

THE SENATE
SIXTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
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JOINT SESSION

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Prelude

House Clerk E. Pangelinan: Good morning, Ladies and Gentlemen. In a very short time, we shall start our program for this Joint Session of the Sixth Northern Marianas Commonwealth Legislature. At this time, may I call upon the Sergeants-At-Arms to escort the members of the House and the Senate?

House Sergeant-at-Arms Francisco Guerrero and Senate Sergeant-at-Arms Nicanor Cabrera respectively escorted the Congressman and Senators into the Convention Center with Speaker Pedro Guerrero and President Benjamin Manglona taking seats on the dais.

They then escorted Governor Pedro P. Tenorio into the Convention Center to the dais and seated him with the Speaker and the President.

House Clerk E. Pangelinan: At this point, may I call upon His Excellency, Bishop Tomas A. Camacho to give us the invocation?

INVOCATION

Bishop Tomas A. Camacho: Gi Naan i Tata, i Lahina, yan i Espiritu Santo. Amen. Yuus Tatanmame yan Sainanmame, manmato ham pago guine gi menamo para in tifong todo i bendision ni i onnanaiham yan para in naanok i agradesimentonmame nu hago. Entingo-ha na megai na biahe na ti in esgi i tinagomo ya in isague hao yan i prohimon mame. Engagagao hao ni i minasemo principatmente durante este i tiempon Kuaresma ni enprepara ham para enhaso i minasapit, i finatai, yan i lumalana talo i Lahimo.

To the Father who can give us strength to live according to the Gospel and the message of Jesus Christ, to Him that God who alone is wise, to Jesus Christ be glory and power forever. May God our Father strengthen us until the last day so that we may be without blame on the day of our Lord Jesus Christ, He is faithful, He who calls us to fellowship with his Son, Jesus Christ our Lord, to Him be glory forever and ever. In the name of the Father, and of the Son, and of the Holy Spirit. Amen.

House Clerk E. Pangelinan: Thank you, Reverend Bishop for the Invocation. We are now on agenda two of our program and I would like to call upon Mr. Candido Taman to lead us in singing the Commonwealth Anthem. May we please all rise?

Mr. Candido Taman led in singing the Commonwealth Anthem both in Chamorro and Carolinian as follows:

Commonwealth Anthem

Gi talo gi halom tasi, nai gaige tano-ho
Ayo nai simepre husaga, malago-ho.

Ya un dia bai huhanao, bai fato-ha talo
Tisina hao hudingo, O tano-ho.

Mil basis yan mas, husaluda hao,
Gatbo na Islas Marianas, hutuna hao.

Satil matawal Pacifico, igha elo falawai ie
Ighilal igha ebwe lotiw, tipei ie.

Eew ral nge ibwe mwet sangi, nge ipwal fafaliti
Ese mwal bwe ibwe lighiti, bwe falawai.

Sangaras fal bughuwal, ai tirow ngaliugh
Ling ghatchu'w to'l, faliw Marianas
Ai mwa' reiti.

House Clerk E. Pangelinan: Thank you very much, Mr. Candido Taman for leading us in signing the Commonwealth Anthem. We are now on agenda three of our program. At this time, I would like to call upon the Honorable Speaker to call this joint session into order. Speaker Guerrero?

CALL TO ORDER

Speaker Pedro Guerrero called the joint session to order at 10:15 a.m., and the House and Senate Clerks were ordered to call roll.

ROLL CALL

House Clerk E. Pangelinan called the roll for the House members as follows:

Representative William C. Ada	Present
Representative Mariano R. Bermudes	Absent
Representative Gabriel B. Babauta	Present
Representative Franklin T. Cabrera	Absent
Representative Antonio M. Camacho	Present
Representative Moses T. Fejeran	Present
Representative Pedro R. Dl. Guerrero	Present
Representative Antonio O. Quitugua	Absent
Representative Juan S. Reyes	Present
Representative Benigno M. Sablan	Present
Representative David C. Sablan	Present
Representative Gregorio B. Sablan	Present
Representative Manuel C. Sablan	Present
Representative Vicente M. Sablan	Present
Representative Juan S. Torres	Present

Twelve representatives were present; Representatives Bermudes, Cabrera, and Quitugua were absent.

Senator Juan N. Babauta	Present
Senator Herman R. Guerrero	Present
Senator Juan T. Guerrero	Present
Senator Joseph S. Inos	Present
Senator Jose P. Mafnas	Excused
Senator Benjamin T. Manglona	Present
Senator Herman M. Manglona	Excused
Senator Paul A. Manglona	Present
Senator Manuel P. Villagomez	Present

Seven Senators were present; Senators Herman M. Manglona and Jose P. Mafnas were excused.

Speaker Pedro Guerrero: The House and the Senate both constitute a quorum for this Joint Session this morning. May I call upon the Floor Leader?

Floor Leader Vicente Sablan: Mr. Speaker, pursuant to Article III, Section 9(b) of our Constitution and House Joint Resolution 6-5, I move that this Joint Session resolve into Committee of the Whole in order for both Houses to receive the State of the Commonwealth Message from the Governor.

Senator Inos and Vice Speaker Benigno Sablan seconded, and the motion carried by voice vote.

The Joint Session resolved into Committee of the Whole at 10:17 a.m.

Speaker Pedro Guerrero: May I call upon the Sergeant-at-Arms to escort the Governor to the podium?

STATE OF THE COMMONWEALTH MESSAGE, 1988

Governor Pedro P. Tenorio: Good Morning, Your Excellency Bishop Camacho, Reverend Chapman, Mr. Speaker, Mr. President and Members of the Sixth Commonwealth Legislature, the Honorable Judges, Ladies and Gentlemen:

"It is a great honor to once again report to the Legislature and to the people of the Northern Mariana Islands, the State of the Commonwealth for 1987.

"Before doing so, however, let me extend my best wishes to all the members of the Sixth Legislature of the Commonwealth. As I remarked to you at your organization meeting on January 11th, I want you to know that I and my staff stand ready to work cooperatively with you.

"There may be times when we will differ on major issues, that is natural. But I am sure we can all agree on one point: our goal is to provide the best kind of future for our citizens, particularly our children, and we are all willing to work hard to achieve that goal. My door and that of the Lt. Governor are always open to you.

"Likewise, we are also available to the local press, radio, and television station. In this regard, I just want to say I think that the residents of the Commonwealth are well served by both the print and broadcast media in keeping the public informed about government activities, and we appreciate

their services to the community. As I said, the Lt. Governor and I are accessible, and that includes the media and any private citizen with concerns about public issues.

"As in 1986, 1987 was again remarkable for the destruction caused by another storm, Typhoon Lynn, with estimated damages in the millions. In this connection, Typhoon Roy's damages for this year are also estimated to be in the millions. Again we are thankful for the quick and considerate reaction of President Reagan in declaring Rota a disaster area, and the responsiveness of the people from the Federal Emergency Management Agency, the Navy, the Red Cross and the Small Business Administration who are now hard at work on Rota. Likewise, I want to acknowledge the generosity of the people of our community who donated food, clothing, and money to aid their neighbors.

"I personally visited Rota twice, and saw first-hand the damage caused by that storm. I also witnessed something that made me have additional pride in our people. I saw residents of Rota beginning to rebuild on their own, individually and together, without first looking to the government for help. This is the kind of spirit I have seen after other storms, but this time it reaffirmed my conviction that individual people, and individuals working together, can make a difference.

"And I also want to recall some very positive events of 1987. One was the Second CNMI Youth Conference. I think we owe our congratulations not only to the youth and others who participated, but also to the organizers: Catholic Social Services, the Criminal Justice Planning Agency, the Department of Education, the Youth Services Division of the Department of Community and Cultural Affairs, and the Grace Christian Academy. People under 16 years of age represent about half the population, and we public officials need to listen to their views. We look forward to reading the final report of that meeting.

"Another important event was the performance of the CNMI South Pacific Games Team. This was our third time to participate, and our team gave the best performance ever.

"The 58 athletes and staff brought honor and recognition to the Commonwealth, not to mention seven medals. Here, it was one person who made the difference, but John 'Golden Boy' Sakovitch's victories were also our own.

"I want to offer my special thanks to all those who participated in these events and who were the CNMI's Goodwill Ambassador,

"A third notable event was the First Women's Conference. The three-day meeting was held during June of last year and was coordinated by the Women's Affairs Office. As a followup to that meeting, a three-day workshop entitled Leadership Skills for Women was held in October 1987.

"As to my report on various activities by the Executive Branch, I would like to generally divide it into two broad categories: economic progress and social progress.

"I will not attempt to cover every activity, but I will try to highlight those I think of most importance to the public. In this connection, I would also like to note that while at

times--even in this annual address--it may seem that progress is small, it is because we are looking at progress year-by-year. But it is sometimes best to make progress step by step because those steps will add up to significant progress. In fact it is worth nothing that 1988 represents our tenth anniversary under the Covenant and there has been tremendous change and progress in the past decade.

In the area of economic progress:

TOURISM

"Visitors to the Commonwealth: Calendar Year 1987 was another banner year for our visitor industry. We welcomed 193,640 people, an increase of 18 per cent over 1986. Of these, 187,740 arrived by air, and 5,900 arrived by sea.

"Air Service: Air Micronesia added direct flights between Fukuoka and Saipan.

"Rooms Capacity: Room capacity has increased and will climb with completion of the Nikko scheduled for April this year. There are currently over 800 rooms under construction, and more hotels in the planning stage.

"Future Goals: As tourism is one of our major industries, the MVB will continue to assist in improving services and increase our share of this valuable market.

COMMONWEALTH PORTS AUTHORITY

"The Commonwealth Ports Authority continues to oversee needed improvements of Commonwealth ports to the benefit of the people, private sector, and government.

"Saipan International Airport: Projects completed and begun in 1987 in three phases and totalling \$10.7 million will not only improve the terminal's structure, but increase holding areas, immigration processing, and passenger convenience including construction of a new commuter terminal for local traffic.

"Commercial Seaport: Currently there is an ongoing feasibility study for a new harbor basin and entrance channel at Saipan Harbor conducted by the U.S. Army Corps of Engineers. The study will assess the need for a 35-foot deep basin and channel eligible for federal funding. Also, plans and specifications developed last year for \$28 million in improvements to our Commercial Port were approved by the Army Corps of Engineers on January 5th of this year.

"In Rota, a \$170,000 project was underway to repair damage caused to the dock by Typhoon Kim in 1986 and Lynn in 1987. This project is being reviewed in the aftermath of Typhoon Roy.

NATURAL RESOURCES DEPARTMENT

"Plant Industry Division: Major activities here have focused on restoring damage caused by typhoons. Public needs are also served through sale of plants from the Kagman, Nursery which supplied over 6,000 seedlings last year to the forestry program and beautification projects.

"The Forestry Division grew 3,600 seedlings for reforestation projects, and A Forest Resources Plan for the CNMI has been finalized and printed.

"Fish and Wildlife Division: A five-year \$1.8 million fisheries infrastructure development plan has been drawn up and approved by the U.S. Fish and Wildlife Service. A major portion of this plan is targeted toward development of a small boat marina at Smiling Cove.

"Lands and Surveys Division: Some 58 hectares of private land were surveyed and mapped to assist the Land Commission's registration program and most of the public schools on Saipan and Tinian were surveyed for their master plans and fencing projects. The Lands and Surveys Division now has 1,500 documents stored in their computer covering the years 1981 to 1987.

JOB TRAINING PARTNERSHIP ACT (JTPA)

"In 1987, this relatively modest but effective program continued to have a very positive impact in serving economically disadvantaged people.

"Underprivileged, unskilled, unemployed, and underemployed residents of the Commonwealth were provided with Job Training assistance that helped improve their chances in the labor market, in the government, and in the private sectors.

"In 1987, the JTPA served 39 Special Education students with a placement rate of 82 percent. The On-the-Job placement rate was 79 per cent, the Work Experience placement was 89 percent, and the Tourism Resources Improvement Project placement was 100 per cent.

COMMONWEALTH ENERGY OFFICE

"Energy Conference: The highly successful and well attended Pacific Energy Conference during July, 1987 demonstrated modern, energy-saving equipment and techniques to home owners, contractors, and retailers. This meeting was attended by over 150 people including exhibitors from the U.S. and Hawaii, Fiji, Australia, and New Zealand.

"Conservation Program: As part of its ongoing work to find better and more efficient ways of using renewable energy sources, the Energy Efficient Investment Program was started October 12, 1987.

"The above are just two major projects, but the Commonwealth Energy Office is involved in many other projects promoting the use of alternate forms of energy, and I would like to give credit for the success of such programs to all Energy Office staff involved with them.

COMMONWEALTH DEVELOPMENT AUTHORITY

"The Authority is divided into two divisions: the Development Corporation Division, which identifies, formulates, initiates, and stimulates economic development in the private sector; and the Development Banking Division which engages in government and public sector activities.

"During 1987, the Corporation Division approved 27 direct loans totaling \$1.7 million in the areas of General Commercial Agriculture and Fishing. The Banking Division approved five bank loan guarantees of \$1 million.

"The Corporation Division also provided performance bonding to ten local companies for home rehabilitation in the aftermath of Typhoon Kim.

"In 1987, the CDA Board also identified the following as priority projects: Cut-flower production, coffee farming, and macadamia nut candy factory.

"In 1987, the \$140 million capital improvement bonds were remarketed and specific capital improvement projects were identified, and bond proceeds of \$44 million were allocated for the following: Commonwealth Utilities Corporation - \$30 million; Department of Education - \$6.5 million; and Commonwealth Ports Authority - \$7.2 million.

"Additional activities of the CDA Board of Directors included financing the following projects: 1) A matching fund grant to the Pacific Business Center program to provide technical and managerial assistance to local businesses; 2) A market assessment for single family home mortgages conducted by Peat Marwick which discusses what types of financial packages might be used to finance home construction; and 3) A Kagman irrigation project for commercial farm plots.

"A Committee on Federal Programs initiated a U.S. Farmers Home Administration loan application for the construction of a Cultural and Performing Arts Center.

COMMERCE AND LABOR

"Economic Development Division: During 1987, the Economic Development Division issued 20 percent more licenses than in 1986, from 2,152 to 2,586.

"This indicates that the Commonwealth continues to be an attractive place to do business and in this connection, I note that recently some major companies have decided to locate their offices on Saipan.

"Foreign capital and expertise have enabled us to achieve a faster rate of growth than would usually be possible.

"At the same time, I want to assure the Legislature and the people of the Commonwealth that the Department continues to ensure that our local residents are given priority to participate in businesses created by this investment, whether it be in entry level or management jobs, or investment in the company.

"Banking: 1987 began with seven retail and three offshore banks in the CNMI. During March of last year, however, the license of one bank was revoked due to that bank's failure to meet some of the major requirements of the Commonwealth Banking Code.

"Because of the critical role that financial institutions play in our development, I would respectfully request that the Legislature review and consider legislation addressing the need to strengthen provisions of the current Banking Code and the Trust Act.

"Labor Division: The number of new non-resident workers' permits issued in 1987 for the CNMI was 8,672 an increase of 27 percent over last year and mainly attributed to the rapid development I mentioned earlier.

"In this connection, last year I signed into law the Alien Labor Act of 1986 which provides stricter control and regulation of non-resident workers and requires an annual increase in the number of resident workers up to 20% of every employer's management, supervisory, and non-supervisory work force. It also prohibits the transfer of non-resident workers from one employer to another.

"Statistics Division: The Department has hired a statistician and the purchase of a computer system gives it the capability of generating updated Consumer Price Indexes, population projects, and statistics on labor and other economic activities.

"I now turn to the area of Social Progress.

EDUCATION

"First and foremost in importance is the quality of our educational system and its facilities. 1987 brought many changes, benefits and improvements including the following: Public school enrollment increased from 4,829 in school year 1986-86 to 5,386 in 1986-87, an increase of 11 percent and private school enrollment was up 188 or 20 percent.

"A five-year comprehensive curriculum development plan was developed and adopted by the Board of Education.

"As mandated by the last Constitutional Convention, the people voted into office last November the first elected Board of Education. Those members have been sworn in and the Department is now preparing to become autonomous. This will insure that there will be no political interference in this critical area. Also for the first time, and as mandated by the Constitutional Convention, the Department will receive no less than 15 percent of the general revenue for the Commonwealth, and the Northern Marianas College is guaranteed one percent of the general revenue.

"The Department implemented a relevant, locally-written science curriculum which is being praised by teachers as fitting in with our island situation and culture.

"Another comprehensive five-year plan called 'Integrated Directions for Educational Actions' was adopted by the former Board which details plans for educational improvement from 1988 to 1992.

"Thirteen new teachers were hired and the government built many facilities to meet the growing student enrollment including: six classrooms at Koblerville; five classrooms and a library/office at Rota Elementary School; two classrooms in Tinian; a Headstart center in Chalan Kanoa; and fencing of the schools in several areas.

"The Marianas and Rota High Schools were accepted by the Western Association of Schools and Colleges to be eligible for accreditation.

"In 1980, only 15 of our teachers had B.A. degrees and none of them had an M.A. degree. In 1987, 128 teachers had B.A. degrees and 33 had earned their M.A. degrees. This means 46 percent of our teachers today have a B.A. degree or higher.

"The Special Education program increased its student enrollment from 121 over five years ago to over 500 last year. I am pleased to see that we can continue to provide special help for the special students that need it.

"In 1987, 236 students graduated from our high schools. Of that number, 124 planned to attend college. Of those, 31 percent wanted to attend college in the CNMI.

NORTHERN MARIANAS COLLEGE

"In 1987, the Northern Marianas College expanded by renovating and moving into Dr. Torres Hospital. A major event was the designation of the College as a Land Grant Institution by the U.S. Congress. In April 1987, the College received a grant of over \$500,000 from the U.S. Department of Agriculture to initiate the Extension Services and Research Program for the Commonwealth. I look forward to the future growth and development of this institution of higher learning.

COMMONWEALTH HEALTH CENTER

"I think it is not an exaggeration to say that 1987 saw medical care in the Commonwealth revolutionized. The vast improvements did not come about overnight, but were the result of long and thoughtful planning over several years.

"Before mentioning some of last year's accomplishments, I am compelled to mention some problems-CHC's operations may be seriously threatened if funds requested in our 1988 budget for the hospital's operations are not approved soon by this Legislature.

"I have been advised that if the Department is unable to fill certain vacancies, the number of beds in the medical/surgical unit would be reduced by 20.

"The Intensive Care and Neo-Natal Intensive Care Units would have to be closed, and all identified high risk mothers would have to be transferred off-island for special treatment.

"I, therefore, urge this Legislature to please review and consider passage of the 1988 budget.

"Some of the important accomplishments during 1987 were:

"Federal Certification: Medicare/Medicaid certification previously denied due to the deteriorating condition of Dr. Torres Hospital was granted in June.

"Licensing: Shortly after that, the present Commonwealth system of medical/professional licensing became effective.

"Professional Organizations: The Commonwealth was accepted as an associate member of the Hawaii Health Care Association. Also, our Director of Public Health and Environmental Services Dr. Jose T. Villagomez, was re-elected President of the Pacific Health Officers Association.

"New Personnel: Additional personnel were recruited, including doctors, nurses and technicians to provide the support staff necessary to the efficient operation of the facility.

"Referral Reduction: In the past 14 months, 165 adult patients have been treated in the Intensive Care Unit, and 79 infants in the Neo-Natal Intensive Care Unit. If these patients had been referred to Guam or Hawaii, it has been calculated it would have cost \$2.4 million. This shows that the promise of the CHC is becoming a reality.

"Computer Efficiency: Many functions are being computerized for more efficient operations including outpatient data, accounting, medical supplies, and the pharmacy.

"Privatization: Certain activities have been privatized, including security, grounds maintenance and laundry.

"Workload: To give you an idea of the scope of the CHC's current operations, in 1987 the following was done: \$500,000 collected filling prescriptions; 10,000 meals prepared each month; 30,000 outpatient visits recorded; 3,000 sanitation inspections of businesses, private homes, and schools; 8,500 dental visits recorded; and 3,000 fresh and marine water samples taken and analyzed by the Division of Environmental Quality.

"Rota Health Center: The \$750,000 Hill-Burton funded Rota Health Center was opened in 1987 and handled nearly 5,000 outpatient visits and 217 patients.

"Tinian Health Center: In 1987 the new Tinian Health Center recorded 4,254 outpatient visits and 178 inpatient.

"ADMINISTRATION OF JUSTICE

"Like all citizens and residents of the Commonwealth, I was shocked over the violent crimes committed on Saipan near the end of last year. I can assure you, the families and friends of the bereaved and the general public that intensive investigations are ongoing and that the Department of Public Safety will do its utmost to bring those responsible to justice.

"Attorney General's Office: The Criminal Division filed against and convicted nine defendants in five homicide cases, and secured convictions for unlawful firearms, thefts, and sexual assaults.

"The Civil Division has continued to be involved in several complex and sensitive cases involving important public issues.

"Department of Public Safety: The Department of Public Safety's primary goal for 1987 was to provide for greater professionalism through training. Programs included a Police Recruit Training Academy, In-Service Training for all levels of personnel, and bringing trainers to the Commonwealth to reduce costs.

"As an example, the first complete In-Service Training Program for all levels of police personnel began August 17, 1987. This program covered such subjects as CNMI law, Police Operations, Public/Community Relations, Criminal and Traffic Investigations, Crime Prevention, and Firearm Safety and Qualification, to name a few.

"Eleven thousand four hundred (11,400) man-hours of In-Service Training was provided by the Public Safety Training Division between August 17 and December 31, 1987.

"Criminal Justice Planning Agency: The Criminal Justice Planning Agency serves a wide variety of needs in the Commonwealth and acts as the CNMI's grantor agency for various activities. This agency is very effective, and its funding and assistance compliment activities of the Department of Public Safety, the Division of Corrections, Catholic Social Services and others. Some brief examples: In 1987 the Commonwealth received \$169,503 from the Juvenile Justice and Delinquency Prevention Act. The funding was allotted as follows: \$14,000 for the Catholic Social Services Teen Center; \$4,000 for the DPS Juvenile Unit; \$86,000 for the Juvenile Corrections Unit; \$8,000 for Homemakers' Services; and \$46,000 for several direct projects.

"During 1987 the Agency assisted the Department of Public Safety in implementing a Criminal Justice Information System which will computerize the motor vehicle registration, driver's license, offense and offender tracking system, firearms registration, alien registration and tracking.

FINANCE MATTERS

"Department of Finance: I am pleased to report that according to the Director of the Department of Finance, we closed the books for Fiscal Year 1987 with a surplus of about \$800,000. This is a result of revenues exceeding our expectations, and also our actual spending was less than what had been approved by the Legislature.

"Audits: I am pleased to report that an audit of the CNMI's Comprehensive Annual Financial Report for 1986 is nearing completion. This important audit will satisfy both federal and local audit requirements, and also identify our financial position as of September 30, 1986. This figure is needed to use in charting our future financial resources. In this regard, I want to reiterate my concern that it would be prudent to wait for the 1986 audit report before considering the surplus for appropriation.

"With regard to audits for Fiscal Year 1987 and 1988, I am advised that 1987 may be completed by July, and 1988 by December of this year.

"I also wish to note I have provided the Legislature with the report required by 1 CMC 7209 for Fiscal Year 1987. This report and other financial data will be audited and, when completed, will be provided to the Legislature as mandated in Section 9 of Article III of the Constitution as amended by Constitutional Amendment No. 14.

"Financial Management System: I am also pleased to report that the computerized Financial Management System installed in 1984 has finally become stabilized and operational after a long period of changes and modifications. Training is continuing and the financial administration of the CNMI is now at a satisfactory level.

"Public Auditor: Providing those important audits is the work of the Office of the Public Auditor, headed by Mr. Scott Tan who was confirmed last year by the Legislature. In addition to undertaking the comprehensive single year audits, the Office has performed 17 other audits. As a result of these audits, discrepancies have been rectified resulting in a savings to the government. This office will continue to conduct audits of various activities in order to ensure that government funds are spent properly.

PUBLIC WORKS AND UTILITIES

"During 1987 the transfer of functions and funds for utilities from the Department of Public Works to the Commonwealth Utilities Corporation was completed.

"This will allow Public Works to concentrate on road maintenance and other projects, and CUC on the improvement of water, power and sewer services. In this connection, I am happy to note that \$30 million from the \$44 million made available from capital improvement bonds will be loaned to CUC to be used for improving our critical power situation.

COMMUNITY AND CULTURAL AFFAIRS

"The Department of Community and Cultural Affairs continues to provide important essential services such as:

"The Food Stamp Program: During July of last year funding was renewed in the amount of \$3.7 million.

"As to Veteran Affairs, during 1987 accomplishments included enabling veterans to attend the Northern Marianas College and to enjoy medical and CAMPUS benefits.

"Low-Income Family Assistance: \$34,000 was provided to assist 300 elderly persons and low-income households to meet their energy needs.

"Youth Services: A major effort was sponsoring of the Second CNMI Youth Conference. Other activities included wide distribution of literature on child abuse and neglect.

"Aging Program: This important program provided 65,457 meals at the Senior Citizens Centers, \$143,000 worth of meals delivered to home-bound elderly, and 458 senior citizens were provided transportation assistance.

"Historic Preservation Office: This office applied for and received \$118,000 in federal assistance for its programs last year. During the year, it reviewed over 100 land use applications in order to advise developers how to best protect important historic sites. The office also completed three surveys at Laulau, Makpo Valley, and the leeward coast.

"Additionally, it was responsible for collecting 20 hours of oral history in Satawal, Yap State, FSM, relating to the migration of Carolinians to the Northern Mariana Islands in the early 1800s, and published historical documents about life in the Northern Marianas in the early 1600s and 1700s.

HOUSING AUTHORITY

"During 1987 the Mariana Islands Housing Authority was very active on several fronts including Section 8 Housing Program: sixteen families were provided with emergency housing assistance following destruction of their homes by Typhoon Kim. Rental subsidy from Housing and Urban Development totaled \$989,461 last year.

"Community Development Block Grants: \$380,000 was received for the multipurpose gymnasium on Saipan which is scheduled to be completed in April this year; \$300,000 in increased funding was

received for construction of 149 septic tanks for FEMA homes without sewer access; \$383,265 the regular 1987 grant, was received for construction of a multipurpose center on Rota.

"The Authority continues to review the need for low and moderate income housing for the people of our community and to assist them in securing safe, decent and sanitary houses in which to live.

PLANNING

"I now wish to discuss the subject which I have saved until near the end in order to give it emphasis: that subject is planning.

"Planning spans both economic and social programs. I want you to know that planning has a high priority with this Administration.

"I think it is a well-known island attitude to wait to see what tomorrow brings. This attitude may still be appropriate for some individuals, but in this modern, complex world, both government and business need to plan in order to survive, prosper and grow. We must plan in order to deliver the services which the public and the business sector rightfully expect from the government.

"SEVEN-YEAR DEVELOPMENT PLAN: With regard to the Seven-Year Strategic Development Plan, there have been delays, but those delays are over.

"First, I appointed a Seven-Year Plan Task Force to guide the plan's development. The Task Force is composed of managers or technical experts from key CNMI government departments and autonomous agencies. I have confidence that this group will complete its work and develop an effective plan which will help guide our future development.

"At my direction last November, the Task Force produced an 'Interim Plan' identifying proposed uses of the first three fiscal years Development Funding of \$44 million under the Covenant which I mentioned earlier.

"Second, under a Memorandum of Understanding with the U.S. Department of the Interior's Territorial and International Affairs Office (OTIA), we held a competitive selection process to hire a contractor to help us with drawing up the Seven-Year Plan. The contract for that work was signed two days ago.

"The contractor will work closely with our Task Force and with the various agencies, autonomous corporations, this Legislature, and other appropriate activities to produce a plan that conforms to requirements in various agreements with Interior.

"Important future steps for the plan are: By August we expect the Task Force, working with Arthur D. Little, to have the plan ready for submission by the CNMI to OTIA for review and approval by the U.S. Government.

"Approval of the plan will trigger release of the balance of Capital Development Funds under the \$140 million bond issue.

"This is a very ambitious schedule. Unexpected circumstances or events beyond our control might cause delays in the process. However, as I said, this Administration is firmly committed to providing all available resources to produce a competent, effective plan at the earliest possible date. We are confident we will see an approved plan by this fall.

FEDERAL RELATIONS

"While we have made substantial progress in our relationship with the Federal Government, certain issues remain to be resolved.

"Last year, I told you that we would take steps to ensure that all our citizens would be afforded the privileges, immunities and responsibilities of U.S. Citizens or Nationals as intended by the Northern Marianas Political Status Commission.

"Although a lawsuit filed in the Marianas District Court was successful in resolving the citizenship issue for most of our citizens, many of our people are still unable to receive U.S. Passports. It is indeed very sad.

"To date, no decision has been reached. Consequently, I have requested the Attorney General to research and review the issue and report to me what possible causes of action are available. I firmly believe that our people can be resolved with goodwill and by reaching mutual agreement on what important provisions of the Covenant mean.

"Another problem area is Section 902 of the Covenant. This important section provides that the President of the United States and I appoint Special Representative to meet and discuss issues which mutually affect us.

"The representatives were appointed and meetings held. Many of the issues identified are critical to the future of our islands and, if not resolved according to our understanding at the time the Covenant was approved, may affect the guarantees of self-government in the Covenant.

"They are issues on which we have different views and I am aware that the Legislature shares our concern and is also addressing the issue.

"I believe that important issues like these should be discussed and resolved in the 902 consultations and not in the court. Unfortunately, negotiations cannot be renewed because the former U.S. Special Representative resigned his position with the Interior Department and no new representative has been named. In the meantime, certain court decisions have been made which run counter to our understanding of provisions in the Covenant.

"I am confident that the President will appoint a Special Representative to resume the negotiations and resolve these problems.

"Inappropriate and contrary court decisions can only lead to further problems. Many U.S. government officials do not understand the difference between the Covenant for the Commonwealth and other unique and different political arrangements under the American political "umbrella."

"Further, unlike the U.S. Constitution which is over 200 years old, the Covenant is a new document. Its proper interpretation can easily be understood by relying on the testimony of those who

negotiated the Covenant. I believe this is one of the primary reasons that Section 902 was included, because the U.S. Constitution has no similar provision.

"In this connection with this general topic, I want to congratulate the Legislature for demonstrating its concern about Covenant-related issues that affect our citizens.

"Again, as I stated earlier, I believe these concerns can be resolved to our mutual satisfaction through a better understanding of important provisions of the Covenant.

"This Administration will continue to work with the United States Government to insure that it recognizes and respects our guarantees of self-government as provided in the Covenant.

"Before concluding, I want to offer my traditional thanks to the many government employees who worked so hard throughout the year and especially after natural disasters. I also would be remiss if I did not also thank the private sector for their help and assistance during the year past.

"I would also like to mention that while this government may seem complicated or big to some people, it really is not. It is made up of people like you; it is your government and we are here to serve. That is why I wish to thank our people, the employees, because they are the ones that make the difference. Without them my efforts and those of the Lt. Governor and all the Directors would be useless.

"I would say that is important.

"As I said at the beginning of this address, individuals can make a difference. YOU can make a difference.

"Each and everyone of us by our efforts can make changes for the better. So let us work individually and together to make those changes. I know we can do it.

"In conclusion, Mr. Speaker, Mr. President and members of the Sixth Commonwealth Legislature, I think we can look back on 1987 as a year of many accomplishments and much progress, some in small steps, some in larger steps, despite the problems and obstacles we encountered. And let me say that I would be the first person to admit that while we have done much, there is still much to be done in providing public services to our people. I am positive that with your cooperation, we can make greater achievements in the future.

"The year 1987 was one that produced events which continue to influence and affect us in 1988. It was a year of challenges, and those challenges continue this year. I therefore, pledge to you, to the people of this great Commonwealth, to be equal to those challenges in the year to come.

"Si Yuus Maase and thank you all.

Speaker Guerrero: Thank you, Governor Tenorio. I would like now to recognize the Floor Leader of the House.

Floor Leader Vicente Sablan: Mr. Speaker, I move at this time that the Committee of the Whole go back to its plenary session, the joint session.

Vice Speaker Benigno Sablan seconded, and the motion carried by voice vote.

The Committee of the Whole rose at 11:25 a.m.

House Clerk E. Pangelinan: Ladies and Gentlemen, at this time I would like to call upon the Reverend Dwight Chapman to the podium to give us the benediction.

BENEDICTION

Reverend Chapman: Almighty God, Who in the time past did lead our fathers forth to this wealthy place, give Your peace, we humbly ask You, to us their children, that we may always approve ourselves a people mindful of Your favor and glad to do Your will. Bless our land with honorable industry, sound learning and pure religion. Defend our liberties and preserve our unity. Save us from violence, discord, and confusion, from pride and arrogance and from every evil way. Fashion into ooe happy people the multitudes brought together out of many kindreds and languages and do what the Spirit of Wisdom--those whom we entrust toyour name with the authority of governing--to the end that there may be peace at home and we keep a place among the nations of the earth. In the time of prosperity fill our hearts with thankfulness; and in the day of difficulty, help our faith in you not to fail. This prayer we ask in the name of our Lord and Savior, Jesus Christ. Amen.

House Clerk E. Pangelinan: Thank you Reverend Dwight Chapman for the benediction. At this time, I would like to call upon Speaker Guerrero. Speaker Guerrero?

ANNOUNCEMENT

Speaker Guerrero: Thank you, House Clerk. The President of the Senate, the Honorable Benjamin Manglona, and all the members of the House of Representatives and the Senate and I recognize everyone here today and we thank you for coming to witness the address given by our Governor. After this ceremony is over, we invite you to join us have some sweets and coffee back there. We thank you all for coming.

House Clerk E. Pangelinan: Ladies and Gentlemen, we have now come to the last portion of our program for this morning which is the adjournment of the joint session.

Floor Leader Vicente Sablan: Mr. Speaker, I now move that the Joint Session of the Sixth Northern Marianas Commonwealth Legislature, 1988, adjourn sine die.

Representative David Sablan and Senator Inos seconded, and the motion carried by voice vote.

The Joint Session adjourned sine die at 11:30 a.m.

Respectfully submitted,

Antonia M. Apatang
Senate Journal Clerk