

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



Senate  
SECOND REGULAR SESSION – 2017

SJ 20-20

Sixth Day

Tuesday, September 26, 2017

In compliance with the Open Government Act, Senate President, Arnold I. Palacios, issued a session call on September 22, 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](http://www.cnmileg.gov.mp).

The Senate of the Twentieth Northern Marianas Commonwealth Legislature convened its Sixth Day, Second Regular Session, on September 26, 2017, at 10:20 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:** The floor is now open for any member of the public present here this morning to make comments on any of the agenda items appearing on today's calendar. There being none. Before we move on to the other agenda items, I believe that there is a resolution presentation this morning. Senator Quitugua, recognized.

**Senator Quitugua:** *Si Yu'us ma'ase, Mr. President.* Mr. President, I am most honored to read Senate Resolution 20-12 in summation due to its lengthy contents on behalf of the 20<sup>th</sup> Senate members. This Resolution was introduced by the Committee of the Whole, that is, all the members present during the introduction are sponsors of this resolution. Senate Resolution 20-12, is "To recognize and congratulate the 2017 Northern Marianas College graduates namely: Ms. Joy Waldo and Mr. Joshua Tanghal on passing the National Council Licensure Examination (known as NCLEX) for registered nurses." Ms. Waldo and Mr. Tanghal have proven that they have obtained the necessary medical

judgements expected of them in their career field; additionally, Ms. Waldo and Mr. Tanghal may now join a critical and highly respected group of registered nurses in the Commonwealth that unselfishly commit themselves to taking care of the lives before them. Ms. Waldo and Mr. Tanghal will be exposed to a diverse care environment in which they will continue to grow through their professional experiences that await them. This resolution is adopted on September 8, 2017 and certified by the Senate President, Senator Arnold Palacios and attested by the Senate Legislative Secretary, Mr. Justo S. Quitugua. Congratulations Ms. Waldo and Mr. Tanghal on behalf of the Senate members. Mr. President, the Senate is ready to present the aforementioned Resolution. Thank you.

**President Palacios:** Thank you. We take a short recess to make this presentation and ask the Sergeant-At-Arms to please escort the two recipients of the Resolution.

The Senate recessed at 10:25

**RECESS**

The Senate reconvened at 10:30

**President Palacios:** We are back to our session. We are under agenda Item C, Reading and Approval of Journal. There being none. Messages from the Governor.

**READING AND APPROVAL OF JOURNAL**

None

**MESSGAES FROM THE GOVERNOR**

The Clerk voiced Governor's Messages Nos. 20-125 to 20-138.

**President Palacios:** Any members want to make a statement on any of these Messages from the Governor? Senator Hofschneider?

**Senator Hofschneider:** Thank you, Mr. President. In reference to Governor's Messages Nos. 20-127 and all the way up to 20-136, everything has to do with the OTC certification that's over the cap. As we are all aware that the last two days of the Fiscal Year and you've asked the Committee to continue looking into the source of funding to allow for this substantial amount of money that's been indicated here in these communications, I have noted that Mr. President. I am going to task the fiscal analyst to proceed with the communications with the Secretary of Finance. It's not because we're trying to pick on any of this AG's, I am sure, but it's just merely to find out what the source of funds of this increase. As we all know, Mr. President, some instrumentalities and some agencies potentially have lapses also that they may need, I am not sure if they are able to access those. Going back to the issue at hand before us, it is important for the Senate at least to understand the root or the origin of this funding source so that we can better understand the intent doing this at a very last stage of our Fiscal Year 2017. Thank you.

**President Palacios:** Thank you. Please, you're on a timely manner.

**Senator Hofschneider:** Mr. President, I should have something with you by the next session. Thank you.

**President Palacios:** Senator Igisomar?

**Senator Igisomar:** Thank you, Mr. President. I just like to ride along with the Senator Jude Hofschneider, our Chairman on Fiscal Affairs, his concerns or the issues brought in forward. I believe there were lots of discussions on this matter and we've discussed it in the past and just to maybe bring forth things that were of concerns to us. For example, potential supplanting of the AAG's practice of possibly charging departments for the legal services, we are talking departments or autonomous agencies. I believe we do can provide the AG with the budget and however, if it is happening to be charging services every time the AAG provide services to government agencies that can be, I believe problematic as a form of double charge on departments. Also, for us too, as we've discussed also possibly do a fiscal audit on the AAG, all the assistant attorney generals and their salary where this money is coming from. I know that we placed some provisions in the budget that the Governor will be signing respect to us having the opportunity to meet with the Secretary of Finance and hopefully oversight and maybe include this salary adjustments part of our oversight with the Secretary of Finance and OMB. As we were discussing as well, Mr. President, I know, I maybe sound like I'm redundant, but these were things we brought up in our Senate sessions in our leadership. If the AAG increase the salary beyond the cap, OTC, then that means that, there are surely departments and agencies out there with slush funds and it may highly possible that there is budget that we are proving that are not necessarily needed. Because, if the AG and his department or office is able to get funds from somewhere else, then that means that there are slush funds out there somewhere and we need to be more extra cautious. Thank you very much, Mr. President.

**Senator Hofschneider:** Mr. President?

**President Palacios:** Senator Hofschneider, for the last time on the issue.

**Senator Hofschneider:** Thank you. Just keep in mind too that we have a 100% reprogramming authority given to the Governor this Fiscal Year, even though it's an elected AG, but it's still under the Executive Branch, it could very well be another avenue for this particular increased, which I am sure there probably more than likely it's deserving, but we still need to know, where is it coming from?

**President Palacios:** Absolutely, I think everybody is questioning that we just want to know where is it coming from? Thankyou. Any other comments on the Governor's Communications? I have one which is Governor's Message No. 20-138, relative to signing into Local Law 20-20, relative to the appropriation from the Developers Infrastructure Tax. I want to commend and thank the Governor for signing this legislation. I know that it is the Third Senatorial Delegation appropriation bill and it has to deal with our Solid Waste, Marpi Landfill. This is a very critical appropriation and I want to recognize that we will now be moving forward with some of the environmental issues that is facing the landfill. I would like to ask, Senator Sixto Igisomar, who is the Chairman on Senate PUTC

Committee, to please, engage with Public Works to take a look at these appropriation funds for this and what is the road map moving forward? We need to keep our eyes on this particular project. Senator Igisomar?

**Senator Igisomar:** Thank you very much, Mr. President. As a matter of fact, you did task the PUTC Committee to engage with DPW, and now, with our Governor signing this bill into law, I did have a discussion with the Secretary, I was going to do this part, informing all members during the Announcement part in our Agenda which I would elaborate later. But, I just wanted to ride with you, our President, just to reiterate that there's two million dollars in this bill from our Local Delegation from the leadership of our Chairman John Paul Sablan, and all the members of Local Delegation for Saipan, this two million dollars in here that we appropriated for the Marpi Landfill Cell 3, and also a \$380,000.00 that we appropriated to fund the project that you work so hard on for the construction of Solid Waste transfer stations for Kagman and the southern part, at as Gonno area. Thanks to the Governor and to the Local Delegation Leadership. *Si Yu'us ma'ase, Mr. President.*

**President Palacios:** Thank you. And on the same note, Senator Hofschneider, you're the Chair on Senate Fiscal Affairs Committee, can you take a look at the Beautification Tax, please? Because initially, that Excise Tax was supposed to be for the funding for the Solid Waste Infrastructure System throughout the Commonwealth. Can you please take a look at and see if those findings are still intact for Solid Waste, if they have been diverted? And if so, we need to see whether the Senate will have an effort to try to revise that funding source and ensure that we properly addressed this infrastructure issue that is going to be facing us again. Thank you.

**Senator Hofschneider:** Dully noted, Mr. President.

**President Palacios:** I know that, I seemed to be giving you a lot of assignments these days. We move on to agenda Item E, none. Communications from the Heads of Executive Department, none. Communications from the House.

**COMMUNICATIONS FROM THE JUDICIARY**

None

**COMMUNICAITONS FROM THE HEAD OF EXECUTIVE DEPARTMENT**

None

**COMMUNICATIONS FROM THE HOUSE**

House Communication No. 20-107

**President Palacios:** This has to do with the budget that is now on the Agenda. I believe, this has to do with the appropriation retroactive pay. Any comment? That will be on the agenda so we will discuss that extension.

**Senator Hofschneider:** *Maolek-ha.*

**President Palacios:** Agenda Item H, there being none; Item I, none; J, Unfinished Business, none. We are down to agenda Item K, Pre-Filed Bills, Initiatives, Local Bills and Resolutions.

**COMMUNICATIONS FROM THE SENATE**

None

**COMMUNICATIONS FROM THE WASHINGTON DELEGATE**

None

**UNFINISHED BUSINESS**

None

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

**President Palacios:** The Chair now recognized, Senator Mangloña.

**Senator Mangloña:** Thank you, Mr. President. Pre-filed, Senate Bill No. 20-74, on Local Bidding Preference legislation. Thank you.

**President Palacios:** Senator Mangloña, you also have another Senate Bill, do you want to introduce this?

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

**Senator Mangloña:** I was going to do that under the Introductions of Bills. Senate Bill No. 20-75, a legislation, “To designate and reserve up to five (5) hectares of public land on each of the Three Senatorial Districts to use as a place for Chamorro and Carolinian Shrines and the reinternment of ancestral remains; and for other purposes.” I so introduced. Thank you.

**President Palacios:** Thank you. Senator Quitugua, you have a resolution on the calendar.

**Senator Quitugua:** *Si Yu’us ma’ase, Mr. President.* Officially, introducing Senate Resolution No. 20-14, and if no objection from the members present today, I request that this Resolution be introduced by the Committee of the Whole. Thank you.

There being no objection raised.

**President Palacios:** Thank you. There is no objection, so we will have this Resolution introduced by the Committee of the Whole. Other introduction of bills, initiatives, resolutions? We are down to agenda Item M.

**REPORTS OF STANDING COMMITTEES**

**President Palacios:** I believe these two reports were requested to stay on the Calendar, am I correct on that, Senator Mesngon, on Standing Committee Report No. 20-40?

**Senator Mesngon:** I think that is on the Calendar, Mr. President. We will discuss that on the Bill Calendar.

**President Palacios:** We need to address that, it's on the Committee Report. I recognized the Floor Leader.

**Floor Leader Borja:** Thank you, Mr. President. As to my understanding, there are two appearing on our agenda, I am not sure on Standing Committee Report No. 20-38, are we deferring action on this?

**President Palacios:** We are going to defer action on that and the other one, 20-40, I guess we can take that up too.

**Floor Leader Borja:** Thank you, Mr. President. For the adoption of Standing Committee Report No. 20-40, from the Committee on Judiciary, Government and Law, reporting on Senate Bill No. 20-43, "To ensure that government contracts with businesses and individuals that have good records of compliance applicable to CNMI laws; and also for the purposes," so move.

The motion has been seconded.

**President Palacios:** Motion is for the adoption of Standing Committee Report No. 20-40, its seconded, discussion? Ready? Those in favor of the adoption motion please say, "Aye." Opposed say, "Nay."

All members voiced, "Aye."

**President Palacios:** Motion carries. There is no Reports of Special/Conference Committee, so we are down to agenda Item O, Resolution Calendar.

**RESOLUTION CALENDAR**

**President Palacios:** Floor Leader?

**Floor Leader Borja:** Thank you, Mr. President. For the adoption of Senate Resolution No. 20-14, so move.

The motion has been seconded.

**President Palacios:** Adoption motion for Senate Resolution No. 20-14, its been seconded, discussion? Ready? Those in favor of the adoption motion offered please say, “Aye.” Opposed say, “Nay.”

All members voiced, “Aye.”

**President Palacios:** Motion carries. The Chair would take a short recess.

The Senate recessed at 10:40 a.m.

### RECESS

The Senate reconvened at 10:41 a.m.

**President Palacios:** We are back to our session. We are down to Bill Calendar.

### BILL CALENDAR

**President Palacios:** Floor Leader?

**Floor Leader Borja:** Thank you, Mr. President. Motion to suspend pertinent Rules to withdraw from the Committee on JGL, House Bill No. 20-14 and House Bill No. 20-12, and place it on today’s Bill Calendar. This motion is just for the placement of these two bills.

The motion has been seconded.

**President Palacios:** Motion is for the suspension of Rules and for the placement of House Bill Nos. 20-14 and 20-12 on the Bill Calendar, discussion? Ready? Those in favor of that motion please say, “Aye.” Opposed say, “Nay.”

All members voiced, “Aye.”

**President Palacios:** Motion carries. House Bill Nos. 20-12 and 20-14, are hereby placed on the Bill Calendar. We are still on the Bill Calendar, I recognized the Floor Leader.

**Floor Leader:** Thank you, Mr. President. There are several bills appearing on our Bill Calendar for Final Reading, however, the members decided to defer actions on several of the bills and we will be acting only on one Senate Bill and one House Bill on today’s Calendar for Final Reading. At this time, I move for the passage of House Bill No. 20-108, HD1, HS1, “To appropriate the amount of One Million, Four Hundred Seventeen Thousand, Five Hundred Forty-Five Dollars (\$1,417,545) to pay for the outstanding retroactive lump-sum payment to active and inactive employees whose wages were frozen in Step 12,” so move.

The motion has been seconded.

**President Palacios:** Motion is for the passage of House Bill No. 20-108, House Draft 1, House Substitute 1, its been made and seconded, discussion? Ready? Clerk?

**CLERK** called the roll:

Senator Francisco M. Borja	Yes
Senator Francisco Q. Cruz	Yes
Senator Jude U. Hofschneider	Hunggan (Yes)
Senator Sixto K. Igisomar	Aweer (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 nine members voting, “yes” House Bill No. 20-108, HD1, HS1, hereby passes the Senate. Floor Leader?

**Floor Leader Borja:** For the passage of Senate Bill No. 20-43, SD1, “To ensure that the government contracts for businesses and individuals that have a good record of compliance with applicable CNMI laws; and for the purposes,” so move.

The motion has been seconded.

**President Palacios:** Motion is for the passage of Senate Bill No. 20-43, Senate Draft 1, its been seconded, discussion on that motion? Senator Hofschneider, recognized.

**Senator Hofschneider:** Thank you, Mr. President. I want to commend the author, the good Senator from the Third Senatorial District, for sponsoring and recognizing the importance of this particular issue. I hope that we may alleviate some of these issues with contractors bidding on the projects in the CNMI. Even though, they know they’re not really meeting at least the certain minimum standard through our current procurement laws assuming that this will essentially codified under the procurement of contractors. Senator Igisomar, correct? Just couple of months ago, Mr. President, I pointed this out again, particularly, for the Tinian project in PSS, because I was made aware that the contractor that submitted their bid, it's for paving and construction of septic system very technical and very important project and some of the bidders their only experience, I believe, is brush cutting. Hopefully, this kind of bidding process incorporate into our procurement laws would discouraged those frivolous contractors from participating in bidding even though they are not qualified. Thank you.

**President Palacios:** Thank you. Ready? Clerk, please call the roll.

**CLERK** called the roll:

Senator Francisco M. Borja	Yes
Senator Francisco Q. Cruz	Yes
Senator Jude U. Hofschneider	Yes
Senator Sixto K. Igisomar	Aweer (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 nine members voting, “yes” Senate Bill No. 20-43, Senate Draft 1, hereby passes the Senate. That is all the bill that we will be addressing this morning. Senator Quitugua?

**Senator Quitugua:** Mr. President, if there is no objection from the members, there’s couple of our veterans who serve both in peace and in war that are asking if we can take action on House Bill No. 20-20, HD1, if there is no objection from the members, can we take action on this bill today, it is on the Calendar.

**President Palacios:** Short recess.

The Senate recessed at 10:48 a.m.

**RECESS**

The Senate reconvened at 10:50 a.m.

*Senator Santos stepped out during recess.*

**President Palacios:** We are back to our session. The request of Senator Quitugua, we are going to take up action on House Bill No. 20-20. Floor Leader, recognized.

**Floor Leader Borja:** For the passage on Final Reading House Bill No. 20-20, HD1, “To amend Title 9, Division 2, Chapter 1 § 2104 to provide veterans a discounted benefit for the vehicle registration fee; and other purposes,” so move.

The motion has been seconded.

**President Palacios:** Motion is for the passage of House Bill No. 20-20, House Draft 1, its been seconded, discussion? Senator Igisomar, recognized.

**Senator Igisomar:** Thank you very much, Mr. President. I believe, Mr. President, I just wanted to thank, Senate Justo Quitugua, for giving us the opportunity to entertain this bill that has been on the Calendar. I believe the time is also fitting considering that there is a national outcry with respect to athletes who are not standing during the U.S. National Anthem and then people tend to forget that we have people in the military, we have veterans who have served the country and are not getting paid enough, but have spent 24/7 of their time fighting for our country and fighting for our flag. And you know, when there's a National Anthem, everybody should stand up and honor what these people fight for. A discount for a veteran, and I know there maybe people out there that may think, *dalai talo, hafa na para hufan ma'na'i enao-siha discount?* But these people, really, they served our country for our freedom and that's why we're here today living on our beautiful island, we don't have any chaos, and so, this kind of bill will help us celebrate our freedom and thank our veteran's for serving our country. *Si Yu'us ma'ase, Mr. President.*

**President Palacios:** Thank you. Any other comment? Ready? Clerk, please call the roll.

**CLERK** called the roll:

Senator Francisco M. Borja	Yes
Senator Francisco Q. Cruz	Yes
Senator Jude U. Hofschneider	Hunggan (Yes)
Senator Sixto K. Igisomar	Aweer (Yes)
Senator Paul A. Mangloña	Yes
Senator Steve K. Mesngon	Hunggan (Yes)
Senator Justo S. Quitugua	Hunggan (Yes)
Senator Teresita A. Santos	Absent
President Arnold I. Palacios	Yes

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

**President Palacios:** With eight members voting, “yes” House Bill No. 20-20, House Draft 1, hereby passes the Senate. Floor Leader?

**Floor Leader Borja:** We have no further.

**President Palacios:** Thank you. We are down to agenda Item Q, Petition, Memorials and Miscellaneous Communications.

**PETITIONS, MEMORIALS AND MISCELLANEOUS COMMUNICATIONS**

The Clerk voiced Miscellaneous Communications Nos. 20-182 to 20-184.

**President Palacios:** Any comments on these three Communications appearing on agenda Item Q? There being none. We are down to Miscellaneous Business. Announcements.

MISCELLANEOUS BUSINESS

None

ANNOUNCEMENTS

**President Palacios:** Senator Hofschneider?

**Senator Hofschneider:** Thank you, Mr. President. I just want to remind everyone, again, any member of the Senate about tomorrow at 9:30 a.m. at the District Court for the Status Conference on the Settlement Fund and the Nutrition. I encourage everyone as you have said, Mr. President, encouraging the members to at least be in the gallery to listen to the proceedings as the issues of the Settlement Fund being very significant especially over last year, and of course, we've been making some piece meal appropriation to settle some of the obligations of the government. There's one bill before us, House Bill No. 20-20, I believe, as a result of whatever we can get for tomorrow's meeting, we can probably improve the bill or move that bill as soon as swiftly as possible. It's one of the sticking point that as often being raised by the trustee of the Settlement Fund. *Si Yu'us ma'ase.*

**President Palacios:** Thank you for that reminder. Everybody, surely is encouraged to attend that Settlement Fund Conference at the Federal Court at 9:00 tomorrow morning. Senator Mesngon, recognized.

**Senator Mesngon:** *Si Yu'us ma'ase, Mr. President.* Same in line with the Chairman on JGL, also, I would like to announce the upcoming committee meeting on Thursday, September 28 at 10:30 a.m. here in the Chamber. I encourage the members to please attend, one of the most critical discussion will be arriving is the author, Senator Igisomar, the Marijuana bill, that will be discussed in the public hearing for the three Senatorial Districts. Please, let's put our schedule and we'll proceed with the public hearing. At the same time, I believe the office already submitted to the members what will be the upcoming agendas discussion on Thursday. Again, that will be on the 28<sup>th</sup>, this coming Thursday at 10:00 a.m. *guini gi Senate Chamber. Si Yu'us ma'ase, Mr. President.*

**President Palacios:** Thank you. Any other announcement? Senator Igisomar?

**Senator Igisomar:** Thank you very much, Mr. President, and I thanked the members for their patience. I just wanted to announce in addition to tomorrow's schedule, there is a Commerce Business Summit, tomorrow at Charlie's Cabaret down at PIC. Also, I would like to take this time, Mr. President, to announced that there was a proclamation signing this morning for the CNMI Public Power Week. This is in celebration for our utilities, CUC, and I ask everybody that if you see a CUC personnel or employee out there, just thank them for all their efforts in giving us our power, water and sewer. Also, with respect, as your Chairman for Standing Committee on PUTC, next week, we will be meeting with CUC. It will be calendared and a memo will be coming out. And in two weeks, we will be meeting with DPW. As far as, CPA, pending their response to our letter as you requested to send over to them, CPA and MVA with respect to the airlines, most especially, Delta Airlines. And

then, Medical Referral, pending Governor's response to our letter as well. Thank you very much, Mr. President.

**President Palacios:** Thank you. On those correspondence, Senator Igisomar, on behalf of the members of the Senate, I have requested that we send official letters of particular issue that is important to the public, I encourage you to make sure that we get response to those inquiries because sometimes over almost a year, we've been trying to make inquiries to some of these agencies who have not really got a lot of response, but thank you for reminding us also. Is that tomorrow? But that continues on in the afternoon and it goes on for the rest of the week or its just one day?

**Senator Igisomar:** It is a one-day event but they have activities through the week at Commerce as well, trainings, workshops and expos.

**President Palacios:** Thank you. Senator Quitugua, recognized.

**Senator Quitugua:** *Si Yu'us ma'ase, Mr. President.* This is just to informed the members of the Gaming Committee that the requested documents have been distributed to all the members, in hard copies and in electronic copies. So, please take time to go through those documents, we requested for those documents so I encouraged everyone to look at them. Thank you.

**President Palacios:** Thank you. Once again, I ask if every member can make it down to the Settlement Fund Conference in the Federal Court. I also requested that our legal counsel join us in that conference. With that, Floor Leader, the next agenda Item is Adjournment.

## **ADJOURNMENT**

**Floor Leader Borja:** Motion to adjourn subject to the call of the Chair.

The motion has been seconded.

**President Palacios:** Motion offered is for the adjournment subject to the call of the Chair. Those in favor of that motion please say, "Aye." Opposed say, "Nay."

All members voiced, "Aye."

**President Palacios:** Motion carries. The Senate stands adjourned subject to the call.

The Senate adjourned at 11:00 a.m.

Respectfully Submitted by:

/s/Frances Joan P. Kaipat  
Senate Journal Clerk