

# Committee Daily Bulletin

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COMMITTEE MEETINGS				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Good Government and Public Accountability	HR 1385	Rep. Romualdo	Inquiry into the financial condition and viability of the Camiguin Electric Cooperative, Inc. (CAMELCO), the performance of the National Electrification Administration (NEA) of its mandate to supervise electric cooperatives, and the performance of the Energy Regulatory Commission (ERC) of its duty to protect and promote the interests of consumers	The Committee, chaired by Camiguin Rep. Xavier Jesus Romualdo, approved, subject to styling, the Committee Report on its findings and recommendations on the financial status of CAMELCO, the performance of the NEA vis-à-vis its supervision over electric cooperatives, and the performance of the ERC in protecting the interest of Camiguin consumers.
Good Government and Public Accountability jt. w/ Ecology and Local Government	HR 2317 & Privilege Speech 422	Reps. Uy (J.) and Siao	Inquiry into the illegal entry and dumping of hazardous plastic garbage from South Korea in the Philippine Veterans Investment Corporation (PHIVIDEC) Industrial Estate in Tagoloan, Misamis Oriental	<p>The Joint Committee, co-versed over by Camiguin Rep. Xavier Jesus Romualdo, Chair of the Committee on Good Government and Public Accountability, Rep. Alfredo Garbin Jr. (Party-List, AKO BICOL), member of the Committee on Ecology, and Rep. Juliet Marie de Leon Ferrer (4<sup>th</sup> District, Negros Occidental), member of the Committee on Local Government, approved the Committee Report on the two measures, subject to styling.</p> <p>In the previous meetings, the Joint Committee discussed the violations committed by Verde Soko Philippines Industrial Corporation, the importer of alleged pre-washed, dry shredded and sorted soft plastic which turned out to be hazardous plastic waste found inside 51 containers from South Korea.</p> <p>The Environmental Management Bureau of the Department of Environment and Natural Resources (DENR-EMB) granted Verde Soko an environmental compliance certificate (ECC) on July 6, 2018 for the establishment of a plastic pellet and plastic briquette processing plant and a 300-kilowatt thermal power supply project within the PHIVIDEC Industrial Estate complex in Tagoloan, Misamis Oriental.</p> <p>Verde Soko had intended to process the supposed “raw materials” shipped from Pyongteak City, South Korea into pellets and briquettes (a component of plastic furniture) and thereafter ship them back to South Korea and China. However, Bureau of Customs (BOC) Region 10 found out that the shipment was misdeclared as “plastic synthetic flakes” instead of the actual plastic waste.</p>

Welfare of Children	HB 533	Rep. Gonzaga	Establishing a national center for missing children and appropriating funds therefor	<p>The Committee, chaired by Rep. Manuel Jose "Mannix" Dalipe (2<sup>nd</sup> District, Zamboanga City), requested the resource persons to submit their respective position papers on the bills, noting that these proposals can be filed and studied more thoroughly in the 18<sup>th</sup> Congress.</p> <p>Thereafter, the Secretariat was directed to prepare the Committee's legislative agenda for the upcoming 18<sup>th</sup> Congress.</p> <p>Rep. Dalipe highlighted the passage of RA 11188 (An act providing for the special protection of children in situations of armed conflict and providing penalties for violations thereof) as one of the Committee's major accomplishments for the 17<sup>th</sup> Congress.</p> <p>Rep. Dalipe expressed his gratitude to the members of the technical working group (TWG) chaired by Rep. Vilma Santos-Recto (6<sup>th</sup> District, Batangas) for crafting a substitute bill on Alternative Child Care. The proposed law provides for an adoption process through administrative adjudication; creation of the National Child Care Authority; and the regulation of institutional and residential care of children.</p> <p>According to Rep. Dalipe, since the proposed law was extensively discussed in the TWG, the new set of Committee Members for the 18<sup>th</sup> Congress already have a draft to work on should they decide to re-file the substitute bill.</p> <p>Reps. Ma. Lourdes Acosta-Alba (1<sup>st</sup> District, Bukidnon), Evelina Escudero (1<sup>st</sup> District, Sorsogon), and Speaker Gloria Macapagal-Arroyo (2<sup>nd</sup> District, Pampanga), respectively, are the principal authors of the proposed measure.</p> <p>Rep. Dalipe also conveyed to the Committee that according to President Rodrigo Duterte, the new leadership of the 18<sup>th</sup> Congress shall decide if HB 8239 (promoting positive and non-violent discipline to protect children from physical, humiliating or degrading acts as a form of punishment), authored by Rep. Bernadette Herrera-Dy (Party-List, BAGONG HENERASYON), shall be pursued or not.</p>
	HB 2259	Rep. Enverga	Providing for day care centers rehabilitation and improvement program, creating day care centers rehabilitation and improvement fund, appropriating funds therefor	
	HB 3999	Rep. Rodriguez (M.)	Establishing a crisis center for street children in all cities and municipalities in the National Capital Region (NCR) and in every highly urbanized city in the Philippines	
	HB 5709	Rep. Vargas	Establishing a crisis center for street children in every region of the Philippines, appropriating funds therefor	

OVERSIGHT MEETING		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Government Enterprises and Privatization	Discussion on the Government Service Insurance System's (GSIS) investments and all other sources of income; and the application of Executive Order (EO) 7, series of 2010 to GSIS Board of Trustees	<p>The Committee, chaired by Rep. Jesus Nonato Sacdalan (1<sup>st</sup> District, North Cotabato), continued its discussion on the GSIS investments and other sources of income, and on the application of EO 7, series of 2010, to the GSIS Board of Trustees.</p> <p>Replying to the query of Baguio City Rep. Mark Go concerning GSIS' status of investments, GSIS Officer in Charge James Labayo of the Portfolio Management Office, Financial Management Group, said that government bonds constitute 95% of GSIS' investment in equities. He</p>

<p>Continuation... Government Enterprises and Privatization</p>		<p>also added that the return on equity investment mostly depends on the market and is not driven by the country's currency rate. He also affirmed that the GSIS is receiving the right returns for its investment and promised to furnish the Committee with a comprehensive list of its investments.</p> <p>Meanwhile, GSIS Vice President for Risk Management Lucio Yu Jr. informed the body that the GSIS has been complying with Section 10 of EO 7 since its issuance in 2010 by granting only the maximum allowable <i>per diem</i> for its board of trustees. Under the GSIS Charter, the board of trustees are considered officers of the agency and thus are entitled to membership in the GSIS provident fund. However, the GSIS discontinued payments for monthly premium contributions of the members of the board of trustees by virtue of the notice of disallowance issued by the Commission on Audit (COA), Lucio said.</p> <p>Section 10 of EO 7 prohibits the grant of allowances, bonuses, incentives, and other perks to members of the board of directors/trustees of government owned and controlled corporations (GOCCs) and government financial institutions (GFIs), except reasonable <i>per diems</i>, pending the issuance of new policies and guidelines on the compensation of these board members.</p> <p>COA Chairperson Michael Aguinaldo clarified that the disallowance issued by the COA does not only apply to the provident fund, but to all allowances, bonuses and incentives of the GOCCs' board of trustees. He also expressed hope that a compensation package for GOCCs will be approved soon.</p> <p>On the concerns raised by Atty. Jesus Santos, former GSIS trustee and now counsel for the Confederation of Government Employees Organizations Inc. (COGEO), relative to the release of the provident fund, Chairman Aguinaldo withheld comment so as not to pre-empt the several appeals pending before the COA. Nevertheless, he assured the Committee that he will look into the matter.</p>
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DISCUSSION WITH AGENCIES/ENTITIES		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
<p>Housing and Urban Development</p>	<p>Review of the Smokey Mountain Development and Reclamation Project (SMDRP) Dispute</p>	<p>The Committee, chaired by Rep. Alfredo "Albee" Benitez (3<sup>rd</sup> District, Negros Occidental), terminated its review relative to the settlement of dispute among the parties involved in the SMDRP. The Secretariat was directed to prepare the corresponding Committee Report.</p> <p>Previous deliberations on the issue were conducted by the ad hoc subcommittee chaired by the late Rep. Rodel Batocabe (Party-List, AKO BICOL).</p> <p>SMDRP is a joint venture project between the private contractor, R-II Builders, Inc (R-II) and the National Housing Authority (NHA) which was initiated in 1993. The project aimed to convert the garbage dumpsite called Smokey Mountain in Tondo, Manila into a combined housing and industrial/commercial complex. However, a dispute arose when R-II failed to finance all aspects of the project leading to the intervention of Home Guaranty Corporation (HGC) to serve as its guarantor in order to pay the project's investors.</p> <p>According to Rep. Benitez, the dispute between HGC, NHA and R-II were essentially resolved through two acknowledged compromise agreements duly executed by and between NHA and R-II, and between NHA and HGC, following the arbitral award of P5.2 billion in favor of HGC and RII.</p>

<p>Continuation... Housing and Urban Development</p>		<p>HGC's Litigation Department Head Dexter Lacuanan apprised the Committee that the first compromise agreement between the parties is awaiting approval of the Court of Appeals. Meanwhile, the second compromise agreement has already been agreed upon in principle by the parties, with few minor details to be resolved such as the mode of payment.</p> <p>Resource persons from the NHA and R-II concurred with Mr. Lacuanan's update about the two agreements.</p> <p>In light of the decade-long dispute that affected the SMDRP joint venture project, the Committee advised the stakeholders present to be more careful in entering into contracts with other parties to avoid similar conflicts and disagreements in the future.</p>
	<p>Discussion on the status of Executive Order 48, series of 2001, declaring non-core properties of the Philippine National Railways (PNR) as socialized housing sites and providing for their disposition to bona fide occupants</p>	<p>The Committee continued its discussion on the implementation of EO 48, particularly on the disposition of Philippine National Railways' (PNR) property located in Barangay Pineda in Pasig City.</p> <p>House Speaker Gloria Macapagal-Arroyo (2<sup>nd</sup> District, Pampanga) was present during the meeting.</p> <p>Rep. Benitez said that in the Committee's May 10 meeting, the PNR expressed uncertainty on using its non-core properties for housing as it is still evaluating the study of the Asian Development Bank (ADB) on the utilization options of these areas.</p> <p>PNR General Manager Junn Magno reported that the list of PNR's non-core properties will be discussed in PNR's Board meeting on June 11, 2019. He said the PNR areas to be included in the list will be those that will not be used for the government's "Build-Build-Build" projects, properties for urban renewal, and areas where fiber optic cables can be installed, among others. Magno said the list of the PNR's non-core properties at the time the EO was signed will be revised based on the foregoing exclusions.</p> <p>Rep. Benitez opined that amending the list covered by EO 48 may require another executive order and not just PNR's Board resolution.</p> <p>Replying to the query of Speaker Macapagal-Arroyo, Magno said that the occupants in Barangay Pineda asked the PNR to be relieved from paying their amortization arrears. He mentioned that the said property has already been subdivided but their individual titles will be issued to them once they have settled their financial obligation.</p>
<p>Public Accounts</p>	<p>Discussion on audit observations and recommendations on contracts for supplies and services in automated elections</p>	<p>The Committee, chaired by Minority Leader Danilo Suarez (3<sup>rd</sup> District, Quezon), continued its discussion on the audit observations and recommendations on contracts for supplies and services for the recently-conducted automated elections.</p> <p>Several party-list representatives questioned the Commission on Elections' (COMELEC) decision to print the names of party-list groups at the back of the ballot. Rep. Carlos Isagani Zarate (Party-List, BAYAN MUNA) said that this disenfranchised a lot of voters who were unable to vote for their preferred party-list. Rep. Alfredo Garbin Jr. (Party-List, AKO BICOL) went as far as to call the recent midterm elections a failure as far as party-lists are concerned.</p> <p>COMELEC Spokesperson James Jimenez explained that the COMELEC <i>en banc</i> decided to print the party-list names at the back of the ballot to shorten the length of the ballot. He maintained that the low voter's turnout for party-list was due to the change in the political environment and the fact that there was a larger number of registered party-list groups which participated in the elections.</p>

<p>Continuation... Public Accounts</p>		<p>The issue on the seven-hour glitch or the delay in the transmission of results from the vote counting machines (VCMs) to the server of media and other parties such as the Parish Pastoral Council for Responsible Voting (PPRCV) was also raised during the meeting. According to Minority Leader Suarez, this compromised the integrity of the elections.</p> <p>COMELEC Commissioner Marlon Casquejo informed the Committee that Smartmatic Philippines, the technology provider during the recent elections, has initiated its own investigation on the seven-hour glitch. According to Casquejo, the problems experienced by the machines during the elections were probably due to the fact that various materials used in the elections were sourced from different suppliers. Jimenez added that the COMELEC has likewise started with its investigation on the glitches and delays and promised to report on the Commission's findings as soon as they become available. He also assured the Committee that the glitch did not have any effect on the results of the votes.</p> <p>Meanwhile, Rep. Zarate pushed for a law that will institutionalize a hybrid voting system to promote more transparency in elections and decrease the chances of tampering. The proposed hybrid voting system is a combination of manual voting and counting and automated transmission of votes. Mr. Casquejo said that the COMELEC is open to Rep. Zarate's suggestion and would rely on and support the wisdom of Congress on the matter.</p> <p>The COMELEC was asked to submit the minutes of the meeting of the COMELEC <i>en banc</i> wherein it decided to print the party-list names at the back of the ballot. The Commission was also asked to provide a list of party-list groups and their office addresses as well as a copy of Commission on Audit (COA) Commissioner Luie Guia's letter to Bayan Muna Party-List in response to the latter's queries concerning the recently concluded elections.</p> <p>Representatives from Smartmatic Philippines and the suppliers of the 2019 midterm election materials will be invited to attend the Committee's next meeting.</p>
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