS FROM THE HOUSE:**

**Clerk:** Mr. President, we have 9, No. 24-100 to 108.

**President Karl R. King-Nabors:** The floor is open for discussion. There be none, moving on to Item H, Communications from the Senate.

**COMMUNICATIONS FROM THE SENATE:**

**Clerk:** We have 8 on our agenda, No. 24-171 to 24-178.

**President Karl R. King-Nabors:** Discussion from the members? None? On to Item I, we don't have anything under Communications from the CNMI Delegate.

**COMMUNICATIONS FROM THE CNMI DELEGATE:**

NONE

There's nothing under Item J, Unfinished Business.

**UNFINISHED BUSINESS**

NONE

Nothing under Item K, Pre-filed Bills, Initiatives, Local Bills and Resolutions.

**PRE-FILED BILLS, INITIATIVES, LOCAL BILLS AND RESOLUTIONS:**

NONE

Under Item L, Introduction of Bills, Initiatives, Local Bills and Resolutions. I recognize Senator Babauta.

**INTRODUCTION OF BILLS, INITIATIVES, LOCAL BILLS AND RESOLUTIONS:**

**Senator Celina R. Babauta:** *Si yu 'us ma 'ase* Mr. President. I would like to introduce, Senate Bill No. 24-55. It is timely that I bring this bill to the floor as I have just been messaged that the second victim of a pedestrian accident as just passed away a few minutes ago in the hospital. I would like to formally introduce Senate Bill No. 24-55, "To amend Title 9, Division 5 of the Commonwealth Code to establish "Higher Fine Zones", imposing increased penalties for traffic violations within designated areas such as school zones, construction zones, and other high-risk areas; and for other purposes, also known as the Patrick Henry Camacho Castro Act." Thank you Mr. President and I yield.

**President Karl R. King-Nabors:** Thank you, Senator Babauta. At this time, I'd like to recognize the Floor Leader.

**Floor Leader Donald M. Manglona:** Thank you Mr. President. At this time, I'd like to introduce Senate Resolution No. 24-12, "To commend and congratulate Jacqueline Ayuyu Quitugua for her exemplary service, leadership, and dedication for more than four decades to education, student well-being, and youth development in the Commonwealth of the Northern Mariana Islands." And Mr. President, if there's no objections, I'd like to introduce this as a Committee of the Whole.

**President Karl R. King-Nabors:** No objections.

**Floor Leader Donald M. Manglona:** And with that, at this time, I move to suspend pertinent rules to place Senate Resolution No. 24-12 on today's Resolution Calendar for action.

**President Karl R. King-Nabors:** Do I hear a second?

**Senator Jude U. Hofschneider:** Second.

*This motion has been seconded.*

**President Karl R. King-Nabors:** Okay. There has been a motion to place Senate Resolution No. 24-12 on to today's Resolution Calendar. Under discussion. Ready? All in favor say "aye".

*Members present voiced "aye".*

All opposed? Senate Resolution No. 24-12 is hereby place on Resolution Calendar. On to Reports of Standing Committees, there are none.

**REPORTS OF STANDING COMMITTEES:**

NONE

Reports of Special/Conference Committees, there are none.

**REPORTS OF SPECIAL/CONFERENCE COMMITTEES:**

NONE

On to Resolution Calendar. I'd like to recognize the Floor Leader.

**RESOLUTION CALENDAR:**

**Floor Leader Donald M. Manglona:** Thank you again, Mr. President. At this time, I move for the adoption of Senate Resolution No. 24-12, "To commend and congratulate Jacqueline Ayuyu Quitugua for her exemplary service, leadership, and dedication for more than four decades to education, student well-being, and youth development in the Commonwealth of the Northern Mariana Islands."

**Senator Jude U. Hofschneider:** Second.

*This motion has been seconded.*

**President Karl R. King-Nabors:** Okay. There has been a motion for the adoption of House Resolution or Senate Resolution No. 24-12, and has been seconded. Under discussion. There being none, Clerk, please call the roll.

**ROLL CALL**

**CLERK** called the roll with the following results:

|                                         |                      |
|-----------------------------------------|----------------------|
| Senator Celina R. Babauta               | <i>Hunggan</i> (Yes) |
| Senator Ronnie M. Calvo                 | Yes                  |
| Senator Manny Gregory T. Castro         | <i>Hunggan</i> (Yes) |
| Senator Francisco Q. Cruz               | Yes                  |
| Senator Jude U. Hofschneider            | <i>Hunggan</i> (Yes) |
| Senator Corina L. Magofna               | Absent - Excused     |
| Senator Donald M. Manglona              | Yes                  |
| Senator Paul A. Manglona                | Absent - Excused     |
| Senator Karl R. King-Nabors (President) | Yes                  |

**CLERK:** Mr. President, all seven (7) members present voting “yes”.

**President Karl R. King-Nabors:** With all seven members voting “yes”, Senate Resolution No. 24-12 is hereby adopted by this body. Before we proceed any further, I'd like to take a short recess.

*The Senate recessed at 6:05 p.m.*

*RECESS*

*The Senate reconvened at 6:20 p.m.*

**President Karl R. King-Nabors:** We now rise back and with that, I will recognize the Floor Leader.

**Floor Leader Donald M. Manglona:** Thank you, Mr. President. At this time, I move to adopt House Concurrent Resolution No. 24-3, HS1, “To further approve revenues and resources of the Commonwealth of the Northern Mariana Islands, as identified under Article III, Section 9(a) of the Constitution, as amended, and Title I, Division 7, of the Commonwealth Code, for Fiscal Year 2026, beginning January 1, 2026, and ending on September 30, 2026.”

**Senator Jude U. Hofschneider:** Second.

*This motion has been seconded.*

**President Karl R. King-Nabors:** There has been a motion for the adoption of House Concurrent Resolution No. 24-3, HS1 and has been seconded. Discussion. Ready?

**Senator Jude U. Hofschneider:** Ready.

**President Karl R. King-Nabors:** All in favor for the adoption of House Concurrent Resolution No. 24-3, HS1 say “aye”.

*Members present voiced “aye”.*

All opposed say “nay”. House Concurrent Resolution No. 24-3, HS1 is hereby adopted by this body. Moving on to Bill Calendar, I recognize the Floor Leader.

## **BILL CALENDAR**

**Floor Leader Donald M. Manglona:** Thank you Mr. President. At this time, I moved to pass House Bill No. 24-75, “To authorize a continued payment of employer premiums for the Group Health & Life Insurance (GHLI) Program by permitting expenditure of \$3,747,585.00 recently identified by the Governor that shall be appropriated by the Legislature for Fiscal Year 2026.”

**Senator Jude U. Hofschneider:** Second.

*This motion has been seconded.*

**President Karl R. King-Nabors:** There has been a motion for the passage of House Bill No. 24-75 and has been seconded. Under discussion. I recognize Senator Babauta.

**Senator Celina R. Babauta:** Thank you, Mr. President. I just have a question. The \$3.7 million that we are trying to pass right now, is that all for GHLI?

**President Karl R. King-Nabors:** I recognize Senator Hofschneider.

**Senator Jude U. Hofschneider:** Thank you Mr. President. That's a portion of what's needed for the rest of the fiscal year. The remainder of about \$4.1M is embedded in the Budget Bill. So, \$3.7M and \$4.1M to account for what's needed for the remainder for the fiscal year.

**Senator Celina R. Babauta:** So, it's all for the GHLI, correct?

**Floor Leader Donald M. Manglona:** Point of clarification. Sorry. We took out the 25% for PSS.

**Senator Celina R. Babauta:** For the PSS, okay, got it.

**Floor Leader Donald M. Manglona:** But the remainder on top of what's in the Proposed Revised Budget should equate to \$7.2M.

**Senator Celina R. Babauta:** Yes. That is my understanding as well. Thank you.

**President Karl R. King-Nabors:** Any other member has discussion?

**Senator Celina R. Babauta:** Ready.

**President Karl R. King-Nabors:** Clerk, please call the roll.

### ROLL CALL

**CLERK** called the roll with the following results:

|                                         |                      |
|-----------------------------------------|----------------------|
| Senator Celina R. Babauta               | <i>Hunggan</i> (Yes) |
| Senator Ronnie M. Calvo                 | Yes                  |
| Senator Manny Gregory T. Castro         | <i>Hunggan</i> (Yes) |
| Senator Francisco Q. Cruz               | Yes                  |
| Senator Jude U. Hofschneider            | <i>Hunggan</i> (Yes) |
| Senator Corina L. Magofna               | <i>Hunggan</i> (Yes) |
| Senator Donald M. Manglona              | Yes                  |
| Senator Paul A. Manglona                | Absent - Excused     |
| Senator Karl R. King-Nabors (President) | Yes                  |

**CLERK:** Mr. President, all eight (8) members present voting “yes”.

**President Karl R. King-Nabors:** With all 8 members voting “yes”, House Bill No. 24-75 is hereby passed by the Senate. Recognize the Floor Leader.

**Floor Leader Donald M. Manglona:** Thank you, Mr. President. We have House Bill No. 24-80, HS1, “To Repeal and Re-Enact Public Law 24-14 to further Define and Identify General Revenues and approve revenues and resources of the Commonwealth of the Northern Mariana Islands as identified pursuant to Article III, Section 9(a) of the CNMI Constitution, as amended, and 1 CMC Division 7, for Fiscal Year 2026 and make appropriations for the operations and activities of the Government of the Commonwealth of the Northern Mariana Islands, its agencies, instrumentalities, and independent programs, and to provide budget authority for government corporations for Fiscal Year 2026; and for other purposes.” I move for its passage.

**Senator Francisco Q. Cruz:** Second.

*This motion has been seconded.*

**President Karl R. King-Nabors:** There has been a motion made by the Floor Leader for the passage of House Bill No. 24-80, HS1, and has been seconded. Under discussion, I'd like to recognize the Chairman of Fiscal Affairs, Senator Hofschneider.

**Senator Jude U. Hofschneider:** *Si yu'us ma'ase* Mr. President and good evening to everyone that are here with us and especially to those that are unable to make in person, but are listening to our coverage and especially to the retirees and the public agency employees that are always concerned of the continuation of health and life insurance. This product that's before us, Mr. President, prioritizes that particular subject item. It is for that reason that we are here working through, before

the holidays, to ensure that we have a workable product that can be considered for approval by the Administration. One of the key elements that I want to highlight, that actually created the slight delays, is the continued discussion on the ceiling, to which, explains the product itself before us to House Substitute 1. And I want to, commend the House Chair and the members, along with our colleagues here, for working through to try and come up with an agreeable and compromised package so that we can get to the next level of the process, of hopefully the Governor signing this into law. So that the Department of Finance can negotiate the payment and the coverage for our health insurance moving forward for Fiscal Year 2026. For the most part, Mr. President, that is the “meat” of this product. In addition to, memorializing and supporting the 75%, acknowledging the \$29 million minimum annual payment, we all are aware, of the MPLT signing that into law. And then, some of the process that went through to get to where we're at today. I know that there's a lot of entities out there, that just hope that we get the \$10 that we ask, but I want to say if the Administration or the projection is given to the Legislature, we can only work within that. Our job will not stop here. I would ask our colleagues to continue finding ways to build back our economy, bring in new money, so that we can be able to furnish the needs of our community. And then perhaps maybe we're going to be needing to revise a budget, in this way, and instead do a supplemental budget for our people that we represent. So, I only ask that we fix our support so we can move forward, with this product. Thank you.

**President Karl R. King-Nabors:** Thank you, Chairman. Before we proceed, if there's no objections, I would like to ask the Fiscal Analysts to come up.

**Senator Jude U. Hofschneider:** Mr. President, I apologize. There is one item that I wish, to your request, would like to ask the Fiscal Analyst to share some of the process that we embedded, including one that's currently before us. *Maolek ha noh Dave?* Mr. President, I think we're still in order. Dave, can you just take us through the process to which we arrive at a product this afternoon. Starting with the ceiling of \$158M and then take us down through the motion, and then all the way down to the net resources available for appropriation.

**Fiscal Analyst Dave Demapan:** Let me begin with the identified resources by the Governor of approximately \$158 million. That is the starting point of the budget. So that sets the limits of expenditures for the Fiscal Year 2026. Together with that, we added \$4.4 million for DPL resources. So, the total available for, identified resources with FY 2026 is \$162.4 million. From there, we had to take into account the earmarked account. So, of that, MVA, will get approximately \$3.5 million. The IDC reimbursement will get approximately \$758,000, and moving down to the Solid Waste Revolving Fund, there's a reserve there for about \$179,000. Then the Solid Waste Tipping Fund will get approximately \$640,000. So altogether the reservation for the earmark is approximately \$5.1 million. Then moving down to the second section, you have Debt Service payments that are reserved, break down by individual items. The Bond 2007A, it's approximately \$3.6 million reserve, 2007B Bond, about \$3.3 million. And then the PBL Interim Obligation Financing for Bank of Guam is approximately \$5.8 million. And then the last one is this MPLT PLB Interim Loan Retainment. The one that we just consummated, the \$29 million loan is reserved for \$5.4 million. Altogether, total debt reservation of obligations, approximately \$8.3 million. Okay, so if we take the \$162 million identified resources and we less the total of \$5.1 million for earmarks reservation, we less the debt service reservation of \$8.3 million, we arrive at net resources available of \$138.9 million. Okay? At this point, when we impose the, across the board for personal

reduction, we did not make it effective from October to September. We made it effective from January 1<sup>st</sup>, all the way to September 30<sup>th</sup> for the remaining nine months, because in this situation, the first quarter had already been transpired, consummated, and we don't want to put a burden on each expenditure authority on each account in the Government that their account is going to be tremendously be depleted, if we were to make the cut from October 1<sup>st</sup> to September 30<sup>th</sup>, which is not fair. So as a result, we were able to identify reinstatement of allocations for that first quarter of approximately \$4.4 million. So that, resources that I just identified earlier, available resources and Net Available Resources of \$138.9 million we added with the \$4.4 million reinstatement for Prospective Adjustment. Now it gets us a total resources available of approximately \$143.3 million. Then we take out the share for DPL of approximately \$4.4 million. So, this body will pass a Net Available Resource for the General Fund for approximately \$138.9 million. That's my explanation Mr. President and Mr. Chairman, thank you.

**President Karl R. King-Nabors:** Thank you, Dave.

**Senator Jude U. Hofschneider:** Thank you Dave.

**President Karl R. King-Nabors:** I recognize the Chairman.

**Senator Jude U. Hofschneider:** Go ahead. I yield back.

**President Karl R. King-Nabors:** I recognize the Floor Leader.

**Floor Leader Donald M. Manglona:** Thank you, Mr. President. I also want to point out, just to add on to what the Chair had mentioned, the Committees both the Ways and Means and the Fiscal Affairs also included provisions that would hopefully address some of the underfunded activities, by way of any monies that receive an excess of what's budgeted shall be reserved for the retirees' 25% pension payment. Additionally, any outside sources that the CNMI is expected to receive, that may replace activities that are funded in general fund, that those payments be reserved for, future land compensation payment. But also we wanted to, assure to our constituents that we've also placed strict provisions that would basically safeguard as well as require additional reporting, so that the Legislature can maintain records and continue to have these meetings with Administration on a monthly basis to ensure that we are on track to receiving what is projected and that if there's anything in excess of that, we can hopefully fund further the activities that again, are underfunded or, hopefully we bring our people back to full-time status. So, I just wanted to share some of those provisions that we've included as a joint effort with the House to also assist, in these areas that again, as much as we've tried to stretch the \$158 million, we all came up short. All agencies including the other branches, will be seeing a proportionate reduction to their budget from what was passed back in September. And so again, as we progress further and have these meetings, we hope that, realization may come from monies that aren't recognized now but we anticipate, may be coming in the near future. And with that I'd also like to thank all the members that assisted the Chair in working with the House and coming up with the best version that we can with this HB No. 24-80. And, with that, Mr. President, I'll yield.

**President Karl R. King-Nabors:** Thank you Floor Leader. I now recognize Senator Hofschneider.

**Senator Jude U. Hofschneider:** Thank you, Mr. President. Thank you, Floor Leader. Just staying with the provisions, we also want to share that, we reinstated the Section 611 of the OGM funds in excess of what is authorized in the current budget and what this proposed budget calls, that anything in excess of that will be directed, shall be reserved for the CNMI Government's obligation to the retirees 25% pension payment. Also, the Section 612, the hazardous pay for the Solid Waste Management employees that are qualified to receive this compensation, we continue holding \$179,691 to continue their compensation during this fiscal year and if there is any, what's currently owed to them. Also, in Section 605, page 26, we placed a provision to address the federally-funded employees to ensure that they get a full 80 hours bi-weekly pay period because of their grant compliance. And, as what was mentioned earlier, there are the monthly joint meeting between the House and the Senate, Fiscal Affairs and Ways and Means...there's an engagement with the Administration by way of the Secretary of Finance to ensure that we guide through with these trying times. Not only because, the funds are challenging, but also if there's a need for us to do an additional revenue and see it can trigger a supplement to perhaps to try and address some of those agencies that are in dire need of funding authorization. Thank you. I yield back.

**President Karl R. King-Nabors:** Thank you, Chairman Hofschneider. I recognize Senator Magofna.

**Senator Corina L. Magofna:** Thank you, Mr. President. Just a quick clarification, maybe for our Fiscal Analyst or the Chair. On page 15, under Letter L, Total Resources and Department of Public Land Resources available for appropriation. On line 20 and 21, there are two prospective adjustments for DPL, I just wanted to ask, what are those for?

**Senator Jude U. Hofschneider:** Mr. President can I just ask the...

**President Karl R. King-Nabors:** Yes, please. Sure, go ahead.

**Fiscal Analyst Dave Demapan:** Yeah. The, first number there, the \$151,000 that relates to the reinstatement of the Austerity proportionate reduction of the cuts. We did not include the first, from October 1<sup>st</sup> to December 31<sup>st</sup>. So that relates to that, reinstatement of appropriation for that period. And then the \$600,000, that's the proportionate cuts from January to September.

**Senator Corina L. Magofna:** *Si yu'us ma'ase* Mr. Demapan. That's all I have, I yield.

**President Karl R. King-Nabors:** Thank you, Vice. I recognize Chairman.

**Senator Jude U. Hofschneider:** I think, Mr. President, I think this is timely now that we kind of just highlight this particular line or the general fund perspective adjustment, because we want to make the, in addition to this, it reflects on the provisional to ensure that any cuts should be done

moving forward. At least in this case, in the next three quarters. So, the 4.4 to 6, it represents what has already been encumbered or being used.

**Fiscal Analyst Dave Demapan:** Yes. Yeah. And we don't want to repeat ourselves again of what had happened in the past when the adjustment took place from October 1<sup>st</sup> to September 30<sup>th</sup>. We want to avoid that catastrophic situation. So, moving forward, we're doing it the right way, beginning January 1<sup>st</sup> in this situation to September 30<sup>th</sup>. So, we don't want to deal with the quarter of the period that had already been transpired. When I move forward and begin the period, actually the cut will take place. And that's fair. It's going to be a burden for the expenditure authority for that account to come back to their account the next day to find out that their accounts are pretty much depleted when they impose it from October 1<sup>st</sup> to September 30<sup>th</sup>. So, we were to impose from January to September, that's the right approach, so that the accounts will be fairly stated. Thank you.

**Senator Jude U. Hofschneider:** I just ask that Mr. Demapan if you can just stay.

**President Karl R. King-Nabors:** No problem. I'd like to recognize Senator Calvo from Rota.

**Senator Ronnie M. Calvo:** Good evening Senate President and our Chairman for Fiscal Affairs, and the members that did get to comment. I would like to just share a statement saying that, I commend the collaboration and the communication between the Governor's office, the House and the Senate. The passage of this House Bill No. 24-80, which is House Bill 24-46 HD1, SS1, reflects the Senate's commitment to our responsibility to ensure that our governance, our fiscal discipline, and protection for our people, the long-term interests of our Commonwealth, that we ensure through our Fiscal Analysts, that really works hard in ensuring that the 2026 Legislative alignment is shared, with the strengthening of our accountability, safeguarding public resources and ensuring that our government decisions are made transparent and constitutional. Like to share that the Senate remains focused. Our team remains focused on ensuring we balance these economic opportunities and we are prudent on the oversights for the services that we provide. We want to ensure that the public is trusted. They trust in us as we reinforce the stableness and sustainability of our Commonwealth. So, I hope with this bill today and in agreement, the decisions will protect our Commonwealth for our future Fiscal Year 2026 and so forth. Thank you.

**President Karl R. King-Nabors:** Your comments are greatly appreciated Senator Calvo. Truly they are. Any other members? I recognize Senator Babauta.

**Senator Celina R. Babauta:** *Si yu'us ma'ase* Mr. President and colleagues. Before explaining my concerns about this bill before us, I want to recognize both Committees, the House Ways and Means Committee, and the Senate Fiscal Affairs Committee for their efforts under extremely difficult circumstances. They have worked very hard to stretch scarce financial resources to address some of our most urgent obligations. The 25% for our retirees, the \$7.2 million allocation for the Group Health and Life Insurance program, and funding for our public school students. That effort is not lost on me and on behalf of the people of the Commonwealth, especially the Senatorial District I represent, Saipan and the Northern Islands, it is very much appreciated. However, I want to make it very clear that my action today is not to be construed as being an opposition of passing

a budget to fund programs that are currently at risk, but at a time when government employees are being asked to endure austerity, the problem has been compounded by adding three new NOPs, number of positions, for the Municipality of Tinian alone. That sends the wrong message to our workforce and to the public. It is completely irresponsible in my opinion, and we cannot, with a straight face, continue to ask government employees to tighten their belts while expanding government payroll elsewhere. We cannot continue to govern with fantasy budgets. Budgets built on wish lists instead of what we can actually afford. The CNMI must learn to live within a real budget and if necessary, make the necessary hard choices that come with a realistic budget. Equally troubling to me is another attempt to include the back pay for Casino Commissioners. Under Section 615 of this budget bill before us, despite the Attorney General's clear determination that this payment is illegal, the House of Representatives just finished voting unanimously to approve this budget bill before us now on First and Final Reading. Not a single vote in opposition, nor any mention of this. Casino Commissioners are not government employees. The issue is simple, using public funds to compensate non-government employees violates the law. This body has already been warned previously, proceeding again after legal guidance has been issued, places this Legislature in direct conflict with the law, but more importantly, undermines public trust. This is precisely why our credibility with the Office of Insular Affairs continues to erode. And I place no blame on our federal partners who are trying to help our struggling government due to the most blatant, reckless, and wasteful spending perpetrated under former Governor Ralph Torres' Administration. Federal partners have made it crystal clear, the additional financial assistance is contingent upon good faith, fiscal discipline. Fiscal responsibility and passing a budget under pressure is not just about a constitutional responsibility and I stand ready to do my work here. It is about respecting the law, exercising discipline in times of hardship. And for these reasons, I stand ready to dissent to the bill before us today. Thank you, Mr. President and I yield my time.

**President Karl R. King-Nabors:** Thank you, Senator Babauta. Anybody else for the comments? If none, I would like to share my comments to the Members and to the viewing public. First and foremost, thank you to both Chairs of the House Ways and Means and Fiscal Affairs, the members, and the staff of both the House and the Senate, for spending countless hours working on this product. Though it has been said that we have had possession of this Revised Budget since October, the Governor signed the MPLT law in November 21<sup>st</sup>, and the Senate did not receive the terms and conditions of the loan that was passed multiple times, two times here in the Legislature until December 9<sup>th</sup>. So, with all things considered, we've been working under a very tight time constraint. And, again, thank you for all of your efforts to allow us to have this product here today and hopefully send it to the Governor for his approval and signature so that the people of the Commonwealth can be content knowing that we have secured GHLI, we have assisted PSS in getting up to their budgetary requests initially of about \$40 million. We're about \$1.5 shy of the 25% due to the retirees. So, we have hit almost every target that we've tried to, unfortunately, as the Floor Leader said, not everybody was able to get the share or what they requested. But there was a sincere effort made by both Houses to try to accommodate to the best of our ability everybody that falls under the general funds that we have to allocate to the public. And I appreciate the work that's been done here in this building. The collaboration with the Executive Branch, many meetings, and also the patience of the public. I know this has been very stressful time for everyone. And, I, again, thank you all for all your efforts. And with that, I ask the Clerk to please call the roll.

**ROLL CALL**

**CLERK** called the roll with the following results:

|                                         |                      |
|-----------------------------------------|----------------------|
| Senator Celina R. Babauta               | No                   |
| Senator Ronnie M. Calvo                 | Yes                  |
| Senator Manny Gregory T. Castro         | <i>Hunggan</i> (Yes) |
| Senator Francisco Q. Cruz               | Yes                  |
| Senator Jude U. Hofschneider            | <i>Hunggan</i> (Yes) |
| Senator Corina L. Magofna               | Yes                  |
| Senator Donald M. Manglona              | Yes                  |
| Senator Paul A. Manglona                | Absent - Excused     |
| Senator Karl R. King-Nabors (President) | Yes                  |

**CLERK:** Mr. President, seven (7) members voting “yes”, one (1) “no” and one (1) absent.

**Senate President Karl R. King-Nabors:** With all seven members voting “yes”, House Bill No. 24-80, HS1 is hereby passed by the Senate. Moving on to the agenda, we have Petitions, Memorials and Miscellaneous Communications. Clerk.

**PETITIONS, MEMORIALS AND MISCELLANEOUS COMMUNICATIONS:**

**Clerk:** Mr. President, we have four (4) on our agenda, 24-65 to 68.

**Senate President Karl R. King-Nabors:** Discussions. None? Announcements from the Members. I recognize Senator Castro.

**ANNOUNCEMENTS:**

**Senator Manny G.T. Castro:** Sorry Pres, this probably should have been done earlier, but I want to thank Mr. Dave Demapan, our Fiscal Analyst for his tireless work. A lot of the times a lot of people don't know what he's doing behind the scenes, but I just want him to know that his work is appreciated and especially with this budget coming up following generally accepted accounting principles and trying to keep it clean rather than messy. We experience it in the past when I was in the House, when I opened up my account and money was gone. A lot of other agencies experienced that, and that puts a big burden on the Government agencies providing critical services. So, Mr. Demapan, thank you for your service. Pres, I yield.

**President Karl R. King-Nabors:** Thank you, Senator Castro. And with that, on to Item S on the agenda. I recognize the Floor Leader.

**ADJOURNMENT:**

**Floor Leader Donald M. Manglona:** Thank you, Mr. President. At this time, I move for the adjournment of today's session subject to the call of the Chair.

**Senator Jude U. Hofschneider:** Second.

*This motion has been seconded.*

**President Karl R. King-Nabors:** Again, there's been a motion for the adjournment, subject to my call and has been seconded. All in favor say "aye".

*Members present voiced "aye".*

All opposed? The Senate session is adjourned at 6:52 p.m. Good evening, *hâfa adai* and *tirow*, Merry Christmas to everyone, Happy Holidays and Happy New Year's.

**The Senate session adjourned at 6:52 p.m.**

Respectfully Submitted,



Valerie S. Aguon  
Senate Journal Clerk