

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



Senate
SECOND REGULAR SESSION – 2017

SJ 20-22

Eighth Day

Tuesday, November 21, 2017

In compliance with the Open Government Act, Senate President, Arnold I. Palacios, issued a session call on November 13, 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 Eighth Day, Second Regular Session, on November 21, 2017, at 9:40 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 eight members present we’ve established a quorum to conduct today’s session. Please have the record reflect that Senator Hofschneider is excused for today’s session. At this point, we are on agenda Item B, Public Comments.

PUBLIC COMMENT

President Palacios: The floor is now open for comments from any members of the public that are present.

Samantha B. Babauta: Good morning. My name is Samantha Bermingham Babauta and I am from CHCC. I am representing CHCC to say that we are in support of House Bill No. 20-02, HD2, SD1, for the taxation of imported betel nut. As that, will help decrease our rates of oral cancer which is rising here in the CNMI, especially, with the chewing of betel nut which is a unique thing in the Pacific like the CNMI. Thank you.

President Palacios: Thank you. The floor is still open for any public comments. Please state your name.

Mr. Gil San Nicholas: During the public hearing, I only came to this body to ask for your support for Ms. Vicky Benavente to be the next Secretary of Labor. We are here again to ask the same. Thank you.

President Palacios: Thank you. Senator Igisomar, do you want to make comment?

Senator Igisomar: I apologize, Mr. President. I was signaling for the name and the microphone was off.

President Palacios: Okay. Can you please restate your name, sir?

Mr. Gil San Nicolas: My name is Gil San Nicolas. Thank you.

President Palacios: Thank you for those comments. Any other Public Comments? There being none. We move to agenda Item C, Reading and Approval of the Journal. Floor Leader?

READING AND APPROVAL OF JOURNAL

Floor Leader Borja: Thank you, Mr. President. For the approval of Senate Journals 20-18, 20-19 and 20-20, so move.

The motion has been seconded.

President Palacios: Motion is to adopt Senate Journals 20-18, 20-19 and 20-20, its been seconded, discussion on that motion? Ready? Those in favor of the adoption motion offered please say, "Aye." Opposed say, "Nay."

All members voiced, "Aye."

President Palacios: Motion carries. Messages from the Governor. Clerk?

MESSAGE FROM THE GOVERNOR

The Clerk voiced Governor's Messages Nos. 20-170 to 20-185.

President Palacios: Thank you. Any comments discussions? Senator Santos, recognized.

Senator Santos: Thank you, Mr. President. This is in reference to Governor's Message No. 20-171. I would just like to commend our honorable Governor and Lieutenant Governor for appointing Ms. Agida T. Quitugua, to serve as a member of the MVA Board for the First Senatorial District, Rota. Thank you, Mr. President.

President Palacios: Thank you, Senator Santos. Any other comments? Senator Mangloña, recognized.

Senator Mangloña: Thank you, Mr. President. I just wanted to ask the Chair of EAGI, since this was made back in October, whether the documents are complete for Ms. Quitugua? So, maybe a public hearing or a confirmation can be entertained soon, as you know, this is for the MVA. Thank you.

President Palacios: Thank you. Chairman Cruz, would you like to comment on the appointment? This is relative to Governor's Communication No. 20-171.

Senator Mangloña: I just wanted to ask the Chairman, if her documents are all complete for a public hearing or are we still waiting so that we can communicate with her?

Senator Cruz: Thank you, Senator Mangloña for your concern. As soon as we receive the required documents by this body, we will schedule a public hearing. However, that is the reason why we are not moving forward for any public hearing if the documents are not submitted for the members to review the required documents. So, I ask for your patience and understanding that as soon as we receive that, if there's available schedule for this committee to conduct a public hearing, we will have a public hearing in the island of Rota so the people of Rota will be accommodated to participate in that particular public hearing. Thank you, Mr. President.

President Palacios: Thank you. Senator Mangloña, good. Senator Quitugua, recognized.

Senator Quitugua: *Si Yu'us ma'ase, Mr. President.* Mr. President, on Governor's Communication (5), I humbly thank the Governor for signing this into law. This is one of the recommendations of the Accrediting Commission for NMC on the Region Nominating Committee to reduce the direct impact on political influences on the Board of Regents. Thank you.

President Palacios: Thank you. Any other comments on any of these communications? Senator Cruz, recognized.

Senator Cruz: Thank you. I also like to thank the Administration for signing House Local Bill No. 20-41 and it is now Tinian Local Law No. 20-06. Thank you, Mr. President.

President Palacios: Thank you. Any other comments on any of these communications from the Governor? Ready? We move on to agenda Item E, there being none. We move to agenda Item F. Clerk?

COMMUNICATIONS FROM THE JUDICIARY

None

COMMUNICATIONS FROM THE HEADS OF EXECUTIVE DEPARTMENT

The Clerk voiced Department Messages Nos. 20-48 and 20-49.

President Palacios: Thank you. I know that the Chairman of the Fiscal Affairs Committee is not present. Senator Quitugua, you are the Vice Chair for Fiscal Affairs?

Senator Quitugua: Yes.

President Palacios: Could you please request in the next meeting, as the Chair, and discuss these two communications with the committee? Thank you. Any other comments on these two communications? There being none, we move to agenda Item G, Communications from the House. Clerk?

COMMUNICATIONS FROM THE HOUSE

The Clerk voiced House Communications Nos. 20-128 to 20-131.

President Palacios: Any comments? Senator Mangloña, recognized.

Senator Mangloña: I just want to comment on House Communication No. 20-130. I believe this is pertaining to House Resolution No. 20-15, "Honoring Ms. Ursula Lifofoi-Aldan for receiving the prestigious American Probation and Parole Association member aboard and to respectfully commemorate her long-term service as a public servant especially in the field of Law Enforcement." I believe this is a very prestigious award, Mr. President, and we joined the House of Representatives in recognizing Mrs. Ursula Lilfofoi-Aldan for this accomplishment. I wish they have made this a joint resolution, but if there is no objection –

President Palacios: Senator Mangloña, I commend you, in fact, we have a resolution also from the Senate that is in today's calendar. So, if there is no objection, I like to personally, welcome Ms. Lifofoi-Aldan, to the Senate Chamber this morning. Please, stand up and be recognized. Let us give her a big hand. [APPLAUSE] Thank you for that reminder.

Senator Mangloña: I didn't realize she was here, but I am glad she is here. Thank you.

President Palacios: Anymore comments on these House Communications? There being none, we move to agenda Item H, Communications from the Senate. Clerk?

COMMUNICATIONS FROM THE SENATE

The Clerk voiced Senate Communications Nos. 20-122 to 20-134.

President Palacios: Are there any comments discussions on these communications? Senator Santos, recognized.

Senator Santos: Very briefly, Mr. President. I just like to applaud you for officially referring the appointment of Ms. Agida T. Quitugua to serve again as a member of the MVA representing Rota to the Chairman on EAGI. Thank you, Mr. President.

President Palacios: Thank you. Senator Igisomar, recognized.

Senator Igisomar: Thank you, Mr. President. I just want to give an update on the members regarding Senate Communications Nos. 20-122, 20-123 and 20-125. I am sure it's holiday and everybody will be busy scheduling around through December, for your information on CUC, we have received thick documents from CUC, please, take your time to review them. I'll be calling a meeting if we have time available for Committee in December. Then, we have DPW documents, those documents will be forthcoming. With respect to Medical Referral services, I did meet with them yesterday morning and so we're potentially scheduling a meeting just with the members, not an oversight committee, but sometimes in the second week of December so we can share all the information that I gathered yesterday. Thank you so much, Mr. President.

President Palacios: Thank you, Senator Igisomar for briefing us on these assignments. The first two, relative to CUC and DPW, are very important issues. I believe the Chair ask the Committee to stay on top of and I believe the members of the Senate and I guess the public, also members of the House, are surely concern to keep on top of the major issues of infrastructures particularly in the Third Senatorial District as is. Thank you. We move on to agenda Item I, there being none. Agenda Item J, there being none. Agenda Item K, Pre-filed Bills, Initiatives, Local Bills and Resolutions. Floor Leader?

COMMUNICATIONS FROM THE WASHINGTON DELEGATE

None

UNFINISHED BUSINESS

None

PRE-FILED BILLS, INITIATIVES, LOCAL BILLS AND RESOLUTIONS

Floor Leader Borja: Thank you, Mr. President. There's two pre-filed resolutions and one pre-filed bill, I will allow the author to read out the resolution.

President Palacios: First resolution, Senator Quitugua?

Senator Quitugua: Thank you, Floor Leader and Mr. President. Senate Resolution No. 20-15, is another recognition and congratulatory resolution for the additional nursing student at NMC that has passed the NCLEX Exam. This is the eighth student at NMC that graduated May 2017 that has went through the rigorous exam and passed. Than you, Mr. President.

President Palacios: Thank you, Senator Quitugua. I have Senate Resolution No. 20-16 that has been pre-filed and I believe it is in today's Order of Business. A Senate Resolution, "To recognize Mrs.

Ursula Lifoifoi-Aldan for her long-term length of service as a public servant in the judiciary, and to bestow distinguished honor for receiving the American Probation and Parole Association (APPA) Membership Award for 2017.” I believe this resolution is on our Resolution Calendar for action today. Senator Santos, recognized.

Senator Santos: Thank you, Mr. President. If there is no objection, if we can go back to Senate Resolution No. 20-15 and also your resolution, Mr. President, that you just officially introduced moments ago, Senate Resolution No. 20-16, if both resolutions can be introduced as a Committee of the Whole. Thank you, Mr. President.

There being no objection raised.

President Palacios: There being no objection, Clerk, please have that introduced as a Committee of the Whole. Thank you. Senator Borja?

Floor Leader Borja: Thank you, Mr. President. A pre-filed Senate Bill No. 20-79, I’m officially introducing this morning, this bill is, “To amend 1 CMC § 5103 to authorize the Governor to appoint a qualified person subject to the advice and consent of the Senate when there is a vacancy in the Office of the Mayor and less than half of the term of the Mayor remains; and for other purposes.”

President Palacios: Thank you.

Floor Leader Borja: And, if there's no objection from the members, I would like to place that on the Bill Calendar for next session.

President Palacios: Any objection?

There being no objection raised.

Senator Mangloña: Just a recommendation, Mr. President.

President Palacios: Yes.

Senator Mangloña: Can we hold a public hearing on that?

President Palacios: We will be assigning that to a Committee but the request is just to place it on the calendar. We are not going to act on it today.

Senator Mangloña: Before the next session, hopefully, we can have a public hearing. Thank you.

President Palacios: Okay, we can assign that. Thank you. Introductions of unnumbered Bills, Initiatives, Local Bills and Resolutions.

INTRODUCTION OF BILLS, INITIATIVES, LOCAL BILLS AND RESOLUTIONS

President Palacios: Senator Quitugua?

Senator Quitugua: *Si Yu'us ma'ase, Mr. President.* Mr. President, officially introducing Senate Resolution No. 20-17, "To commemorate and memorialize the life and memory of the late Henry Iglesias Sablan for his tremendous contributions to the Commonwealth of the Northern Marianas Islands through his services to the CNMI Department of Education which is now known as the Public School System and to express a heartfelt condolence to his bereaved family on their loss." And, Mr. President, if there is no objection from the members, I would like this to be introduced as a Committee of the Whole. If there is no further objection from the members, I request that we place this on today's Calendar for adoption. Thank you.

There being no objection raised.

President Palacios: Thank you. The Chair would take a short recess.

The Senate recessed at 9:59 a.m.

RECESS

The Senate reconvened at 9:59 a.m.

President Palacios: We are back to our session. There being no objection from the members, Senate Resolution No. 20-17 as introduced by Senator Quitugua will be place on the Resolution Calendar for action this morning. Thank you. We are down to agenda Item M, Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

President Palacios: Before we get to the discussions on these three Standing Committee Reports, Standing Committee Report No. 20-54 relative to Senate Bill No. 20-51, the author, Senator Hofschneider, who is not present this morning has officially requested that we hold and defer action on this particular legislation today. If there's no objection from the members, we will keep it on the calendar and probably take it up in the next session when he gets back. Any objection?

There being no objection raised.

President Palacios: There being no objection. We leave Standing Committee Report No. 20-54 on the agenda and we move to the other Standing Committee Reports. Floor Leader?

Floor Leader Borja: Thank you, Mr. President. There are three Standing Committee Reports appearing on our agenda. And, as you stated, at the request of the author and concurrence of the Chairman of JGL, we will be differing action on Standing Committee Report No. 20-54 in reference to Senate Bill No. 20-51. For the adoption of Standing Committee Report No. 20-62 from the Committee on Fiscal Affairs reporting on House Bill No. 20-02, HD2, "To increase the excise tax on

the importation of Areca Nut (Betel Nut) into the Commonwealth of the Northern Mariana Islands; and for other purpose,” so move.

The motion has been seconded.

President Palacios: Motion is for the adoption of Standing Committee Report No. 20-62 relative to House Bill No. 20-02, HD2, has been seconded, discussion on the motion? Ready? Those in favor of the motion to adopt Standing Committee Report No. 20-62 please say, “Aye.” Opposed say, “Nay.”

All members voiced, “Aye.”

President Palacios: Motion carries. Floor Leader?

Floor Leader Borja: For the adoption of Standing Committee Report No. 20-63 from the Committee on EAGI reporting on the appointment of Ms. Julia Victoria I. Benavente to serve as the Secretary of the Department of Labor, so move.

The motion has been seconded.

President Palacios: Motion is for the adoption of Standing Committee Report No. 20-63 relative to the appointment of Ms. Julia Victoria I. Benavente to serve as the next Secretary of the Department of Labor, has been seconded, discussion on the motion? Chairman Cruz, recognized.

Senator Cruz: Thank you, Mr. President. Mr. President, your Committee on EAGI is ready to present Senate Standing Committee Report No. 20-63, this is the appointment of Ms. Julia Victoria I. Benavente. Mr. President, your Committee on Executive Appointments and Government Investigation to which was referred the appointment of Ms. Julia Victoria I. Benavente to serve as the Secretary for the Department of Labor begs leave to report as follows: Pursuant to Article III, Section 14 of the Constitution; 1 CMC §2831, Ms. Julia Victoria I. Benavente was nominated by Governor Ralph DLG. Torres on September 11, 2017 to serve as the Secretary for the Department of Labor. Your Committee on Executive Appointments and Government Investigations recommends that the Senate give its advice and consent to the appointment of Ms. Julia Victoria I. Benavente to serve as the Secretary for the Department of Labor. Your committee has examined all pertinent documents submitted relating to Ms. Julia Victoria I. Benavente's overall credentials. In addition, your committee took into account all written and oral testimonies presented during the public hearing. After much deliberation and base on the overall assessment of Ms. Julia Victoria I. Benavente's credentials, experiences, testimonies and other relevant issues considered, your committee is convinced that Ms. Julia Victoria I. Benavente possesses the qualification and leadership skills necessary to serve as the Secretary for the Department of Labor. Your Committee concludes that the appointment of Ms. Julia Victoria I. Benavente meets all the necessary requirement pursuant to Article III, Section 14 of the Constitution; 1 CMC § 2831. Furthermore, Ms. Julia Victoria I. Benavente has submitted all required documents in conformance with Rule 8, Section 5 of the Senate Rules. Again, I ask the full members of this body to support Senate Standing Committee Report No. 20-63. Thank you, Mr. President.

President Palacios: Further comments? Thank you, Senator Cruz. Are there any discussions? Senator Mesngon, recognized.

Senator Mesngon: Thank you, Mr. President. I just like to state on the record for those that attended the public hearing, I would like to apologize to Ms. Vicky for not being present. I am part of the Committee, but I'm surely seeing tremendous community efforts and community programs that you've been doing for the longest and patronizing of all our hard work that you've been doing for so long for the entire CNMI. With that, I assure you with this Committee, I am prepared to give my vote of confidence to you today. I am sorry that I didn't make it. I have family matters during your public hearing but I do apologize. I am just stating this for the record, Mr. President, that I do highly support Ms. Benavente's confirmation for the Department of Labor and I'm ready for the question. Thank you, Mr. President.

President Palacios: Thank you. Any other comments? Let me just have a short comment here. First, I want to also commend the Governor and the Lieutenant Governor for nominating an individual who has in many different fields have proved her worth, so do speak. Vicky had stayed in major managerial role and executive roles in a private and public sector and in all those roles, I believe that she has performed very well. The Department of Labor is not an easy assignment. As we are all mindful that the issue of worker's employment in the Commonwealth is very significant and critical of the recent controversies regarding non-resident individuals working in the Commonwealth on the non-worker's visa is a major issue. These are challenges and in her hearing, I personally, express that we look forward or be it one year, perhaps, but I'm very confident that she will be able with her staff's to maybe enumerate the jobs and ensure that our people have first crack at every opportunity that we have. I am confident also that with her able staff would take a critical look at that. With that, are we ready to vote? At the approval of this Standing Committee Report, would deem that Mrs. Benavente, we keep referral to her as Miss, but it is Mrs. Benavente, will be confirmed by the Senate to serve as the next Secretary of the Department of Labor. With that, Clerk, please call the roll.

CLERK called the roll:

Senator Francisco M. Borja	Yes
Senator Francisco Q. Cruz	Yes
Senator Jude U. Hofschneider	Excused
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 eight (8) members voting "yes."

President Palacios: With eight members voting "yes" Mrs. Julia Victoria I. Benavente is hereby confirmed as the next Secretary for the Department of Labor. Congratulations. Let's take a short recess. [APPLAUSE]

The Senate recessed at 10:10 a.m.

RECESS

The Senate reconvened at 10:27 a.m.

REPORTS OF SPECIAL/CONFERENCE COMMITTEE

None

RESOLUTION CALENDAR

President Palacios: We are back to our session. We are on Resolution Calendar, I believe. Floor Leader?

Floor Leader Borja: Thank you, Mr. President. We do have three resolutions on our Calendar for today. For the adoption of Senate Resolution No. 20-15, so move.

The motion has been seconded.

President Palacios: Motion offered by the Floor Leader is for the adoption of Senate Resolution No. 20-15, that motion has been seconded, discussion? No discussion. Ready? Those in favor of the motion please say, "Aye." Opposed say, "Nay."

All members voiced, "Aye."

President Palacios: Motion carries. Senate Resolution No. 20-15, is hereby adopted by the Senate. Floor Leader?

Floor Leader Borja: For the adoption of Senate Resolution No. 20-16, so move.

The motion has been seconded.

President Palacios: Motion is for the adoption of Senate Resolution No. 20-16, has been seconded, discussion? Those in favor of the motion to adopt Senate Resolution No. 20-16 please say, "Aye." Opposed say, "Nay."

All members voiced, "Aye."

President Palacios: Motion carries.

Floor Leader Borja: For the adoption of Senate Resolution No. 20-17, so move.

The motion has been seconded.

President Palacios: Motion has been made to adopt Senate Resolution No. 20-17, that motion has been seconded, discussion? Ready? Those in favor of the motion please say, “Aye.” Opposed say, “Nay.”

All members voiced, “Aye.”

President Palacios: Motion carries. Senate Resolution No. 20-17, is hereby adopted by the Senate. We are down to agenda Item P, Bill Calendar. Floor Leader?

BILL CALENDAR

Floor Leader Borja: Thank you, Mr. President. We do have several bills for passage on Final Reading, however, Senate Bill No. 20-51, SD1, we’ll be deferring action. For the passage of House Bill No. 20-131, HD1, “To appropriate three million three hundred seventy-five thousand dollars (\$3,375,000.00) from the Tobacco Control Fund, earmarked under 3 CMC § 2177, to support and supplement awareness, detection and prevention programs relating to cancer and other tobacco related illness,” so move.

The motion has been seconded.

President Palacios: Motion is for the passage of House Bill No. 20-131, House Draft 1, has been moved and seconded, discussion on the motion? No discussion. Thank you. Clerk, please call the roll.

CLERK called the roll:

Senator Francisco M. Borja	Yes
Senator Francisco Q. Cruz	Yes
Senator Jude U. Hofschneider	Excused
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 eight (8) members voting “yes.”

President Palacios: With all eight members voting “yes” House Bill No. 20-131, House Draft 1, to appropriate \$3.3 from the Tobacco Control Fund, is hereby passed by the Senate. Just for the record, those funds are specifically for programs within the Commonwealth Health Care Corporation. Floor Leader?

Floor Leader Borja: For the passage of Senate Bill No. 20-72, “To amend 8 CMC §1421(a); and for other purposes,” so move.

The motion has been seconded.

President Palacios: Motion is for the passage of Senate Bill No. 20-72, its been moved and seconded, discussions? Ready? Clerk?

CLERK called the roll:

Senator Francisco M. Borja	Yes
Senator Francisco Q. Cruz	Yes
Senator Jude U. Hofschneider	Excused
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 eight (8) members voting “yes.”

President Palacios: With eight members voting “yes” Senate Bill No. 20-72, hereby passes the Senate. Floor Leader?

Floor Leader Borja: For passage on Final Reading House Bill No. 20-02, HD2, SD1, “To increase the excise tax on the importation of Areca Nut (Betel Nut) into the Commonwealth of the Northern Mariana Islands; and for other purposes,” so move.

The motion has been seconded.

President Palacios: Motion offered is for the passage of House Bill No. 20-02, House Draft 2, Senate Draft 1, its been seconded, discussion on that motion? Ready? Clerk, please call the roll.

CLERK called the roll:

Senator Francisco M. Borja	Yes
Senator Francisco Q. Cruz	Yes
Senator Jude U. Hofschneider	Excused
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 eight (8) members voting “yes.”

President Palacios: With all eight members voting “yes” House Bill No. 20-02, House Draft 2, Senate Draft 1, hereby passes the Senate. Floor Leader?

Floor Leader Borja: For the passage of House Bill No. 20-9, on Final Reading, “To require all scuba dive shop operators to impose a \$10.00 surcharge per tank usage to purchase, install, operate and maintain decompression chambers in the CNMI; and for other purposes,” so move.

The motion has been seconded.

President Palacios: Passage motion on House Bill No. 20-9, 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	Excused
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 eight (8) members voting “yes.”

President Palacios: With eight members present voting “yes” House Bill No. 20-9, hereby passes the Senate. Floor Leader?

Floor Leader Borja: That is the last, Mr. President, on the calendar.

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

PETITIONS, MEMORIALS AND MISCELLANEOUS COMMUNICATIONS

The Clerk voiced Miscellaneous Communications Nos. 20-197 to 20-204.

President Palacios: Any members wishing to comment on any of these communications under these agenda item? There being none. I would like to ask the Vice Chairman on Fiscal Affairs, to look at this raised issue on No. 2, Miscellaneous Communication No. 20-198, relative to the Micronesian

Legal Services Corporation's request for supplemental funding. I believe this merit's discussion with the House Committee on Ways and Means. So, I ask that the Senate Committee take this up for discussion with the House counterparts. Thank you. So, there being none, no discussions on miscellaneous communications. We are down to Miscellaneous Business. Senator Quitugua?

MISCELLANEOUS BUSINESS

Senator Quitugua: *Si Yu'us ma'ase, Mr. President.* Mr. President, my congratulatory message is in order for your nomination to assent to the Lieutenant Governor's seat on this coming election. *Lao, uno-ha, Mr. President, yanggen un fa'tinas adahi na' un maleffa ni manga'chong-mu guini gi Senate. Si Yu'us ma'ase.*

President Palacios: How can I. Senator Mangloña, recognized.

Senator Mangloña: *Congratulation, Mr. President, lolkue ginen guahu. Lao, baihu faisen i members kumo guaha pinasensia dididi,* I just want to talk today, Mr. President, about *este i* Board of Education Plan.

President Palacios: Please proceed.

Senator Mangloña: I just want to inform the members that I talked to Legal Counsel Tiberius Mocanu, of the Board of Education, and he has informed me that if not the whole Board of Education membership, but, there are at least some members that are ready to go to the Supreme Court pursuant to Article IV Section 11 of the CNMI Constitution, they plan to certify the following questions for decision by the Supreme Court: A. What constitutes the “general revenues” of the Commonwealth as articulated in Article XV Section 1(e) of the CNMI Constitution? B. What constitutes a “proper earmark”? C. What constitutes a “special fund” apart from the general fund? What are the rules governing a “special fund?” These are the questions that they are asking to certify. I will provide copies to all the members, hopefully, no later than this week so we can all read it understand where their coming from and then go from there. But, a little background is in order here, and, this is coming from them. It will be in the copies that I will provide to you this week. They are actually, just pointing to Legislative Initiative 18-12 and they point to the 25% requirement under this initiative for PSS. They argued that, PSS subsequent budgets have remained static while the CNMI’s revenue has increased. They claim the Legislature has diverted funds that they would have otherwise entered the general fund. These “earmarks” take the form of debt services, bond payments, retirement settlement fund payments, and codified automatic appropriations into special funds for a particular purpose. These are all coming from PSS. And, they point as an example, Public Law 19-68 (FY 2017’s budget), that the total projected revenue available for appropriation was \$212,649,289.00. However, \$75,624,073 was earmarked, which left only \$137,025,225.00 available for appropriation from which the 35% of the funds collected from the Commonwealth are spent before they ever reach the general fund. Again, they point to the AG’s opinion on “general revenues” being: (1) government funds; (2) used to pay the government’s general obligations; (3) subject to legislative appropriation; and (4) not earmarked for a particular purpose. They point to the Office of the Attorney General’s opinion, OAGCOR 2015-138. And, so on and so forth in their proposed certified question background

statements. On the history of general revenues, they point out according to Legislative Initiative 18-12, it was an amendment to Article IX, Section 1(e) which was originally ratified during the Second Constitutional Convention in 1985 which became effective in 1988. The Legislative Initiative, they claim appropriated to PSS, change the percentage appropriated to PSS from 15% to 25%. The remainder of the text remained the same. Consequently, an inquiry into the meaning of “general revenues” necessitates an examination of the meaning that the Second Constitutional Convention ascribed to it and an examination of how the term was used by the concurrent, and subsequent, Legislatures during that time. I just want to skip down through. According to the Board of Education, guaranteed funding level should allow PSS to both accurately predict its annual budget and make long-term plans for those funds. Ideally, because PSS’ appropriation is 25% of the general revenues of the Commonwealth, this prediction should be easy. The PSS could simply consider previous years’ budgets along with the current economic climate of the Commonwealth, and make a reasonable projection of the funds available to it in any given year. However, this is only true if the “general revenues” of the CNMI is not a moving target. Currently, there is no prohibition on how much, or what kind of revenue can be earmarked, thus the PSS only receives the amount left over after all earmarks are paid. Consequently, the PSS does not have “a guaranteed funding level” because the Legislature can artificially subtract from the amount it receives by passing any number of earmarks. And it goes on and on, and as I mentioned, I will provide copies. PSS is properly entitled to 25% of the general revenues of the Commonwealth. This represents the total of BGRT collected by the government and deposited into the general fund. The PSS was meant to have a guaranteed budget free from political interference. The Legislature attempts to divert tax revenue into special accounts and deduct Settlement Fund payments from the general revenues has acted to subvert that intention. Therefore, this is what PSS is saying, the Supreme Court, if the proposed certified questions are to be answered, should find that: 1. General Revenues are those revenues that the Commonwealth collects through Business Gross Revenue Tax and which it uses to pay its general obligations; and 2. That a proper earmark is one which (1) creates a revenue source other than BGR; (2) is deposited in a special account; (3) is appropriated for a specific purpose; and (4) does not require ongoing appropriation by the Legislature; and (5) that a special fund cannot be created by diverting any form of BGRT from the general fund; and (6) that the Legislature may not deduct its ongoing obligations to the Settlement Fund from the general fund. Mr. President and members, the issue then before us today that I want to bring up is that, in order for us, legislators, to know what the answers are to the questions that they proposed to be certified, we need to go to the Supreme Court. We need this body to be on the opposite party to certify these questions to the Supreme Court. Taking the opposite side and I emphasize, doesn’t mean that we are against PSS. It means we want to clarify Legislative Initiative 18-12, once and for all. So in this Senate session today, I officially ask any of you or us all my colleagues, here in the Senate and House of Representatives, to take the opposite party position so that once and for all there can be absolute clarity as to what 25% of the general revenues of the Commonwealth means for PSS. In other words: a) What constitutes the “general revenues” of the Commonwealth as articulated in Article XV Section 1(e) of the CNMI Constitution? b) What constitutes a “proper earmark”? And, c) What constitutes a “special fund” apart from the general fund? What are the rules governing a “special fund?” These are the questions that we all need to be answered. PSS, because they are so eager and they’re ready to file this, they are asking us in the Senate and the House, again, I repeat, to take the opposite so they can clear this and I guess we need to contact their legal counsel, Mr. President, as to what the sentiment of the Senate and the House will be in on this as they are ready to move forward on this. *Este-ha, si Yu’us Ma’ase.*

President Palacios: Thank you.

Senator Mangloña: I will provide copies to the members of what they have.

President Palacios: I appreciate you providing copies. For the record, the office of the President has not received any formal communications or informal communications relative to the matter. But, I'd appreciate a copy and to all the members. Thank you. Any other Miscellaneous Communications? Senator Mesngon?

Senator Mesngon: *Si Yu'us ma'ase, Mr. President. Lokkue, biahu congratulate-hao' ya' chamu malelefa yanggen sakasu gumai'gue hao guenao postu i para un mana' Lieutenant Governor. Munga' malefa.*

President Palacios: Before you move beyond that, let me be very clear, I will continue to be President, unless, you guys throw me out for the next year regardless of what happens in November.

Senator Mesngon: Well, again, *hu tungo-ha na* your sentiment is together and harmony to all the members. And, again, likewise. Just a related issue also to concerns in regards to Senator Mangloña's letter to my committee just to reference Senator Mangloña for your message and information to the committee I did, *ya' magahet*, a lot of the concern you wrote for the two houses for JGO and JGL in regards to the oversight hearing for DPS, I take that into account that is relatively a lot of issues that is been going on in our community. With that, I have the extra effort to reach the DPS, however, just to clarify that I did not have or indeed have the committee yet to establish or make the decision to do an oversight hearing since I need to give the opportunity to meet with the DPS and call the DPS Commissioner, Mr. Robert Guerrero, to give us more detail into the account of what's happening out there in the community and also I think the best practice that I want to pursue in this is, how can we support the DPS in alluring more funding if that's the case he needs, or training, or equipment and technical assistance that I think DPS might probably need. I understand that the cry out there in community is really hard that there's been pushing. I commend you for writing that letter to the committee. And, I'm sure that the committee and the members also, that in communication, I had a brief talk with DPS Commissioner and we're going to have a schedule meeting, Mr. President, with the DPS. I guess, I have to expedite this since the holidays are coming up and this is an urgent matter. I guess, also, the House side, is doing the same thing. However, I did communicate we DPS Commissioner to establish a schedule and then I'll inform the committee to meet with DPS. So, that is the position right now. Senator Mangloña, for information, yes, I did have that communication to DPS Commissioner, in regards to your letter. Thank you for bringing those issue up also, so, we can enhance or whatever we need to assist the DPS in matter of serve and protect our community out there in the CNMI. Thank you, Mr. President.

President Palacios: Thank you. I hope the Committee puts a time-line to look at these major issues that has been brought up, I know that the House Committee also. And, I have discussed this with the members of Senate from the Third Senatorial District. Because this is a continuing concern that we need to get a proper handle on, regardless, of whether it's funding its capability issue. We need to get to the bottom of it. I know that the Legislature has continuously increase on an annual basis, increase

resources allocated to DPS. So, what is the real issue? I hope that the committee get together soon with the DPS Commissioner to get a clearer understanding of what it is that we need to do? Senator Igisomar, your last crack.

Senator Igisomar: Thank you very much, Mr. President. First of all, I would like to wish everybody “A Happy Thanksgiving!” To all of us members and of course from your leadership, and, also to the people of the CNMI, “Happy Thanksgiving!” I hope we are all able to take the time to reflect and be thankful, thankful to the Lord, and, thankful to everything, creator for what we are today. And, also for us to reassess and realign ourselves so that we can have a better Commonwealth, a committee and become a better person. In line with this with respect, I think it is fitting that it’s Thanksgiving. I hope and pray, as well, for our departments and agencies, specifically, CHCC, Medical Referral Office, DPS, and other departments and agencies who are struggling that they take the time instead of taking the talents that they’re given and burring them in the ground. I hope they are able to take those talents and invested back in reassessing and reorganizing the departments that they run so that it can better serve all of us. And, because they are frontline, they are in the front, they see what the problems and issues are, they can come to us and give us these concerns so that we can make a better policy for the CNMI. *Si Yu’us ma’ase, Mr. President. Tiroow. Ghillisooow.*

President Palacios: Thank you. Senator Santos, recognized.

Senator Santos: *Si Yu’us ma’ase, Mr. President. Mr. President, guaho lökkue yahu bai’in fanhami lökkue yan i pumalo siha na membro guini gi Senadot, ni’ para bai’in Congratulate-hao yanggen gaigi-hao gi raino-mu, ya’ hopefully, yanggen man malagu-ham para tafan ali’e munga appointment, baba-ha i peta-mo ya bai’in fan hananao halom.* And, so like Senator Igisomar and the rest of the Senators, I too, would like to express gratitude to our, Almighty God, for the life and blessings he had been providing us. In line with that, I would also like to extend gratitude and Thanksgiving to all the people of Rota and the Commonwealth. With that, may God continue to bestow upon us the best of everything and continue to bless us with his wisdom, his strength, his courage to surpass any obstacles or challenges ahead of us. Mr. President, thank you also for your leadership and a blessed Thanksgiving to all.

President Palacios: Thank you. Let me just also, on behalf of the members of the Senate, extend, “A Happy Thanksgiving!” message to all the people of the Commonwealth. Thank you, for your encouragements, thank you, for your understanding and especially, thank you, for your prayers as we continue to do the best we can for our community. With that, let me go down to Announcement. I have one announcement to make.

ANNOUNCEMENTS

President Palacios: Senator Paul Mangloña?

Senator Mangloña: One last comment, Mr. President.

President Palacios: Is it a happy thanksgiving comment?

Senator Mangloña: *Hunggan. Lao, antesdi enao, para biahu faisen ha i Chairman, pot i ha' raise up este, kao,* maybe possibly, to see if we can join with the House so we can have a join – You know, I hope that the DPS Commissioner doesn't think that this is a pointing finger at him. It's not about that, it's actually about trying to make our community safer. It is going to be a positive oversight just to know what they need and how they are going about these crime reports. Because, a lot of the communities they come to us, they tell us, they report a crime and then they don't get back to them. We want to know how to get to the bottom?

President Palacios: Let me give the proper instruction.

Senator Mangloña: If that is something that the committee can entertain a joint –

President Palacios: Chairman of JGL.

Senator Mangloña: That is all. I just want to point that out and also that we are positive about this, right, to go in there and help.

President Palacios: Absolutely.

Senator Mangloña: And, on that note, a friend of mine, send me a video, you know, John Reyes, you all know "Liling," he sent me a video and the video says, and there is a song to it, I can maybe pass it on to you on Watts up, but, it says, "Be glad that you are on the green side of the grass." *Esta, Mr. President, man over fifty-hit guini tododo ya' green side of the grass ti' i golf course este ilelekña. Ilekña, gaigi-hao gi san hilo' taigi-hao gi papa i chaguan gi six feet under. Pues, tafan magof ta agradesi i hinemlo ni ha'nana'i-hit i Saina yan i man ga'chong siha, i familia, yan "Happy Thanksgiving" lökkue para i yota staff todo yan i man ga'chong. Para todos-hit taotao Marianas "Happy Thanksgiving!" Enao-ha, si Yu'us ma'ase. Giagi-hao lökkue gi green side.*

President Palacios: Thank you. I am. I want the white side. On that note, Chairman on JGL, will hopefully, on a short notice get together with the Chairman, your counterpart in the House, so we can proceed on short order meeting with the Commissioner of DPS and the management of DPS to see what it is that we need to do to improve the enforcements and improve the safety of the community. I was handed a note to announce that tomorrow, we will be having a Thanksgiving Luncheon on the House side, for all our staff, the legislative bureau and respective office staff and the folks that are here with us all sessions all the time, please join us tomorrow, I believe at noon or eleven o'clock for a Thanksgiving Lunch. We continue to be appreciative and grateful to our staff that are always here to assist us. So, tomorrow at eleven o'clock, please be down at the House side of the building for a Thanksgiving lunch. With that, are there any more announcements? Senator Quitugua?

Senator Quitugua: *Si Yu'us ma'ase, Mr. President.* Mr. President, if the members of the Senate have not received their invitation from the Cancer Association for the presentation on the oral cancer, on Tuesday, November 28, 2017, at 6:30 p.m. to 7:30 p.m. at the American Memorial Park, Visitors Center indoor theater, I am extending the invitation to all of you and also if you can invite your staff

to be present at this same presentation. This is one of the highest cancers that are affecting our residents here in the Commonwealth. Thank you, Mr. President.

President Palacios: Thank you. Senator Igisomar, one more announcement.

Senator Igisomar: Thank you. If I may, Mr. President. I know that it is not necessarily announcement, but I am going to if you don't mind be given the opportunity. I understand Senator Mangloña was talking about PSS. And, that is true, we really need to look into it. *Lao, kumo siña-ha lökkue pot etyu i bandan i former Commissioner, si Cynthia, ya' duda yo' na este na palao'an, i Commissioner, parahu huyong gi gaseta ya parahu sangan na guaha discrimination, sa pot, i Refalawasch gui. Lao, kumo siña, kumo trabiha ti' mamamaisin-hit, kao siña ha'lokkue ta'check i PSS ya' uma na'i-hit infotmación sino' dukumento siha ni para ta'atan lökkue yata li'e hafa na klasen pusisión parata disidi gi bandan PSS. Sa kumo, magahet na ta'a'atan i bandan finansiot, lökkue pot i ha'makat ta' ataka i PSS sa bandan famaguon, lao siña guaha fana'an ilelekña, siña-ha si Cynthia, na guaha siha fana'an debi na parata atan i kinalamten i san halom i PSS. Pues, enao lökkue, Mr. President, malago' yo lökkue biahu faisen i yota Chairman, si Justo Quitugua, gi bandan Education. Kumo guaha fina' communication ni siña ta risibi na infotmacion. Si Yu'us ma'ase, Mr. President.*

President Palacios: So note that, Senator Quitugua?

Senator Quitugua: Yes, Mr. President, that is noted. And that will be include in the committee's upcoming scheduled meeting. I believe it's the day after the REDP meeting and that will be in the agenda. Thank you.

President Palacios: Thank you. There being no other announcements or miscellaneous statement, Floor Leader?

ADJOURNMENT

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

The motion has been seconded.

President Palacios: Motion has been made to adjourn subject to the call, discussion? 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. Happy Thanksgiving, guys.

The Senate adjourned at 11:00 a.m.

Respectfully Submitted by:

/s/Frances Joan P. Kaipat
Senate Journal Clerk