

# Committee Daily Bulletin

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SUBCOMMITTEE MEETINGS				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Subcommittee on Social Security and Insurance Services (Government Enterprises and Privatization)	HBs 2180, 2322, 2339, 2434, 2565, 2647 & 2650	Reps. Santos-Recto, Chipeco, Collantes, Palma, Gatchalian, and Campos	Providing social security benefits or insurance benefits to barangay officials and volunteer workers, appropriating funds therefor	<p>The Subcommittee on Social Security and Insurance Services, chaired by Rep. Wilter "Sharkee" Wee Palma II (1<sup>st</sup> District, Zamboanga Sibugay), terminated its deliberation on the seven bills and agreed to draft a substitute bill to be presented to the mother Committee for its consideration and approval.</p> <p>Senior Vice President Raquel Buensalida of the Government Service Insurance System (GSIS) said that barangay officials, who have appointment papers recognized by the Civil Service Commission (CSC), are the only ones covered by the GSIS law because they have fixed compensation. They are the Barangay Chairman, Barangay Kagawads, Sangguniang Kabataan, Barangay Secretary and the Barangay Treasurer.</p> <p>Buensalida also said that based on records, there are barangay officials enrolled in the GSIS who have been remitting 9% of their monthly salary with a corresponding 12% contribution from the Department of the Interior and Local Government (DILG).</p> <p>Oliver Flores, manager of the GSIS Actuarial Risk Management Division, said that a P5,000 monthly pension under the proposed fixed pension plan requires a contribution period of at least 10 years, a premium of P3,476 per month, and an assumed benefit period that will start from age 65 up to 79 years of age.</p> <p>Flores added that if the government opts to cover 100% of the premium, the estimated budget requirement would be P17.53 billion per year, based on 42,000 barangays with 11 barangay officials each.</p> <p>The National Economic and Development Authority (NEDA) and the Department of Budget and Management (DBM) were requested to submit to the Committee their respective position papers.</p> <p>The GSIS was also requested to submit its final computation for the fixed pension scheme.</p>

**TECHNICAL WORKING GROUP MEETING**

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Natural Resources jt. w/ Legislative Franchises (Technical Working Group)	Draft Consolidated Bill on HBs 5674, 6259, 2165, 2915 & 3229	Rep. Cuaresma, Speaker Alvarez, Reps. Amante, Paduano, and Matugas	Amending RA 7942, otherwise known as the Philippine Mining Act of 1995, by promoting the development of mineral processing, banning the export of unprocessed mineral ores, prohibiting mining in watersheds, and requiring legislative franchise for mining operations	<p>The joint technical working group (TWG), co-chaired by Rep. Francisco Jose "Bingo" Matugas II (1st District, Surigao del Norte) for the Committee on Natural Resources and Rep. Rodante Marcoleta (Party-List, SAGIP) for the Committee on Legislative Franchises, will deliberate further on the consolidated bill in its next meeting.</p> <p>Rep. Matugas, author of HB 3229, stated that the players in the mining industry should be responsible for protecting the environment and promoting the general welfare of the people and the community where they operate.</p> <p>The proposed law imposes a complete ban on the export of unprocessed mineral ores to encourage the growth of the country's mineral processing industry. It also requires mining companies to secure a legislative franchise to be allowed to operate in the country.</p> <p>The Committee discussed thoroughly possible legal impediments to the provision in the bill requiring mining companies to secure a legislative franchise.</p> <p>Chamber of Mines Executive Director Ronald Recidoro objected to the requirement for mining companies to secure a legislative franchise within one year or else their exploration permits and mineral agreements will expire. He argued that this requirement will impair existing mining agreements and permits.</p> <p>In response, Rep. Marcoleta said that private interest should always yield to public welfare. He said that mining companies should be regulated further due to the serious damages to the environment caused by mining.</p> <p>On the issue of whether a legislative franchise is only applicable to public utilities, State Solicitor Ruben Ayson Jr. of the Office of the Solicitor General said that it is not true, citing the case of the Philippine Gaming Management Corporation, which is engaged in gaming business but required to get a franchise before it started its operations.</p> <p>Another issue raised was whether mining companies that operate within the Bangsamoro area will also be required to secure a legislative franchise given the autonomous structure of the Bangsamoro government.</p> <p>Rep. Marcoleta averred that the national government retains the sole power to grant</p>

				<p>legislative franchises.</p> <p>However, Legal Service Division head Josephine Sescon of the Mines and Geosciences Bureau of the Department of Environment and Natural Resources (MGB-DENR) disclosed that the MGB is being prevented from intervening in the ARMM especially because it does not have a regional office in the area.</p> <p>On the other hand, small-scale miners need not be required to obtain a legislative franchise since they are allowed to operate in an area of not more than 20 hectares, Sescon said.</p> <p>As for large-scale quarry operations, Ayson and Recidoro agreed that they should secure a legislative franchise. Recidoro added that mining companies entering into Mineral Production Sharing Agreement (MPSA) with the government be likewise required to apply for a legislative franchise.</p> <p>MPSA is a mineral agreement wherein government has a share in the production of the contractor, whether in kind or in value, as owner of the minerals. In return, the contractor provides the necessary finances, technology, management and personnel for the mining production.</p> <p>Lastly, the issue of whether a legislative franchise should first be obtained by the mining company, followed by MGB's technical assessment, was also raised. Rep. Matugas said that the legislative franchise must be secured first.</p> <p>On the delayed assessment of MGB, Sescon said that it normally takes six months for an MGB permit to be released. But Recidoro countered that in some cases, it exceeds six months.</p> <p>The resource persons were requested to submit to the Committee their respective position papers on the bill.</p>
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