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



Senate
SECOND REGULAR SESSION – 2017

SJ 20-16

Second Special

Thursday, August 31, 2017

In compliance with the Open Government Act, Senate President, Arnold I. Palacios, issued a session call on August 30, 2017, that the Senate of the Twentieth 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.gov.mp.

The Senate of the Twentieth Northern Marianas Commonwealth Legislature convened its Second Special, Second Regular Session, on August 31, 2017, at 11:20 a.m. in the Senate Chamber, Capitol Hill, Saipan, Commonwealth of the Northern Mariana Islands.

The Honorable Arnold I. Palacios, President of the Senate, presided.

A moment of silent prayer was observed.

The Clerk called the roll, all nine members are “present.”

President Palacios: With all nine members present we’ve established a quorum to conduct today’s session. We’re down to agenda Item B, Public Comment.

PUBLIC COMMENT

President Palacios: There being none. Clerk, please have the record reflect there’s no public comment. Looking at the agenda, we don’t have any Reading and Approval of Journal, we don’t have any Messages from the Governor, we don’t have any communications from Heads of Executive Department, and we have communications from the House. Clerk?

READING AND APPROVAL OF JOURNAL

None

MESSAGES FROM THE GOVERNOR

None

COMMUNICATIONS FROM THE JUDICIARY

None

COMMUNICATIONS FROM HEAD OF EXECUTIVE DEPARTMENT

None

COMMUNICATIONS FROM THE HOUSE

The Clerk voiced House Communications Nos. 20-86 and 20-87.

President Palacios: Thank you. Any member wish to make comment on those two communications? Ready? We move to Item H, Communications from the Senate. Clerk?

COMMUNICATIONS FROM THE SENATE

The Clerk voiced Senate Communications Nos. 20-106 and 20-107.

President Palacios: Thank you. We do not have any communications from the Congressional Delegate, we don't have any Unfinished Business, we don't have any under agenda Item K, Pre-filed Bills, Initiatives, Local Bills and Resolutions. We are down to agenda Item L, Introduction of Bills, Initiatives, Local Bills and Resolutions.

COMMUNICATIONS FROM THE WASHINGTON DELEGATE

None

UNFINISHED BUSINESS

None

PRE-FILED BILLS, INITIATIVES, LOCAL BILLS AND RESOLUTIONS

None

INTRODUCTION OF BILLS, INITIATIVES, LOCAL BILLS AND RESOLUTIONS

President Palacios: Recognized, Senator Santos.

Senator Santos: Thank you, Mr. President. At this time, I'd like to officially introduced Senate Bill No. 20-69, "To Regulate the Use and Expiration Date of Gift Certificates and Gift Cards in the Commonwealth of the Northern Mariana Islands; and for other purposes." Thank you, Mr. President.

President Palacios: Thank you. Senator Hofschneider, recognized.

Senator Hofschneider: Thank you, Mr. President. I would like to formally introduce a bill which is yet to be numbered, I ask the Clerk to give a correct number, “To establish a liaison office in the Philippines; to establish a position for a medical coordinator for utilization review and certification of billing accuracy services at the Hawaii, Guam, and Philippine liaison offices; and for other purposes.”

President Palacios: Thank you. Can you please provide that to the Clerk and hopefully we get a copy of it at the end of the session? Any more bills or legislations to be introduced? There being none we proceed to agenda Item M. There is no Standing Committees at this time, neither are there any reports from Special Committees, none on Resolution Calendar. We are down to Bill Calendar agenda, Item P. Floor Leader?

REPORTS OF STANDING COMMITTEES

None

REPORTS OF SPECIAL/CONFERENCE COMMITTEES

None

RESOLUTION CALENDAR

None

BILL CALENDAR

Floor Leader Borja: Thank you, Mr. President. We do have one on the Calendar for Final Reading House Bill No. 20-116, “To appropriate the amount of \$7,129,041.76 to pay the balance of the annual payments due to the Settlement Fund for FY 2014 and 2015,” so move for its passage.

The motion has been seconded.

President Palacios: Motion is for the passage of House Bill No. 20-116 reference to appropriating \$7,129,041.76 to pay the balance of annual payments due to the Settlement Fund for FY 2014 and 2015, discussion on that motion? Senator Mangloña?

Senator Mangloña: Thank you, Mr. President. Just several questions come to mind, number one; where is this money come from? Where is this \$7,129,041.76 coming from?

President Palacios: Let me just reference you to Department Message No. 20-38.

Senator Mangloña: I just wanted to ask, where in the bill? Because I understand that was one of the major legal question also with the retroactive payment legislation that we passed. There was a question of where is this money coming from? Is it from the \$28,000,000 that the Governor identified back in March? Is it a new funding source from additional casino gross revenue tax? I think that it's important to cite in the legislation. I know there might be a letter, but if there is no reference in the legislation

then I really don't understand if it is not in the bill then it should be in the bill and I stand to be corrected. Can we ask the legal counsel to comment?

President Palacios: Let's take a short recess.

The Senate recessed at 11:28 a.m.

RECESS

The Senate reconvened at 12:06 p.m.

President Palacios: We are back to our session. Prior to our recess, Senator Paul Mangloña and Senator Sixto Igisomar raised up issues that need for more clarity in regards to the source of the funds where this is going to be paid out of and in view of the issue that was brought up by the Governor's office and the Attorney General regarding the previous legislation. I think that it is incumbent on us to make it clear so that we don't have issue with the 25% payment from the Settlement Fund. With that, we've agreed to make the necessary amendment for that clarification and the Floor Leader will be offering the amendment. Floor Leader, recognized.

Floor Leader Borja: Thank you, Mr. President. As you mentioned, I would like to clarify the issue and the concern raised by the members, I am offering a floor amendment. The first amendment: (1) Page 1, line 14: after \$7,129,014.79, insert "from the Saipan casino operator's business gross revenue tax as identified in Gov. Comm. 20-52 and 20-71." (2) Page2, line 6: after \$7,129,014.79, insert "from the Saipan casino operator's business gross revenue tax as identified in Gov. Comm. 20-52 and 20-71." If there is no objection from the members, I would like to request that the Senate Clerk and the Legal Counsel be authorized to make the technical corrections if necessary.

The motion has been seconded.

President Palacios: Motion has been offered by Floor Leader Borja, its been seconded, discussion? Senator Cruz?

Senator Cruz: Thank you. Just over hearing Floor Leader's amendment, just for clarification, is it Saipan Casino or CNMI Casino? Because I am thinking, if it is Saipan Casino then local delegation will be authorized to appropriate funding from that.

President Palacios: Legal Counsel, you are authorized.

The legal counsel was recognized.

Senator Cruz: If that is the appropriate language then no further question. I am just concern because if it is Saipan Casino then local delegation will authorize the members of the Senate to appropriate funding from that. But if that is the appropriate language counsel then no further question. Thank you.

President Palacios: Senator Mangloña, recognized.

Senator Mangloña: Thank you, Mr. President. Can I offer an oral amendment to that? Basically, to allow the legal counsel to put a language on lines 5 to 7, that cites the casino agreement definition for the 17%, I think that was discussed during recess because the interpretation as it reads.

President Palacios: Is that on page 1?

Senator Mangloña: On page 1, under the findings where next reference on line 5, to somehow, maybe after line 6, after the word “Commonwealth” somewhere in there say, “as define under the Settlement Agreement,” to authorize her to come up with the language.

President Palacios: Are you offering that as an amendment?

Senator Mangloña: As an amendment to the amendment offered by the Floor Leader.

President Palacios: Subsidiary amendment?

Senator Mangloña: Subsidiary amendment.

The motion has been seconded.

President Palacios: Discussion on the subsidiary amendment offered by Senator Mangloña? There being no discussion? Ready? Those in favor of the motion to adopt the subsidiary motion offered by Senator Mangloña please say, “Aye.” Opposed say, “Nay.”

All members voiced, “Aye.”

President Palacios: Motion carries. We are back to the amendment motion offered by the Floor Leader, further discussion? Those in favor of the motion to adopt the amendment offered by Senator Borja, please say, “Aye.” Opposed say, “Nay.”

All members voiced, “Aye.”

President Palacios: Motion carries. We are now back to the main motion on House Bill No. 20-116, SD2. Further discussion? There being no further discussion. Clerk, please call the roll for the passage of House Bill No. 2-116, Senate Draft 2.

CLERK called the roll:

Senator Francisco M. Borja	Yes
Senator Francisco Q. Cruz	Yes
Senator Jude U. Hofschneider	Yes
Senator Sixto K. Igisomar	Yes
Senator Paul A. Mangloña	Yes

Senator Steve K. Mesngon	Hunggan (Yes)
Senator Justo S. Quitugua	Hunggan (Yes)
Senator Teresita A. Santos	Yes
President Arnold I. Palacios	Yes

CLERK: Mr. President, all nine (9) members voting “yes.”

President Palacios: With all nine members voting “yes” House Bill No. 20-116, Senate Draft 2, hereby passes the Senate. Floor Leader, we don’t have any other bill?

Floor Leader Borja: No further on the Calendar.

President Palacios: Thank you. We are down to agenda Item Q, Petitions, Memorials and Miscellaneous Communications. Clerk?

PETITIONS, MEMORIALS AND MISCELLANEOUS COMMUNICAITONS

The Clerk voiced Miscellaneous Communication No. 20-173.

President Palacios: Thank you. We’ve just addressed that communication with the passage of House Bill No. 20-116. We are down to agenda Item R, Miscellaneous Business.

MISCELLANEOUS BUSINESS

President Palacios: Any Miscellaneous Business? Senator Igisomar, recognized.

Senator Igisomar: Thank you very much, Mr. President. Actually, I hope I am not totally out of line, but I just wanted to make a statement based on what we just acted on. I have to thanked the Governor of course for giving us the availability of funds. But I like to state, Mr. President, that we are in the state of recovery but at a very early stage as we still have symptoms with greater variance towards more uncertainties then illuminated remedies. *Kumeke ileko, la’mengai este na problema guagua-ha.* With that available source of funds and their proposed usage, usage of such funds should be a bit more justified with advance accountability and transparency. I know that we received a request to pay this emergencies, and I know, Mr. President, there’s a lot more requests on your desk for other emergencies that we must pay out. But I truly hope that we have a quick response from the Department of Finance and the Administration to our honorable Justo Quitugua’s request as the Chairman of the Gaming Committee in Senate to give us a full accountability of these funds that we are currently reviewing to use for the projects within the CNMI or the needs of the CNMI. *Si Yu’us ma’use, Mr. President.*

President Palacios: Thank you for that statement. I think all members of the Senate share the same sentiment that we eagerly await responds of the requests from the Chairman of the Casino Gaming Committee of the Senate's to the Secretary of Finance and we hope that we get those responses and

that information's in a timely manner. I think that this body needs to be timely advice or inform of the resources that the Commonwealth have as well as the obligations that needs to be funded. Thank you for that brief statement. Are there any other Miscellaneous Businesses? We are down to Announcement.

ANNOUNCEMENTS

President Palacios: Senator Mesngon, do you have an announcement?

Senator Mesngon: Yes, just a quick reminder for the members. Since we are in the final stage of the budget preparation from the Fiscal Affairs Committee, I like to announce that I'll be scheduling the Judiciary, Government and Law Committee for a Public Hearing on the Marijuana Bill. So, I just want to issue that out so you guys have to set aside the schedule once we're close down with the budget. Just a quick reminder for the members. Thank you, Mr. President.

President Palacios: Thank you. Senator Hofschneider?

Senator Hofschneider: Thank you, Mr. President. Which brings us to that, thank you, Senator Mesngon. I wish to remind everyone we are convening at 2:00 p.m. today in the Senate Chamber. Thank you.

President Palacios: Yes. I thank the Committee members for the final push from the Senate on the budget, timing is also of the essence to get this thing done. Any further announcement? There being none from the members. I just want to announced that we will be joining the Labor Day festivities down at Fishing Base in Garapan tomorrow. To extend it, all members please join us down there. There being no other announcement. Senator Cruz, do you have another announcement?

Senator Cruz: Mr. President, the invitation you just mentioned that is for tomorrow, right?

President Palacios: That is correct.

Senator Cruz: I would like to apologize, we are having also our Labor day in Tinian, so I request to be excused. But I will provide what is necessary from the members to provide what we received from your secretary in regards to your assistance. Thank you.

President Palacios: Thank you. There being no further announcement, the Chair will now entertain a motion for adjournment. Floor Leader?

ADJOURNMENT

Floor Leader Borja: Thank you, Mr. President. I move to adjourn subject to your call.

The motion has been seconded.

President Palacios: Motion has been made for the adjournment subject to the call, its been seconded. Those in favor of that motion please say, “Aye.” Opposed say, “Nay.”

All members voiced, “Aye.”

President Palacios: Motion carries. Our session is hereby adjourned subject to the call.

The Senate adjourned at 12:19 a.m.

Respectfully Submitted by:

/s/Frances Joan P. Kaipat
Senate Journal Clerk