



HOUSE OF REPRESENTATIVES

TWENTIETH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

SECOND REGULAR SESSION, 2017

LEGISLATIVE JOURNAL

6th Day, Second Regular Session

Friday, September 15, 2017

The House of Representatives of the Twentieth Northern Marianas Commonwealth Legislature convened its Emergency Session, Sixth Day, Second Regular Session on Friday, September 15, 2017, at 11:33 a.m., in the House Chamber on Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Rafael S. Demapan, Speaker of the House, presided.

A moment of silence was observed.

ROLL CALL

The Clerk called the roll and nineteen members were present; Representative Blas Jonathan "BJ" T. Attao was absent and excused.

Speaker Rafael S. Demapan: *Si Yu'us Ma'ase*, Clerk. With 19 members present and 1 member absent; Representative BJ Attao is hereby excused. So with that we will proceed with our Order of Business. Before that, let me recognize the Floor Leader for the motion on the emergency declaration for today's session. Recognize Floor Leader.

Floor Leader Glenn L. Maratita: *Si Yu'us Ma'ase*, Mr. Speaker. Pursuant to the Open Government Act and the Official Rules of the House of Representatives, I move that this House agrees that an emergency exists and the reason for finding that an emergency exist is for the pressing and urging need to address the fiscal year 2018 budget which appears on today's agenda as Conference Committee Report 20-1. On that note, Mr. Speaker, I so move.

The motion was seconded.

There was no discussion, the Chair recognized the Clerk to call the roll.

The Clerk called the roll on the motion that an emergency session exists to address the Fiscal Year 2018 Budget with the following results:

Representative Francisco C. Aguon	yes
Representative Edwin P. Aldan	yes

Representative Blas Jonathan “BJ” T. Attao	absent (<i>excused</i>)
Representative Donald C. Barcinas	yes
Representative Ivan A. Blanco	yes
Representative Francisco S. Dela Cruz	yes
Representative Joseph P. Deleon Guerrero	yes
Representative Lorenzo I. Deleon Guerrero	yes
Representative Angel A. Demapan	yes
Speaker Rafael S. Demapan	yes
Representative Joseph Lee Pan T. Guerrero	yes
Representative Alice S. Igitol	yes
Representative Jose I. Itibus	yes
Representative Glenn L. Maratita	yes
Representative Janet U. Maratita	yes
Representative Edwin K. Propst	yes
Representative Gregorio M. Sablan, Jr.	yes
Representative John Paul P. Sablan	yes
Representative Vinson F. Sablan	yes
Representative Edmund Joseph S. Villagomez	yes

House Clerk Linda B. Muña: Mr. Speaker, all 19 members present voted “yes.”

Speaker Rafael S. Demapan: *Si Yu’us Ma’ase*, Clerk. With all 19 members voting in the affirmative, emergency does exist and we are going to proceed with our Order of Business. Moving down to item II, Public Comments. Anyone who wishes to comment, you may proceed to the podium. I ask that you identify yourself.

PUBLIC COMMENTS

One individual made comments pertaining to the following:

C. C. R. NO. 20-1: Reporting on H. B. 20-105, HD2, SD3, entitled, “To 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 2018; and for other purposes.” *Your Conference Committee recommends passage of the bill in the form of H. B. 20-105, HD2, SD3, CCS1.*

Mr. Herman Guerrero, Board of Education Member

The Chair directed the members to item XIII, Reports of Special and Conference Committee and recognized the Floor Leader.

ADOPTION OF JOURNALS

None

INTRODUCTION OF BILLS

House Bills: None

House Local Bills: None

House Legislative Initiatives: None

INTRODUCTION OF RESOLUTIONS

House Resolutions: None

House Joint Resolutions: None

House Commemorative Resolutions: None

House Concurrent Resolutions: None

MESSAGES FROM THE GOVERNOR

None

SENATE COMMUNICATIONS

None

HOUSE COMMUNICATIONS

None

COMMUNICATIONS FROM THE JUDICIAL BRANCH

None

COMMUNICATIONS FROM DEPARTMENTS & AGENCIES

None

MISCELLANEOUS COMMUNICATIONS

None

REPORTS OF STANDING COMMITTEES

None

REPORTS OF SPECIAL AND CONFERENCE COMMITTEES

The Floor Leader made a motion to adopt the following Conference Committee Report:

C. C. R. NO. 20-1: Reporting on H. B. 20-105, HD2, SD3, entitled, “To 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

2018; and for other purposes.” *Your Conference Committee recommends passage of the bill in the form of H. B. 20-105, HD2, SD3, CCS1.*

The motion was seconded.

Speaker Rafael S. Demapan: *Si Yu’us Ma’ase*, Floor Leader. Your motion has been seconded. Discussion on that motion? Recognize the Chair on Ways and Means.

Representative Angel A. Demapan: Thank you, Mr. Speaker and members. If I could I ask for your indulgence of a little bit of your time for the benefit of our people that are here in this morning’s session and the benefit of the viewing public just to summarize the work of the conference committee. Mr. Speaker and members as you know, the conference committee convened on Monday and concluded its deliberations yesterday and after three-days in deliberation we were able to produce Conference Committee Substitute 1 that is before us this morning. Just for a little bit of background information on how we arrived at this substitute, I’d like to go through some of the highlights of this particular legislation that is before us. Number one, as you know the House version and the House position has been consistent about safeguarding the Marianas Visitors Authority funds provided by the hotel occupancy tax. The Senate version appropriated \$1.5 Million or modified the budget to allocate \$1.5 Million Dollars for various purposes. In conference committee, we were able to agree to restore a total of \$550,000 back to MVA and support the remaining allocations based on our consultation with MVA and MVA agreeing that the remaining allocations have a relationship to our visitor industry and that includes the \$450,000.00 to purchase a fire pumper truck for the Department of Fire. This is a pumper truck that one, is 1,000 gallon capacity; two, it’s also a pumper truck that can address a fire incidence in high-rise buildings such as our major hotels. Secondly, there’s an allocation of \$69,000.00 to the Public School System for the cooperative education program to promote tourism-related programs. \$250,000 for a tractor mower for the Office of the Mayor of Tinian and \$250,000 for a tractor mower for the Office of the Mayor of Rota. The same provision does not include the Mayor of Saipan, because we’ve recently funded the same equipment in our recent Saipan and Northern Islands Legislative Delegation session. The other provisions relate to reporting requirements basically going back to the House version of requiring quarterly reports to be submitted by the departments and agencies. The Senate had made an amendment to change it to monthly, but in the spirit of efficiency the conferees agreed to going back to the quarterly language would be more beneficial to everybody. In addition to the quarterly language, the conferees agreed to insert language stating that the actual deadline for submission is thirty-days after the end of each quarter. So, this is not just an open-ended deadline. Furthermore, on the issue of the Governor’s vacant holding account which was originally pegged at 50, the conferees have agreed to increase it to 100 on the basis that the increase of 50 NOP’s is reserved for the Department of Public Safety. Particularly, 30 for Saipan DPS, 10 for DPS Tinian and 10 for DPS Rota so that the needs of our Department of Public Safety do not have to be competing with the needs of the rest of the departments and agencies who may need to withdraw from this holding account for essential services. Regarding – there’s also a provision on Section 605 regarding the Salary Cap Exemption you will see that from the previous budget version, we have removed the Director of EDP and Director of Procurement and Supply from the exemption only because the fall under the new conversion table and will be making more under the new conversion table than what is being sought for in the exemption. There are provisions for CHCC’s appropriated funds basically allocating within the appropriated funds to CHCC basically allocating or directing

administrative provisions on hiring the required – the needed physicians, physician assistance, dental assistance and nurse practitioner for the respective municipalities. Included in the CHCC account is an allocation of \$40,000.00 to help defray the cost of freight cost that is associated with lab works for patients in Tinian and Rota who need to send their specimens to Saipan for testing. At this point in time, these patients bare the cost of paying for the freight of their lab work and that's a cost that patients in Saipan are not subjected to. So, we agree with the conferees that funding should be allocated within the PSS budget to take care of this. There's also a \$75,000.00 allocation for counseling services for alcohol and drug abuse in Rota and Tinian and these services are under the purview of the Community Guidance Center. This provision is specified because the CGC provide such services in Saipan, but there is no additional funding assistance to CGC to be able to expand this program to Tinian and Rota. There's a Tobacco Control Fund that was in the Senate version of the budget that has been deleted and the conferees agreed that that particular appropriation will come in the form of standalone legislation that would originate from the House. Under the Legislative Branch and other significant change is the conferees have looked into this issue of the salary increase for elected officials and we take note that there is an ongoing litigation and the newest development is when the budget bill is in the Senate, Secretary of Finance had issued a communication to the legislature basically informing the legislature that she has voluntarily agreed to an injunction that forbids her from paying for the salary increases until a decision from the court is rendered. We did not have the privilege of that communication when the House was acting on the budget. Since it came, during the Senate portion of the budget the Senate took note of that and we also continue to look into that issue in conference committee and have inserted here provisions that will address the consideration of the ongoing litigation. So basically, we anticipate that the first and second quarter of the new fiscal year there may not be a decision from the court. So, on that cognizance the committee agreed to remove 50% of the funding for the salary increase and distribute that elsewhere. We have 50% of the funding for the salary increase remaining in here under a special conditional provision that states, "In the event that the decision in the Certified Legal Question, finds that the salary increases for members of the legislature provided for in PL19-83 are unenforceable..." then we have a provision and a mechanism on where we distribute the remaining 50% of the funds and this provision states that \$334,937.00 from the House member's salaries business unit and \$150,722 from the Senate member's salaries business unit shall be appropriated as follows: a total of \$104,759.00 will be restored back to the Department of Public Works, Street Lights business unit for the utility payments of street lights in Saipan. A total of \$380,900.00 will be diverted to the Commonwealth Health Corporation to add funding to their operations account. It's also under the request of the conferees to CHC that this funding to the operations account be prioritized for the purchase of pharmaceuticals and medical supplies. There are also provisions for PSS in here providing for the expenditure of \$250,000.00 to support programs such as the Carolinian Bilingual Bicultural Program, the Chamorro Bilingual Program under the Office of Curriculum and Instruction, there are separate allocations on how to distribute for Saipan, Rota and Tinian. There is also a distribution for inter-islands scholastic sports activities per senatorial district. Under Independent Programs, we have a provision on Group Health and Life Insurance. Basically, allowing the reprogramming authority for this specific activity only because government employees have the option to opt in or opt out. If they opt out, they have the option to opt back in which will require reprogramming on the department or agency that employs that particular individual. So, the conferees agreed that this flexibility was needed. The conferees take note that we maintain the House version, we left it unchanged because the Senate also left it unchanged so we maintained that the Governor's

reprogramming authority for fiscal year 2018 will be in accordance to statute allowing only 25% reprogramming authority. Anything beyond the 25% will require legislative action. We've also reinstated the expenditure authority for the public assistance program which shall be the Governor's authorized representative. This particular activity is mainly for purposes of natural disasters such as in the case of typhoon Soudelor. This provision being in the budget will allow the Public Assistance Program to kick in and address concerns on transactions or purchases that need to be made in times of disaster in a more timely fashion. You see a provision that deletes references to the Commonwealth Advocates for Recovery and NMPASI, the only why this was deleted is because they were funded in previous years budget so they were listed on the list of activities for this particular general fund for FY 18. They're not receiving funds within this budget. So just for reference purposes they were being removed from the listing. For Outside Sources, one of the significant changes that we restored back is the language that says educational entities regarding the CW fee program, the Senate had taken out the language educational entities and had been specific only to the Northern Marianas College and the Northern Marianas Trades Institute. However, after further review by the conference committee we found the need to be consistent with United States Public Law 110-229, which uses the language "educational entities" and so on that regard we restored that particular language back. The conferees also agreed to delete the words "excluding interest" in the provision surrounding judgements against government. Conferees believe that any judgements against government that's going to be paid out in the \$1 Million Dollar appropriation provided in this general fund budget shall include interest only because we have already done appropriations previously that address judgements against government and interest payments were included and we also feel that by addressing interest payments we prevent whatever judgement that is pending from continuing to exponentially grow thereby increasing governments obligation. Mr. Speaker and members, what we have before us is a compromise between your House conferees and the conferees of the Senate. There are some things in here that are not included, but we have plans to address in other approaches and other strategies, for example the appropriation for the generator project under the Legislative Bureau that reduction is going to be hopefully restored based on commitments by the Chairpersons of the Saipan, Tinian and Rota legislative delegations, who have made a commitment to fund the generator project in equal payments from each delegation given that all three legislative delegations utilize the legislative building. So, we hope that that would resolve the issue of our long standing and much needed project here in the bureau. Finally, Mr. Speaker and members, this budget also gives increase funding to the First and Second Senatorial Districts. In light of the economic improvements that have been happening in the Third Senatorial District. Our people in the First and Second Senatorial District have been having a much more challenging time compared to the Third Senatorial District. So, knowing that there are more supplemental funding available for the Third Senatorial District, the conferees have agreed to support the funding needs of the First and Second Senatorial District in this particular budget and knowing that we can address further needs at the Third Senatorial District through supplemental funding or through the funding under the Saipan and Northern Islands Legislative Delegation. With that said, Mr. Speaker and members, on behalf of the conferees, we would like to thank the staff of the legislature, particularly the Legislative Bureau who supported the work of the committee in the three-days of deliberation. We would also like to thank the members for your patience and your understanding, but more so we humbly ask for your support in the passage of conference committee substitute 1. So, we are in order to provide a spending plan for our government for fiscal year 2018 and secondly that our actions today with fifteen-days

remaining in the fiscal year will prevent any shutdown in government services. With that Mr. Speaker and members, we ask for your support. Thank you very much.

Speaker Rafael S. Demapan: *Si Yu'us Ma'ase*, Chairman. Further discussion? Ready? Clerk for the roll call.

The Clerk called the roll on the motion to adopt Conference Committee Report 20-1 reference to House Bill 20-105, House Draft 2, Senate Draft 3, Conference Committee Substitute 1 with the following results:

Representative Francisco C. Aguon	yes
Representative Edwin P. Aldan	yes
Representative Blas Jonathan “BJ” T. Attao	absent (<i>excused</i>)
Representative Donald C. Barcinas	yes
Representative Ivan A. Blanco	yes
Representative Francisco S. Dela Cruz	yes
Representative Joseph P. Deleon Guerrero	yes
Representative Lorenzo I. Deleon Guerrero	yes
Representative Angel A. Demapan	yes
Speaker Rafael S. Demapan	yes
Representative Joseph Lee Pan T. Guerrero	yes
Representative Alice S. Igitol	yes
Representative Jose I. Itibus	yes
Representative Glenn L. Maratita	yes
Representative Janet U. Maratita	yes
Representative Edwin K. Propst	yes
Representative Gregorio M. Sablan, Jr.	yes
Representative John Paul P. Sablan	yes
Representative Vinson F. Sablan	yes
Representative Edmund Joseph S. Villagomez	yes

House Clerk Linda B. Muña: Mr. Speaker, all 19 members present voted “yes.”

Speaker Rafael S. Demapan: *Si Yu'us Ma'ase*, Clerk. With all 19 members voting in the affirmative, Conference Committee Report 20-1 hereby carries. Thank you, members for all your support. Let me just briefly say a few words. As we all know that meeting the government physical challenge is a very complicated and big challenge in itself, but let just assure the public that the budgeting works does not end here. As the Chairman had mentioned, we will continue to fund those unfunded entities through other source of funding. So today, let me also take the time to appreciate and acknowledge the Chairman Angel and his team and of course the Legislative Bureau for providing the assistance. To our counterpart from the Senate, thank you for your understanding also in making sure that we do have a compromise version, but today the budget does not end here. This will also go to the Governor for his signature and by then hopefully the Governor will approve a budget so that we can avoid a government shutdown. I thought I'd mention that. So with that we will go down item XVII, Miscellaneous? None? XVIII, Announcement?

UNFINISHED BUSINESS

None

RESOLUTION CALENDAR

None

BILL CALENDAR

None

MISCELLANEOUS BUSINESS

None

ANNOUNCEMENTS

Speaker Rafael S. Demapan: This body will have a session, I believe I just issued out a notice. We are going to have another session on Wednesday morning. I thought I'd mention this so members will be aware of that session next week. Any other member wanted to – recognize Chairman Joe Deleon Guerrero.

Representative Joseph P. Deleon Guerrero: Thank you, Mr. Speaker. Maybe this should have been aired under Miscellaneous, but if there's no objection from the member since we're under Announcements. I just wanted to ask if the Governor had returned the bill that we had requested a recall so that we could act on it on Wednesday?

Speaker Rafael S. Demapan: Yes, Chairman. That session we are going to entertain that measure. Hopefully, by then we can all agree and amend the version so that it gets back to the Governor for its approval. Any other member? So with that let me recognize the Floor Leader.

ADJOURNMENT

Floor Leader Glenn L. Maratita: *Si Yu'us Ma'ase*, Mr. Speaker. At this time, I would like to move that we adjourn subject to your call.

The motion was seconded and carried by voice vote. There was no nay vote.

The House adjourned at 12:02 p.m.

Respectfully submitted,

Venetia S. Rosario
House Journal Clerk

APPEARANCE OF LOCAL BILLS

FIRST LEGISLATIVE DAY: 1st Legislative appearance of a local bill is on the day it is introduced.

SECOND LEGISLATIVE DAY: NONE

THIRD LEGISLATIVE DAY: NONE

Appearance of Measures introduced on the House Floor during the House Session on September 11, 2017: None

House information on deadlines for override: None