

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



Senate
THIRD REGULAR SESSION – 2018

SJ 20-26

First Day

Friday, February 2, 2018

In compliance with the Open Government Act, Senate President, Arnold I. Palacios, issued a session call on January 30, 2018 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 First Day, Third Regular Session, on February 2, 2018, at 3:05 p.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 nine members present we've established a quorum to conduct today's session. We are down to agenda Item B, Public Comment.

PUBLIC COMMENT

President Palacios: The Chair and members will now invite any members of the public who wishes to make public comment on any of the agenda items appearing in today's Order of Business. Any member of the public? Just as a housekeeping please state your name and the matter of issue that you will be speaking off in this session.

Mr. Ross Mangloña: Good afternoon, Mr. President and members of the Senate. My name is Ross Mangloña, I'm from NMTI. I am also speaking on behalf of myself as a member of the public in particular, I am speaking on House Communication 20-153 or House Bill 20-147. The \$275,000.00 that is been supplemented here is because of the fact that this semester we've had an increase in our enrollment an increase up to the point where we broke the 500 barrier. We're in Public Schools, throughout the island of Saipan we are offering more programs than ever before. However, our budget as you guys are probably all well read newspapers our budget was cut by half. We increase in numbers,

however, we decrease in finances and it is for this reason that I ask for your intervention and your cooperation on this matter as we have made steady headway towards increasing trades operations in the Commonwealth. With done so using the resources that we've been able to gather there's small disbursements coming from the CW funding but that alone is insufficient and requires your assistance. I thank you for the previous efforts made and you guys are well aware that the Senate Bill here passed unanimously down in the House and were ecstatic about that and just waiting for the signature the Governor, and I thank you for that. I thank in advance for your help seeing that trade education is really removing. Thank you.

President Palacios: Thank you, Mr. Mangloña. Ma'am, please state your name and the issue.

Ms. Agnes McPheters: Good afternoon, Mr. President and member of this body. My name is Agnes McPheters, I am the CEO of NMTI. I am here to plead to you for assistance because we have open the second semester of our classes. And as you know there's \$1.9 under CW but we only got 50% of that. And it is very difficult to run a program without finding in fact we do not have money the right now for February. We met with the Governor with the Acting Governor pleading for help and when the heard that this bill is here we hope this bill pass so that it will help us to continue the program that the already started. As Mr. Mangloña said, we have an enrollment of 599 students. We want it to extend it to Rota and Tinian but we are unable at this time because of the lack of funding. Not that we do not have funds but the fund had been given to other institution and we're hoping that the Legislature will assist us so that my board will not consider suspending our program for this semester. We urge for this body to consider that the sooner the better so our teachers could be paid this coming payday. We don't have the money to pay them. Thank you very much. And I also appreciate your assistance in getting the bill pass which was initiated by this House. You know, for so many we have neglected our students, our population that needed the most to be trained in technical education and with the collaboration with the Public School System we're working closely together at the high school level to offer more options for our students so hopefully there will be fewer dropouts and more options for them to be prepared to be employed after they finish their high school graduation. This is really essential especially at this time when we are pressured by the Federal Government to develop manpower development here in our island. For the first time in the History of the CNMI that the Legislature designate an entity that will focus on vocational trade program which is very essential for the development, economic development not just of our human resources and the quality of life but also affect our business development. Thank you very much for all your support that you have given to our students and to the idea of flourishing our economic development in the future by training our human resources here. This is the only resources we have in the CM our Human Resources. Thank you very much.

President Palacios: Thank you. Any other?

Mr. Fredrick DLGuerrero: Hello. My name is Fredrick Peters Deleon Guerrero. I am an Instructor at NMTI. I am here to talk about the supplemental budget of NMTI. The last time we were here, I mentioned to you folks about what our younger generations are lacking. They didn't grow up with the hard work that I think all of us had. You can look at me, I had a stroke last year that is why I speak like this. I am not physically strong anymore but I am still working. Just because of the work ethic that was instilled in me by my father and grandparents. I don't see the same ethic in the younger kids today. There are some who have it, yes, and they actually go off to college to school abroad. But

there are many that remain behind we are catching those kids. Last year, when I started in the high school programs, I had four students it is not much to have a classroom, I have four dropouts they all dropped out for different reasons, however, less than a year later I have a little over 37 students. So the school is expanding. This morning I was talking to Mr. Mangloña about marketing we've been able to market without the marketing budget. Can you think how much more we can do with a bucketing budget? Out of three entities that were given funding we were the one who had the least amount but we manage to grow by almost 60% of our student population we are just one student shy of hitting 600. When I first started with NMTI, last year we only have 200 students. If somebody told me that a year later am going to have 600 I am going to say, you are crazy. But we are growing very fast we are filling that need in the community. Many of the students that are coming to us are our local students. So, I ask you to support the supplemental budget for us. We definitely need the help. They cut 50% of our budget right now, so we are surviving on a shoe string. Thank you.

President Palacios: Thank you. Are there any more comments? Please state your name and the particular issue you are speaking on.

Ms. Marylou Ada: My name is Marylou Ada. I am here on behalf of the State Board of Education and PSS. Senate President and members of the Senate, good afternoon. On behalf of 10,000 students and 1500 employees of the Public School System we respectfully ask that you pass House Bill No. 20-147, House Substitute 1, as amended. As you and our leaders travel to Washington, DC next week to testify before the House Committee that Public School System remains committed that our students are fully equipped with a 21st century skills and tools to contribute to our growing economy and the Commonwealth. The education and training we give our students have long-term benefits for our local economy our students go on to be nurses, teachers, law enforcement officers, small business owners and involved citizens this is a mission to prepare our students with the skills and knowledge and learning opportunities that will prepare them for the continuous education after high school to find a job and to be a successful and contributing citizen, an independent citizen of the Commonwealth. Everything that we do has always been student's firsts and will remain engraved into our hearts and minds. We at the State Board level are committed and passionate about the fiduciary duty as your servants for education, your servants to our students, your servants to our staff, your servants to the families and the community. Our school facilities are in need for much better infrastructure our existing structures are like 30 years old they're aging very fast and also the pressure of additional classrooms to meet the growing demand of students, to improve and enhance programs, to promote academic excellence and move every one of the student into the 21st century learning environment. We need to recruit the best and brightest stuff to make every effort to retain our staff because they matter to us. Our working environment offers meaningful opportunities for professional development and advancement. Talents and abilities shall be nurtured and cultivated and appropriately rewarded and compensated. We must also provide our teachers the latest curriculum technology and all the sources that they need to ensure that our students are ready to work, to enroll in colleges, to compete in a global work first that is very highly competitive. The Public School System always work hard to manage resources effectively. We recognized and greatly appreciate your wavering support you as the lawmakers in the Commonwealth and have contributed to our public schools funding. We are here today, again, asking the Legislature to join together with the Public School System in our efforts and commitments to ensure that every child has access to quality education, highly qualified teachers, advanced technology curricula and well stocked libraries. We at the State level remain hopeful and inspired by our students that at the end of each and every day were really matters is what happens in

our schools and how we were able to bring a smile on a student's face, the joy in families during graduation, the satisfaction and happiness of our teachers and staff the pride of been part of the Public School System. It is our obligation the State Board members to prepare our children to meet the challenges in their adult lives. We gladly accept this responsibility we are all engaged in a common mission not the impossible but the possibilities. We all need to invest, focus and be united on the work that we at the State Board are doing. So therefore, I urge all of you to pass House Bill No. 20-147, House Substitute 1, and as amended without hesitation. The House of Representatives answered our call for funding and appropriate \$12,000,000.00 just last week. I asked all of you to do the same thing one week after the house voted to provide PSS the much needed funds. Thank you for your attention and support.

President Palacios: Thank you.

Mr. Glenn Muña: Good afternoon, Mr. President and members of the Senate. My name is Glenn Muña and I am the Intern Commissioner of Education. Today I am joined by my PSS family to come and ask you for your support on House Bill 20-147. House Bill 20-147 will appropriate \$12,000,000 to the Public School System for school facilities, repairs and upgrades, purchase of instructional materials, purchase of school buses and additional buses, just to name a few. Last fiscal year, the Legislature provided PSS with a little over \$10,000,000 as a result we have purchased five additional buses which are now providing services to over 3000 students that we served and provide transportation services. In addition, with content close to \$1,000,000 on school facility repairs and upgrades for Saipan, Tinian and Rota. The CNMI Public School System was also able to pay the outstanding balance all to CUC, CUC as a result of this appropriation. And for that, we're grateful and thank you for partnership. On behalf of the 10,000 students that we served, our teachers and our staffed, we thank you for always putting education as one of your top priorities. We look forward to continue working with you as we continue to strive to provide the best quality education to our children, the children that we serve and our future leaders of the CNMI. We look forward to your continued partnership and collaboration with you our partners in education. So, we kindly ask that you please support House Bill 20-147. Thank you for your time.

President Palacios: Thank you. Are there anymore members of the public that wants to make comments? There being none. We move down to agenda Item C, Reading and Approval of Journal. Floor Leader?

READING AND APPROVAL OF JOURNAL

Floor Leader Borja: Thank you, Mr. President. For the approval of Senate Journal No. 20-22 and Senate Journal No. 20-23 so move.

The motion has been seconded.

President Palacios: The motion has been offered to adopt Senate Journal 20-22 and Senate Journal 20-23 its been seconded, discussion? Ready? Those in favor of the adoption motion please say, "Aye." Opposed say, "Nay."

All members voiced, “Aye.”

President Palacios: Motion carries. We are down to agenda Item D. Clerk?

MESSAGES FROM THE GOVERNOR

The Clerk voiced Governor’s Messages Nos. 20-202 to 20-229.

President Palacios: Any member wishing to make any brief comments on any of these messages from the Governor? There being none. We move to agenda Item E.

COMMUNICATIONS FROM THE JUDICIARY

The Clerk voiced Judiciary Communications Nos. 20-09 to 20-14.

President Palacios: We have six Communications from the Judiciary. Any member wishing to make any comment or statement on these communications you may do so. There being none. We move to agenda Item F, Communications from Heads of Executive Department. Clerk?

COMMUNICATIONS FROM HEADS OF EXECUTIVE DEPARTMENT

The Clerk voiced Department Messages Nos. 20-55 to 20-69.

President Palacios: Any comments or statements on these communications? Senator Santos, recognized.

Senator Santos: Mr. President, are we on Item F?

President Palacios: Yes, Senator.

Senator Santos: Thank you, Mr. President. This is in reference to Department Message No. 20-65 and that is OPM regarding lifting of suspension of step increases based on attendance at workshops and related trainings, I would like to commend our Civil Service Commissioners for recognizing the importance of lifting the suspension on step increases based on attendance and workshops and related trainings of civil service employees such will serve as an incentive or motivation to all our civil service employees to continue attending workshops and trainings for working enhancement, improvement and for growth. Thank you, Mr. President.

President Palacios: Thank you. Any more comments or statements? Senator Mangloña, recognized.

COMMUNICATIONS FROM THE HOUSE

The Clerk voiced House Communications Nos. 20-147 to 20-153.

Senator Mangloña: Thank you, Mr. President. On House Communication 20-153 I believe several speakers have come forward and expressed their support or recommendation for an increase in funding base on what the House of Representatives has transmitted to us under their House Draft 1. Based on the comment of the Chair, Marylou Ada, I assumed then I take it from her statement that she's satisfied with the appropriation of \$11,000,000.00: \$850,000 for PSS, I am assuming then that meets the requirement of 25% overall for this and other past appropriation, if that is not a true statement then I appreciate comments from them before the Senate addresses this legislation which I believe the Fiscal Affairs will be considering soon. The other thing is, I just want to know whether the appropriation here, I believe this is what Mr. Ross Mangloña was indicating that the \$275,000 they were originally promised two times that amount I assume that's the statement he is making. I ask the Chair to consider that. When you look at all the programs that were funded under this bill there is a lot of appropriations given to various programs that are significantly higher than the \$275,000 we give to NMTI so I support the increase of funding for that. Finally, I just want to ask for example the committee to review the amount that we owe to CUC? Because on page 3 of that bill, there is \$2.1 million that the appropriation for PSS is allocated for utilities and I'm just concerned about the utilities Mr. President because I understand the government owes \$40,000,000 to CUC today. I hope that is not a correct number, but I heard it is more than \$42 million so I wonder if this is all that is owed to CUC by PSS? And other departments or agencies such as the hospital, because here we give the hospital a couple of \$1,000,000 and none for utility. I believe it's important that we look at the government obligations for utility because it would affect us tremendously and we have some money here now. I am just saying that this can be used to support our utility agent corporation greatly. I just want to state that today. Thank you.

President Palacios: Thank you. I think the Fiscal Affairs Chair will take those comments into consideration.

Senator Hofschneider: Mr. President?

President Palacios: Senator Hofschneider, I don't want to labor the issue when we are still on communications and the instruction is that when we take up these things we need to take a look at all of those issues.

Senator Hofschneider: And that is the very reason why, Mr. President, that we need this bill to go to committee before we take action on this, simply because of all those concerns that are being raised.

President Palacios: Notwithstanding the concerns that are being raised. We also need to be mindful that the folks from NMTI ask for an expedite action and so as PSS. We need to take all these things into consideration. Senator Cruz, recognized.

Senator Cruz: Thank you, Mr. President. On Department Message No. 20-69, I would like to commend Commissioner Norita, Department of Fire and Emergency Medical Services for requesting to include funding for FY'2018 supplemental budget for the 28 WIA Fire Cadets. I believe everyone understand the agreement between WIA and departments if we don't provide the funding we will lose those cadets especially after they graduate from NMC. Again, I commend the Commissioner for those

requires and this includes the three Senatorial Districts, Saipan, Tinian and Rota. Thank you, Mr. President.

President Palacios: Thank you. Perhaps, Senator Cruz, when the issue of House Bill 20-140 is taken up perhaps those issues needs to be brought up to the floor also. But, thank you for that. Senator Santos?

Senator Santos: Thank you, Mr. President. Again, if I am still in order, I too, would like to join Senator Cruz in his statements and that is, I strongly consider this request that was submitted by our good Commissioner Norita, in identifying financial resources to fund our Fire Cadets so that one's these Fire Cadets successfully completes their Fire Academy that they can immediately be transferred into the regular FTE's. Thank you, Mr. President.

President Palacios: Thank you.

Senator Hofschneider: Mr. President?

President Palacios: Senator Hofschneider?

Senator Hofschneider: Mr. President, I wanted to restate my earlier comment and the Chair requests that this particular bill be transmitted to Fiscal Affairs Committee for our considerations so that we can act on it as soon as possible.

President Palacios: The Chair will take that into consideration. Senator Quitugua?

Senator Quitugua: *Si Yu'us ma'ase, Mr. President.* Mr. President, I strongly recommend because of the urgent needs of some of the agency's that if this is to be referred to the committee such legislation be back on the calendar to be acted upon our next session.

President Palacios: Short recess.

The Senate recessed at 3:35 p.m.

RECESS

The Senate reconvened at 3:36 p.m.

President Palacios: We are back to our session. We are down to agenda Item H, Communications from the Senate.

COMMUNICATIONS FROM THE SENATE

The Clerk voiced Senate Communications Nos. 20-141 to 20-150.

Floor Leader Borja: Mr. President, I think we have a confusion here. Earlier we were under Item F.

President Palacios: Yes, I know. I think everybody is jumping to G, so, I think we are done with G.

Floor Leader Borja: I have to make a motion.

President Palacios: Proceed please.

Floor Leader Borja: Thank you, Mr. President. On our agenda line Item G, I move to suspend all pertinent Rules to amend our agenda to include House Communication No. 20-156 and Senate Communications No. 20-151 in today's agenda, so move.

The motion has been seconded.

President Palacios: The motion s to place two communications one from the House and one from the Senate on today's agenda the motion has been seconded, discussion? Those in favor of the motion offered by Floor Leader please say "Aye." Opposed say, "Nay."

All members voiced, "Aye."

President Palacios: Motion carries. So, we're on agenda Item H. Just so, we're clear House Communications 20-156 which we have just included on today's calendar is relative to House Joint Resolution No. 20-8, "A House Joint Resolution to support the passage of Senate Resolution 2325 Northern Marianas Islands Work Force Act, introduced by Senator Lisa Murkowski in the Senate of the United States Congress. And Senate Communications 20-151 includes correspondence that I initiated and have recently will be sending to Senator Murkowski, Honorable Raul Grijalva, Ranking Member, House Committee on Natural Resources; Congressman Rob Bishop, Chairman of the House on Natural Resources; and Honorable Senator Maria Cantwell Ranking Member Senate Committee on Energy and Natural Resources, this and one letter also to the Honorable Gregorio "Kilili" Sablan, House of Representatives U.S. Congress, all these correspondents and all these letters are relative to the Northern Mariana islands U.S. Work Force Act which has been introduced in the Senate and in the House basically giving the sentiment of support from the Senate. Any other comments on communications from the Senate? We move on to agenda Item I. Clerk?

COMMUNICATIONS FROM THE WASHINGTON DELEGATE

The Clerk voiced Washington Delegate Communications Nos. 20-03 and 20-04.

President Palacios: Any comments on those two communications from Washington. Delegate? There being none. We move to Unfinished Business, there being none. We move to agenda Item K, Pre-filed Bills, Initiatives, Local Bills and Resolutions.

UNFINISHED BUSINESS

None

PRE-FILED BILLS, INITIATIVES, LOCAL BILLS AND RESOLUTIONS

President Palacios: Floor Leader?

Floor Leader Borja: Thank you, Mr. President. We do have Senate Resolutions and Senate Bills on the calendar and the floor is now open for the authors to officially introduced their resolutions and bills. Thank you, Mr. President.

President Palacios: Thank you. Senator Hofschneider?

Senator Hofschneider: *Si Yu'us ma'ase, Mr. President and members.* Good afternoon everyone. This is to formally introduce Senate Resolution number 20-20, that is, "To congratulate and commend the U. S. Army Junior Reserve Officers' Training Corps (JROTC) Stallion Battalion of Tinian High School for their outstanding achievements and exemplary performance in earning the "Honor Unit with Distinction" award." And without any objection from the members to go ahead and co-sponsor by the Committee of the Whole.

There was no objection raised.

President Palacios: There being no objection please have the record reflect that this is offered by the Committee of the Whole. Senator Quitugua?

Senator Quitugua: *Si Yu'us ma'ase, Mr. President.* Mr. President, officially introducing pre-filed Senate Bill 20-87, "To amend 4 CMC § 2313(b) to increase the number of casino commissioners to seven and to make 1 CMC §2901 applicable to the commission; and for other purposes." And if I may, Mr. President, on item 5.

President Palacios: Continue.

Senator Quitugua: Officially introducing pre-filed Senate Bill No. 20-90, "To amend 1 CMC §1610(a); and for other purposes. *Si Yu'us ma'ase, Mr. President.*

President Palacios: Thank you. Senator Igisomar?

Senator Igisomar: Thank you very much, Mr. President. This is to officially introduce Senate Legislative Initiative No. 20-02, "To amend Article IX of the Constitution of the Northern Mariana Islands to add a new Section 3 to authorize legislative referrals for the people to approve proposed general laws of the Commonwealth. Thank you.

President Palacios: Thank you. Any other pre-filed bills or resolutions? I have a couple of resolutions to introduce that I have pre-filed. Senate Resolution No. 20-21, "To support the passage of S. 2325, the Northern Marianas Islands U.S. Workforce Act, introduced by Senator Lisa Murkowski in the United States Senate and House Resolution 4689 an identical bill introduced by Congressman Gregorio Kilili Sablan in the House of Representatives of the United States Congress." Offered by myself and all members of the Senate. And Senate Resolution No. 20-22, "Expressing heartfelt condolences to the bereaved family of the late Concepcion Olopai Igisomar on her untimely passing

and to memorialize her selfless service to Commonwealth of the Northern Mariana Islands.” And I ask that we offer this as a Committed of the Whole if there is no object.

There was no objection raised.

President Palacios: Are there any unnumbered bills to be reported? Senator Cruz?

INTRODUCTION OF BILLS, INITIATIVES, LOCAL BILLS AND RESOLUTIONS

Senator Cruz: Thank you, Mr. President. This is for introduction, officially, I would like to introduce Senate Bill No. 20-91, “To amend specific statutory provisions in Title 9 of the Commonwealth Code concerning non-payable traffic offenses; and for other purposes.” Thank you, Mr. President.

President Palacios: Thank you. We are down to agenda Item M, Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

President Palacios: Senator Quitugua?

Senator Quitugua: Mr. President, if we can go back to Item L?

President Palacios: Introduction of Bills, Initiatives, Local Bill and Resolutions, yes, proceed.

INTRODUCTIONS OF BILLS, INITIATIVES, LOCAL BILLS AND RESOLUTIONS

Senator Quitugua: *Si Yu’us ma’ase, Mr. President.* Introducing if there's no objection from the members as a Committee of the Whole, Senate Resolution No. 20-23, “To recognize and commend the Chamorro Hands in Education Links Unity (CHE’LU) Organization for their continuous contributions to the community in their efforts to preserve and promote the Chamorro culture and language.” And further, Mr. President, if the Floor Leader later on can make the proper motion to place this resolution under Item O for today’s action. Thank you.

President Palacios: Thank you. The floor will note that when we get to the Resolution Calendar. Anymore legislation for introductions? None, we are down to agenda Item M, Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

President Palacios: The Chair would like to take five-minutes break.

The Senate recessed at 3:46 p.m.

RECESS

The Senate reconvened at 3:56 p.m.

President Palacios: We are back to our session. We left off on agenda Item M, Reports of Standing Committees.

Senator Hofschneider: Mr. President?

President Palacios: Senator Hofschneider?

Senator Hofschneider: Without any objection from the members, can we go to Item O and disposal of Resolution Calendar, some of the resolution recipients are actually here from Tinian and they would like to make the last flight back so if that's possible, I certainly appreciated.

President Palacios: You mean to tell me you didn't charter the flight?

Senator Igisomar: Mr. President?

President Palacios: If there is no objection we would take it up. Before I continue on that I recognized, Senator Igisomar.

Senator Igisomar: Thank you, Mr. President. Of course I will support and not object, but at the same time, I highly recommend that right afterwards if no objection from the members, we go straight into the acceptance of the Committee Reports that will confirm the nominees that has been waiting here as well. Thank you very much.

President Palacios: Your attention is always in high demand. Floor Leader, we can go down to Resolution Calendar so we can adopt Senate Resolution No. 20-20. Floor Leader, recognized.

RESOLUTION CALENDAR

Floor Leader Borja: Thank you, Mr. President. Under Resolution Calendar, again, I move to suspend all pertinent Rules so that we can place House Joint Resolution No. 20-8 and Senate Resolution No. 20-23 in today's Resolution Calendar, so move.

The motion has been seconded.

President Palacios: Motion is for suspension of Rules and placement of House Joint Resolution 20-8 and Senate Resolution No. 20-23 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. Floor Leader?

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

The motion has been seconded.

President Palacios: Motion is for the adoption of Senate Resolution No. 20-20 that motion has been seconded, discussion? Senator Hofschneider?

Senator Hofschneider: Thank you, Mr. President. This afternoon we have along with this during session we have the folks from Tinian High School U.S. Army JROTC primarily, Captain Joseph Santos, First Sergeant Joe King, and High School Principal Ms. Dion Santos, also the Stallion Battalion Commander Cadet Lieutenant Coronel Michele Quichocho, Cadet Command Sergeant Major Lisa Moore, and Service Learning Facilitator Cadet Master Sergeant Israel Dela Cruz, and I just want to go ahead, Mr. President, if I may just read the short synopses of this particular resolution and it is basically a message on behalf of the Twentieth CNMI Senate, it is an honor to recognize and adopt this resolution to the U.S. Army Junior Reserve Officer Training Corps (JROTC) Stallion Battalion of Tinian High School. And as stated on the preambles of the resolution the ROTC Stallion Battalion of Tinian High School has been recognize and honor unit since 2004 and most recently the Tinian High School U.S. Army JROTC Stallion Battalion completed its U.S. Army JROTC program accreditation evaluation on December 7, 2017. And as a result of their outstanding performance the Tinian High School U.S. Army JROTC Stallion Battalion earned the Renowned Award of Honor Unit with distinction that will be in effect for the next three years and receiving this Honor Unit with distinction is the most sought after Unit Awards award that indicates Units Professional conduct, outstanding hard work, collaborative team work and high evaluation rating on their accreditation. The U.S. Army JROTC program is only as strong as a community they represent in which a heartfelt appreciation is in order to the family's, friend's, teachers and staff of Tinian High School, as they share in the honor of their cadet's and instructors of Tinian High School U.S. Army JROTC Stallion Battalion. Once again, on behalf of the people of the Commonwealth especially to the people of Tinian congratulations on this prestigious award. Thank you, Mr. President.

President Palacios: Further discussion?

Floor Leader Borja: Mr. President, can we have a short recess?

President Palacios: We need to adopt it.

Floor Leader Borja: Thank you.

President Palacios: Those in favor of the motion to adopt Senate Resolution No. 20-20 please say, "Aye." Opposed say, "Nay."

All members voiced, "Aye."

President Palacios: Motion carries. The Senate adopted Senate Resolution No. 20-20. Short recess.

The Senate recessed at 4:02 p.m.

RECESS

The Senate reconvened at 4:10 p.m.

President Palacios: We are back to our session. I would like to go back to agenda Item M, Reports of Standing Committee and dispose of these Standing Committee Reports.

REPORTS OF STANDING COMMITTEES

President Palacios: With that, Floor Leader.

Floor Leader Borja: Thank you, Mr. President. We do have seven Standing Committee Reports appearing on line Item M. And as recommend by Senator Sixto Igisomar, we will start on Standing Committee Report No. 20-69, from the Committee on Executive Appointments and Government Investigation reporting on the appointment of Ms. Patricia S. Mareham to serve as a member of the Commonwealth Election Commission representing Carolinian for the Third Senatorial District, so move.

The motion has been seconded.

President Palacios: Motion is for the adoption of Standing Committee Report No. 20-69 is been seconded, discussion? The Chair now recognized the Chair of the Committee Senator Cruz. Thank you, Mr. President. Mr. President, I would like to give the Vice Chair of the Committee the honor since he's the one who conduct the public hearing. Thank you, Vice Chair Quitugua. Mr. President, this is Senate Standing Committee Report No. 20-69, the appointment of Ms. Patricia S. Mareham, your Committee on Executive Appointments and Governmental Investigations to which was referred the appointment of Ms. Patricia S. Mareham to serve as a member of the Commonwealth Election Commission begs leave to report as follows: Pursuant to 1 CMC §6102, Ms. Patricia S. Mareham was nominated by Governor Ralph DLG. Torres on November 09, 2017 to serve as a member of the Commonwealth Election Commission. The Committee on Executive Appointments and Government Investigations recommends that the Senate give its advice and consent to the appointment of Ms. Patricia S. Mareham to serve as a member of the Commonwealth Election Commission. Your committee has examined all pertinent documents submitted relating to Ms. Patricia S. Mareham'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. Patricia S. Mareham's credentials, experiences, testimonies and other relevant issues considered, your committee is convinced that Ms. Patricia S. Mareham possesses the qualification and leadership skills necessary to serve as a member of the Commonwealth Election Commission. Your Committee concludes that the appointment of Ms. Patricia S. Mareham meets all the necessary requirement pursuant to 1 CMC §6102. Furthermore, Ms. Patricia S. Mareham has submitted all required documents in conformance with Rule 8, Section 5 of the Senate Rules. Again, I ask the full body to support Senate Standing Committee Report No. 20-69. Thank you, Mr. President.

President Palacios: Thank you. Any other comments or statements? 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	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” the appointment of Ms. Patricia S. Mareham is hereby approved by the Senate. Floor Leader?

Floor Leader Borja: For the adoption of Standing Committee Report No. 20-70 from the Committee on Executive Appointments and Government Investigations reporting on the appointment of Ms. Charlene Sakisat Masiwemai to serve as a member of the Scholarship Board of Directors representing the Third Senatorial District, so move.

The motion has been seconded.

President Palacios: Motion is offered is for the adoption of Standing Committee Report No. 20-70 relative to the appointment of Ms. Charlene Sakisat Masiwemai to server as a member of the Scholarship Board of Directors for the Third Senatorial District that motion has been seconded, discussion? Chair recognizes, Senator Cruz.

Senator Cruz: Thank you, Mr. President. Again, your Committee on Executive Appointments and Government Investigations is ready to report Senate Standing Committee Report No. 20-70 and this is the appointment of Ms. Charlene S. Masiwemai. Mr. President, your Committee on Executive Appointments and Government Investigations to which was referred the appointment of Ms. Charlene S. Masiwemai to serve as a member of the Scholarship Board of Directors to represent the island of Saipan begs leave to report as follows: Pursuant to Public Law 18-40, Ms. Charlene S. Masiwemai was nominated by Governor Ralph DLG. Torres on December 29, 2017 to serve as a member of Scholarship Board of Directors. Your Committee on Executive Appointments and Government Investigations recommends that the Senate give its advice and consent to the appointment of Ms. Charlene S. Masiwemai to serve as a member of the Scholarship Board of Directors to represent the island of Saipan. Your committee has examined all pertinent documents submitted relating to Ms. Charlene S. Masiwemai'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. Charlene S. Masiwemai's credentials, experiences, testimonies and other

relevant issues considered, your committee is convinced that Ms. Charlene S. Masiwemai possesses the qualification and leadership skills necessary to serve as a member of the Scholarship Board of Directors to represent the island of Saipan. Your Committee concludes that the appointment of Ms. Charlene S. Masiwemai meets all the necessary requirement pursuant to Public Law 18-40. Furthermore, Ms. Charlene S. Masiwemai has submitted all required documents in conformance with Rule 8, Section 5 of the Senate Rules. Again, I ask the full body to support Senate Standing Committee Report No. 20-70. Thank you, Mr. President.

President Palacios: Thank you. Further comments? 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	Yes
President Arnold I. Palacios	Yes

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

President Palacios: With all nine members voting “yes” the Senate hereby approves the appointment of Ms. Charlene Sakisat Masiwemai to serve as a member of the Scholarship Board of Directors for the Third Senatorial District. Congratulations! Let’s take a short recess to bring the appointees up.

Senator Cruz: Mr. President?

President Palacios: Go ahead.

Senator Cruz: Mr. President, Ms. Masiwemai have submitted a letter of apology for not being able to attend Senate Session. So, I ask for the Senate members for their patience for Ms. Masiwemai for not able to be present today. But anyways, she is confirmed. Thank you very much for your support.

President Palacios: Can I ask Ms. Mareham to join us up here?

The Senate recessed at 4:18 p.m.

RECESS

The Senate reconvened at 4:23 p.m.

President Palacios: We are back to our session. Floor Leader, the next Standing Committee Report, please.

Floor Leader Borja: Thank you, Mr. President. We are back to number one for the adoption of Standing Committee Report No. 20-66 from the Committee on Education and Youth Affairs reporting on House Bill No. 20-88, House Draft 1, “To repeal and re-enact “The Education Act of 1988,” as amended and codified as 3 CMC § 1101 through §1193; and for other purposes,” so move.

The motion has been seconded.

President Palacios: The motion offered is for the adoption of Standing Committee Report No. 20-66 that motion has been seconded, discussion? Ready? Those in favor of that motion 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. 20-73 from the Committee on Gaming reporting House Bill No. 20-102, House Draft 1, “To repeal and re-enact 4 CMC §1508 (Reservation of License Revenue); and for other purposes,” so move.

The motion has been seconded.

President Palacios: Motion is for the adoption of Standing Committee Report No. 20-73 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. Floor Leader?

Floor Leader Borja: For the adoption of Standing Committee Report No. 20 -71 from the Committee on Fiscal Affairs reporting on House Bill No. 20-70, “To clarify sections 20129 and 20130 relating to the CNMI Veterans Cemetery,” so move.

The motion has been seconded.

President Palacios: Motion is for adoption of Standing Committee Report No. 20-71 that motion has been seconded, discussion? Ready? Those in favor of the adoption motion offered please say, “Aye.” Oppose say, “Nay.”

All members voiced, “Aye.”

President Palacios: Motion carries. Floor Leader?

Floor Leader Borja: For the adoption of Standing Committee Report No. 20-72 from the Committee on Fiscal Affairs reporting on House Bill No. 20-93, House Draft 1, “To amend 1 CMC §8250(e) by

including the Marianas Visitors Authority (MVA) and the Office of the Public Auditor (OPA) to be exempted from the salary limitations imposed by the Compensation Adjustment Act as amended,” so move.

The motion has been seconded.

President Palacios: Motion is for the adoption of Standing Committee Report No. 20-72 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. Floor Leader?

Floor Leader Borja: For the adoption of Standing Committee Report No. 20-74 from the Committee on Fiscal Affairs reporting on Senate Bill No. 20-23, “To permit the issuance of Industrial Revenue Bonds/Industrial Development Bond by the Commonwealth Northern Mariana Islands government for the benefit of private sector development in alignment with documented CNMI priorities; and for other purposes,” so move.

The motion has been seconded.

President Palacios: Motion is for the adoption of Standing Committee Report No. 20-74 it has 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. We go down to agenda Item O, Resolution Calendar. Floor Leader?

RESOLUTION CALENDAR

Floor Leader Borja: Thank you, Mr. President. For the adoption of Senate Resolution No. 20-21, so move.

The motion has been seconded.

President Palacios: Motion is for the adoption of Senate Resolution No. 20-21 its been seconded, discussion? Ready?

Senator Mangloña: Mr. President?

President Palacios: Senator Mangloña?

Senator Mangloña: Just a typo. I just wanted to comment that maybe we should authorize the legal counsel to make a minor technical amendment. For example, on page 3, on the 4th “Whereas” the last word on that sentence is “on” and I believe that should be “on” as well as on the same page, page 3, the last sentence there should end with “and” because there is still one more “Whereas”. Just some typo before we finalize this.

President Palacios: If there is no objection, I would like to ask the Clerk and the legal counsel to go ahead and make those technical corrections, if there is no objection.

There was no objection raised.

President Palacios: So, we will allow the legal counsel and the clerk to make those minor corrections.

Senator Mangloña: With that, Mr. President, can you just call for a very short recess?

President Palacios: Okay, very short.

The Senate recessed at 4:29 p.m.

RECESS

The Senate reconvened at 4:30 p.m.

President Palacios: We are back to our session. Legal counsel, please make those necessary editing on a short order so we can finalize the resolution. Any other discussion? Ready? Those in favor of the motion to adopt Senate Resolution No. 20-21 please say, “Aye.” Opposed say, “Nay.”

All members voiced, “Aye.”

President Palacios: Motion carries. Senate Resolution No. 20-21 is hereby adopted. Floor Leader?

Floor Leader Borja: For the adoption of Senate Resolution No. 20-22, so move.

The motion has been seconded.

President Palacios: Motion is for the adoption of Senate Resolution No. 20-22 its been seconded, discussion? Ready? Those in favor of the motion offered for the adoption of Senate Resolution No. 20-22 please say, “Aye.” Opposed say, “Nay.”

All members voiced, “Aye.”

President Palacios: Motion carries. Floor Leader?

Floor Leader Borja: For the adoption of House Joint Resolution No. 20-8, so move.

The motion has been seconded.

President Palacios: Motion offered is for the adoption of House Joint Resolution No. 20-8, that motion has 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. Floor Leader? For the adoption of Senate Resolution No. 20-23, so move.

The motion has been seconded.

Floor Leader Borja: Motion is for the adoption of Senate Resolution No. 20-23 the motion has been seconded, discussion? Senator Quitugua?

Senator Quitugua: *Si Yu’us ma’ase, Mr. President.* Mr. President, the 9th Annual Chamorro Cultural Festival will be on March 24, 2018 at the California State University, San Marcus. Mr. President if you are planning and other members of the Senate to attend this festival, we will prepare this resolution so that you and other members can bring it on behalf of the members here. Thank you.

President Palacios: Thank you. Not that I have any plans be that as it may we will keep that in mind. Any further discussion? Ready for the question? Those in favor of the motion to adopt House Joint Resolution No. 20-23 please say, “Aye.” Opposed say, “Nay.”

All member voiced, “Aye.”

President Palacios: Motion carries. Floor Leader?

BILL CALENDAR

Floor Leader Borja: On Bill Calendar –

President Palacios: Floor Leader, can we just take two-minute recess?

Floor Leader Borja: Okay. Thank you.

The Senate recessed at 4:33 p.m.

RECESS

The Senate reconvened at 4:37 p.m.

President Palacios: We are back to our session. Floor Leader, first bill please?

Floor Leader Borja: For the passage on Final Reading House Bill No. 20-88, House Draft 1, Senate Draft 1, so move.

The motion has been seconded.

President Palacios: Motion offered is for the passage of House Bill No. 20-88, House Draft 1, Senate Draft 1, that motion has been seconded, discussion? Senator Quitugua?

Senator Quitugua: *Si Yu'us ma'ase, Mr. President.* Just technical amendment for consistency on page 2 of the bill, line 10, after the word “elementary” insert “,” and add the words “middle school”.

The motion has been seconded.

President Palacios: An Amendment motion has been offered that motion has been seconded, discussion? Ready? Those in favor of the Amendment motion offered by Senator Quitugua please say, “Aye.” Opposed say, “Nay.”

All members voiced, “Aye.”

President Palacios: Motion carries. We are back to the main motion. We are looking at the passage of House Bill No. 20-88, HD1, SD2, further discussion? Senator Quitugua?

Senator Quitugua: On page 12 of the bill, Mr. President, on line item 12, to strike-out the sentence, “The Board of Education” all the way to the “Legislature” on line 14,” so move.

The motion has been seconded.

President Palacios: Another Amendment offered by Senator Quitugua, that motion has been seconded, discussion? Those in favor of the Amendment motion offered by Senator Quitugua please say, “Aye.” Opposed say, “Nay.”

All members voiced, “Aye.”

President Palacios: Motion carries. We are down to the main motion of House Bill No. 20-88, HD1, SD3. Senator Hofschneider?

Senator Hofschneider: Mr. President, may I request for two-minutes recess, please?

President Palacios: I will give you one minute.

The Senate recessed at 4:41 p.m.

RECESS

The Senate reconvened at 4:42 p.m.

President Palacios: We are back to our session. Senator Hofschneider?

Senator Hofschneider: No further, Mr. President. Thank you for allowing me that break.

President Palacios: Are we ready to vote on the passage of House Bill No. 20-88, as amended. We are voting for the passage of House Bill No. 20-88, HD1, SD3. 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	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. 20-88, House Draft 1, Senate Draft 3, hereby passes the Senate. Floor Leader?

Floor Leader Borja: For the passage on Final Reading Senate Bill No. 20-86, SD1, “To rename the Port of Tinian/Tinian Harbor, “The Honorable Jose Pangelinan San Nicolas Commercial Port of Tinian”; and for other purposes,” so move.

The motion has been seconded.

President Palacios: Motion offered is for the passage of Senate Bill No. 20-86, SD1, it has been seconded, discussion? Senator Hofschneider?

Senator Hofschneider: Thank you, Mr. President and members. In his honor this bill aims to a rename the commercial port of Tinian after the late mayor, *Mayor San Nicolas aka Chandia* for those of you who don’t know him, the findings and purposes pretty much explains the ambition and the vision of the late mayor from providing the conduit of transporting to and from Saipan and Tinian the SN5 landing craft in which essentially provided that services for number of years. In certain point in time he's also commission to conduct other emergency services if need be. Also, Mr. President, when the late mayor was serving his term he accomplished one of the major fit of pushing an instant and accomplishing the repairs of certain portion of Tinian Commercial Port, right now, most notably, the portion there that we fondly known as Tinian residence, if you’re from Tinian that place is called *Matamam*. Right now, that area is being released by Bridge Investment Group and they’re currently developing so the infrastructure is in place and it also enables the improvement in the surrounding areas. Furthermore, on the project's he was able to accomplish that portion, the marina where our boaters working. Mr. President, I think it is in order because of his contribution to the people of

Tinian, contribution to the Commonwealth, his ambition and his dedication to make Tinian a better place, accessible, a place to visit and a place to stay, I thought that I along with my colleagues from the Senate take the honor and sponsor this legislation renaming the Port of Tinian/Tinian Harbor “The Honorable Jose Pangelinan San Nicolas Commercial Port of Tinian.” I respectfully request we support this. And I thank you for your time.

President Palacios: Thank you. Any other comments? Ready for a question? Clerk, please call the roll for the passage of Senate Bill No. 20-86, Senate Draft 1.

CLERK called the roll:

Senator Francisco M. Borja	Yes
Senator Francisco Q. Cruz	Yes
Senator Jude U. Hofschneider	Hunggan (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” Senate Bill No. 20-86, Senate Draft 1, hereby passes the Senate. Floor Leader?

Floor Leader Borja: For the passage of Senate Bill No. 20-18, “To require all employers to pay CNMI prevailing wages to all employees; to mandate government contractors to pay prevailing wages for public works projects; and for other purposes,” so move.

The motion has been seconded.

President Palacios: Motion is for the passage of Senate Bill No. 20-18, it has been seconded, discussion? Senator Igisomar?

Senator Igisomar: Thank you, Mr. President. I believe we’re discussing Senate Bill 20-18 and I would like to at least have two clarification questions to the Chairman of Fiscal Affairs.

President Palacios: Please proceed.

Senator Igisomar: Thank you, Mr. President. Senator Hofschneider, first question, is this the bill we discussed in the last committee?

Senator Hofschneider: That is correct.

Senator Igisomar: I believe in the last committee we had amendments and what I'm looking at is an original bill and if I am not mistaken Chairman this is the wrong bill we are about to adopt so where is the bill that we discussed in the committee the amendments? Unless you want to call recess if you don't mind, Mr. President, so we can verify.

President Palacios: Short recess.

The Senate recessed at 4:49 p.m.

RECESS

The Senate reconvened at 4:51 p.m.

President Palacios: We are back to our session. We were discussing Senate Bill No. 20 -18 the Chair recognize Senator Hofschneider.

Senator Hofschneider: Thank you, Mr. President. To answer Senator Igisomar's question, I would like to answer it by way of offering an Amendment to Senate Bill No. 20-18 and, Mr. President, because this is a very significant bill and we've made some substantive changes allow the Chair to read it out, if there is no objection.

There was no objection raised.

Senator Hofschneider: Mr. President, Senate Bill No. 20-18, on the heading "To require employers" instead of "To require all employers to pay CNMI prevailing wages to employees; and to mandate government contractors to pay prevailing wages for public works projects; and for other purposes." And on line 8, of the first page, "The Legislature further finds that the CNMI government and private employers were faced with a shortage of workers when USCIS announced" and we struck-out "in early May 2016" we also struck-out "12,999" on line 10, and struck-out "FY2016" one line 11, we also struck-out the "Approximately 1,300 CW-1 program workers were affected by CW cap. Those affected "will be" stricken-out and "are" will be replaced by "are required to leave the CNMI within 10 days of the expiration of their CW permits. This situation resulted in grave adverse effects in the CNMI economy" and further read "Some businesses have shut down" instead of "will shut down" "have shut down their operations because of their employees are affected by the CW cap limitation." And to further add, "The Legislature finds that the CNMI needs an adequate number of foreign workers to meet the demands of the CNMI's economic development but the same time limit the number of foreign workers so that U.S. citizens are employed rather than displaced foreign workers and equally important the employment of the non US citizens shall not negatively affect the wages of US citizens. On page 2, under 16, "The Legislature further finds that the minimum wage is \$7.05 and this is an update from the original version, Mr. President, but it set to increased \$7.25 in September 2019. Accordingly, the purpose of this legislation to require employers to pay CNMI prevailing wages to their nonresident alien worker or employees provided all other employees are given the wage adjustments to match the nonresidents alien workers' wage if higher and if in the same or similar occupation." On page 3, there's an addition item added on line 11, line (d), "employer means private businesses employers inclusive of private businesses contracted to perform public works projects as define in subsection (f) of the section." On line 13, an addition item "(e) Nonresident Alien Workers

or NRAW means a non U.S. citizen and non U.S. National who does not possess a green card officially known as U.S. Permanent Resident Card and is working in the Commonwealth.” Prevailing wages in the CNMI, I am still on page 3, instead of “every employer” it says, “The employer except as provided in subsection (b) of this section and the secretary may provide under 4 CMC § 9234 shall pay every nonresident alien worker a prevailing wage established by the secretary pursuant to the 2014 prevailing wage in workforce assessment study.” And on line 5, page 4, “The employer shall pay each NRAW employee a wage that is not less than the greater of the following: CNMI minimum wage; Federal minimum wage; CNMI prevailing wage for the occupation which the workers employed or the actual wage level paid by the employer to any other U.S. or non U.S. worker for employees in the same or similar occupation.” Item (c) “If NRAW is hired with the salary under subsection (b) of this section every other worker receiving wages less than that of the NRAW and working in the same or similar occupation as the employee NRAW worker shall be given an increase in which to match the NRAW.” And on line 27, page 4, “The Secretary shall update the CNMI prevailing wages schedule beginning in fiscal year 2018 and update every two years.” Furthermore, on page 5, in addition item (d) “In connection with the update of the prevailing wages schedule every employer requested by the Department of Commerce to complete the required survey shall comply with the request and shall complete the survey with accurate information within the time as requested any employer who fails to complete the survey shall be penalized \$2,500.00 for first offense; and \$5,000.00 for second offense and every offense thereafter.” On page 6, under § 106 “Violation of Chapter, Penalty” clause, shall be unless otherwise provided in this chapter “Any person, firm or corporations or combination thereof, including the officers of any contracting agent, violating the provisions of this chapter is guilty of a misdemeanor. (b) Any person is punishable for each violation a fine of not less than \$10,000.00 and not more than \$15,000.00 or by imprisonment not in excess of one year, or both.” “Penalty Fees. All penalty fees collected in accordance of this chapter shall be deposited in a special revolving fund account separate from the general fund to be used to fund future prevailing wage study under the expenditure authority of the Secretary.” Section 4, line 15, “Regulations. The Secretary shall promulgate rules, promulgate nectary regulations to carry out the intent of this act.” And therefore, Mr. President, the rest of the changes are just citations from numeric and alphabetical. So move.

The motion has been seconded.

President Palacios: It’s almost a substitute. The Amendment motion offered by Senator Hofschneider has been seconded, discussion? Does everybody have a copy of that? I have a copy. Senator Igisomar, recognized.

Senator Igisomar: Thank you very much, Mr. President. I just wanted to add-on just commenting on the amendments by our Chairman and the importance of using the word “nonresident alien worker” and we’re hoping that this is not in conflict with the Atty. General’s interpretation in any way for any form of discrimination. However, these words in our committee were extracted from the USCIS definition and we try to be careful to make sure that the prevailing wage that we are tackling on two wages in the CNMI is to focus on that particular person who is a non-immigrant who is really here strictly to look for job because under the USCIS visa there’s so many categories. We wanted to make sure it does not hit for example, a priest or a diplomat. So, we’re hoping that this particular language will guide this bill to address specifically a foreign worker being hired to work in the CNMI. Thank you, Mr. President.

President Palacios: Thank you. Further? Senator Mangloña?

Senator Mangloña: I just want to get a clarification from our legal counsel, on page 3, I noticed we change on SD1, I believe it's on line 23, we remove "each employee employed by the employer" and instead we put the "nonresident alien worker" I don't have a problem with that but where in the bill is clear that "every employee hired by that company?" Because as originally stated, its "To each employee employed by the employer" but now it seems that we are focusing on the nonresident worker which is the intent, the intent is that any company that hires a nonresident worker should pay every one that's employed the prevailing wage, right, that was the understanding. But this one now is not clear that if you are a local then you are paid prevailing wage.

President Palacios: Go ahead counsel.

Counsel Bermudes: When I looked at it, to each employee employed sounds just redundant and we removed that and then every employer change because it doesn't apply to all the employers like government employer. But under page 4, look under (c) basically every nonresident worker shall be paid that same and if it's a U. S. citizen worker working for that employer then if they are in the similar or same occupation then they have to be paid the same amount.

Senator Mangloña: Okay. And then, for public works it doesn't matter whether you have nonresident worker everybody pays prevailing wages, right?

Counsel Bermudes: Yes.

Senator Mangloña: Even if you don't hire nonresident worker?

Counsel Bermudes: It doesn't matter what can of an employee whether it falls under public works projects the employer must pay prevailing wage.

Senator Mangloña: Thank you. I am satisfied with that section (c).

President Palacios: Ready for the question?

Senator Igisomar: Mr. President, can you just call for a short recess? I just want to ask a question that I don't want to delay this further.

President Palacios: Short recess.

The Senate recessed at 5:03 p.m.

RECESS

The Senate reconvened at 5:04 p.m.

President Palacios: We are back to our session. We were discussing Senate Bill No. 20-18, SD1, are we ready for the question? 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 all nine members voting “yes” Senate Bill No. 20-18, Senate Draft 1, hereby passes the Senate. Floor Leader, one more.

Floor Leader Borja: Thank you, Mr. President. For the passage on Final Reading Senate Bill No. 20-90, “To amend 1 CMC §1610 (a); and for other purposes,” so move.

The motion has been seconded.

President Palacios: Motion offered is for the passage of Senate Bill No. 20-90 that motion has been seconded, discussion? 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	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” Senate Bill No. 20-90 hereby passes the Senate on First and Final. We should leave the rest of the bills that are on the calendar and we’ll take them up on the next session. Senator Quitugua, you had your hand first.

Senator Quitugua: *Mr. President, este i next bill on the calendar, bandan salape este. Mr. President, ya ma’nananga todo i Senatorial Districts, biahu famaisin kao siña ta bota este pago?*

President Palacios: *Taya ni ti' urgent este salape.* If the Floor Leader is up to we will take one more. Floor Leader?

Floor Leader Borja: Thank you. Let's go for it. For the passage on Final Reading House Bill No. 20-102, HD1, SS1, "To repeal and re-enact 4 CMC § 1508 (Reservations of License Revenue); and for other purposes," so move.

The motion has been seconded.

President Palacios: Motion is for the passage of House Bill No. 20-102, House Draft 1, Senate Substitute 1, motion has been seconded, discussion? 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	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 20-102, House Draft 1, Senate Substitute 1, hereby passes the Senate. *Polo ya' tafan diskansa.* The rest of the bills on calendar will remain on calendar and will be taken up on the next session. We move to Petitions, Memorials and Miscellaneous Communications Agenda Item Q. Clerk?

PETITIONS, MEMORIALS AND MISCESSLANEOUS COMMUNICATIONS

The Clerk voiced Miscellaneous Communications Nos. 20-217 to 20-238.

President Palacios: Any brief comments? Senator Igisomar?

Senator Igisomar: Thank you very much, Mr. President. I just wanted to make a comment on Miscellaneous Communication 20-236 which is a message letter received from Atty. Janet King to my office with respect to CW-1 issues. It's a simple letter but I just wanted to because it's in response to what CW-1 wants to currently as they are applying and being denied. And her advice for employers is of course you must assent the CW-1 overseas. However, as PL 110-229 is transitioning CW-1's, an alternative option is to look for EB-3 visa option, which is Echo Bravo 3. And her other advised is may be if the CNMI can request asking USCIS to grant deferred action for former CW-1 workers who

are seeking other employment basis visas. A deferred action is a form of prosecutorial discretion it defers deportation against an individual for certain period of time. And her advice to employees, and again, I truly thank her for giving us some of this information and guidance is for employees all foreign workers should seek help for their immigration questions from only attorneys or accredited representatives. That is pretty good because we mentioned when you were off-island, Mr. President, that we were bombarded by a lot question from foreign workers and I hope that they can seek guidance from attorney. Thank you very much, Mr. President.

President Palacios: Thank you. Senator Quitugua?

Senator Quitugua: Si Yu'us ma'ase, Mr. President. On Q 3, Miscellaneous Communications 20-219, this communications, Mr. President is quite alarming and I think we should really take a look at this and this is in reference to "Termination of the Division of Revenue and Taxation performance audit." The office of the Public Auditor wanted to audit the Department of Revenue and Taxation whether it has internal controls to detect un-license businesses and under reported business gross revenue and hotel occupancy taxes for year's 2015 and 201. However, Mr. President, this audit is put to a stop for the reason that the Secretary of Finance prohibits the office of the Public Auditor from examining the documents that are requested and as a result OPA's inability to access tax data will impact the preparation of the Commonwealth's financial audit which will be starting shortly. And, Mr. President, I downloaded the Planning and Budgeting and Auditing Act and it is very specific and clear on §7844 access to tax data that the Office of the Public Auditor has wide aerial of authority to review tax documents. I really don't know which committee should look into this so that we can get more clarifications. It is very important that we see that taxes are collected and unlicensed businesses should not be operating in the CNMI. Thank you, Mr. President.

President Palacios: Thank you. The Chair will take that into consideration and mostly one of the committees to take a look at that. Any further comment? Senator Mangloña?

Senator Mangloña: I would like to echo the sentiment of Senator Quitugua. I think, Mr. President, the Secretary of Finance or the Division of Revenue and Tax under the law they're obligated to come up with this date on a regular basis. And I think the Fiscal Affairs Committee in its deliberation during the budget we saw that the need to put in boldface the provision requiring them to adhere to those report requirements. So, I think this should not be taken lightly this is coming from the Public Auditor saying that they simply wanted to determine whether DRT (Division of Revenue and Tax) has appropriate internal controls to dictate an unlicensed businesses and underreported business gross revenue. I think that the Chairman of Fiscal Affairs, six years ago did a report on how we can look at the revenue generation and cost control and one of the recommendation for sample was to hire a Director of Revenue and Tax and we even increase the salary of that position, and to hear now years later, that they have to stop a performance audit at that because they don't have the data they cannot work with the OPA. I think this Communication 20-219 deserves some kind of explanation from this body. So, I respectfully ask the President or the Chairman of the Committee to come up with a report on this particular Miscellaneous Communication. But for now, I'll just leave it at that and I would like to allow other members then I'll come back with another matter. Thank you.

President Palacios: Thank you. Any other member wants to weigh in on that? Apparently not. Senator Mangloña, we are back to you.

Senator Mangloña: About CUC, I am alarm and I heard during the session that CUC's nonpayment of utility usage by our government has reached out to forty-six million dollars (\$46,000,000.00) and again I respectfully ask the appropriate committee to look at that I think we don't need to get an emergency letter from CUC in the very near future telling us that they need payment or they will shut down certain agencies and it's an appropriate time because we're all working with different revenue source and we don't want to be caught by surprise so that's the other one. And finally, the last comment I want to bring up with the committee is we a received a letter from our Resident Director of DPS in Rota, Mr. Eusebio Mangloña, and this is with regards to the assistance for the 23rd Police Academy. When I first got this letter I was thinking it's for one of those 5,000, 10,000 assistants but then when I read it carefully is \$144,000 and this \$144,000 is for the three vans for the academy training here, the duration for a 4 bedroom houses, cadet uniform \$400 per person and 17 cadets that is \$6,800, and then the significant one here is cadets stipend \$50.00 times 4 month times 17 that is \$103,000.00, they need \$444,000.00 and they are asking the Delegation. My point that I am trying to raise is, if a department undertake such a training how can they find the money to hire 17 new people and I'm in support of that they can hire 17 DPS in Rota, I fully support, but the point is how can have the money but then not have the money for the training? I hope they haven't hired the 17 but if they hired the 17 I wish they had hired only 15 and use the salary for 2 more or 3 balance that so they use that their training not to just you know higher 17 and then tell us now they need 144 that's a big chunk that they are asking for. So, I hope the committee can look into that if it is not too late, can they hire 12? And then instead of 17 use that to train the academy or if they've committed to 17, I ask respectfully the committee Chair to include \$144,000 for DPS. They are one Commonwealth and they are going to be here in Saipan undergoing the same training as our police officers here. Unfortunately, they're not from here so they have to bring them here. I don't know if the same thing is with Saipan DPS but \$144,000 there is simply no planning there. They didn't even bring this up in the budget process so we can plan ahead. Thank you. Si Yu'us ma'ase.

President Palacios: I think that one particular issue CUC, these numbers keep coming up and I think this body sometimes gets grinded because of our supposedly lack of attention to getting the resources to pay for this. During our budget cycles we always funded CUC. Now, be that as it may, I would like to put some clarity to this and some sense of finality in terms of finding out what is going on and what numbers are. So, I am going to appoint as requested PUTC Chair to please get together with CUC and the Secretary of Finance and find out where this is? Whether it is in the central government, whether it's at CHCC and all the other independent agencies and let us get some information on this? With that, any announcements?

ANNOUNCEMENTS

None

ADJOURNMENT

President Palacios: No announcements. Floor Leader, the Chair will certainly entertain a motion to adjourn.

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 is to adjourn subject to the call, discussion? Those in favor of the 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 5:25 p.m.

Respectfully Submitted by:

/s/Frances Joan P. Kaipat
Senate Journal Clerk