

# Committee Daily Bulletin

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## BICAMERAL CONFERENCE COMMITTEE MEETING

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Bicameral Conference Committee	HB 5784 & SB 1896	Rep. Tan (A.) and Sen. Recto	Instituting universal health care for all Filipinos, prescribing reforms in the health care system and appropriating funds therefor	<p>The Bicameral Conference Committee, co-chaired by Rep. Angelina "Helen" Tan, M.D. (4<sup>th</sup> District, Quezon), Chair of the House Committee on Health, and Senator Joseph Victor Ejercito, Chair of the Senate Committee on Health and Demography, approved the reconciled version of HB 5784 and SB 1896.</p> <p>Other conferees present during the bicameral conference committee meeting were the following: On the part of the House, Deputy Speaker Evelina Escudero (1<sup>st</sup> District, Sorsogon) and Reps. Jose Enrique "Joet" Garcia III (2<sup>nd</sup> District, Bataan), Arlene Arcillas (1<sup>st</sup> District, Laguna), and Ron Salo (Party-List, KABAYAN); on the part of the Senate, Senators Risa Hontiveros and Ralph Recto.</p>

## COMMITTEE MEETINGS

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Energy	Substitute Bill to HBs 4893 & 6668	Reps. Batocabe and Villafuerte	Establishing the Philippine Energy Research and Policy Institute, defining its objectives, powers and functions, and appropriating funds therefor	<p>The Committee, chaired by Marinduque Rep. Lord Allan Jay Velasco, deferred approval of the substitute bill pending the submission of the proposed language for Section 14 (Endowment Fund) by the Department of Budget and Management (DBM).</p> <p>At the outset, Rep. Velasco stated that the intention of the bill is to create an institute that will administer programs designed to build the capacity of government agencies, energy stakeholders, and the academe to further improve decisions on energy policies and regulatory measures.</p> <p>The co-chairpersons of the technical working group created by the Committee to draft the substitute bill, Reps. Carlos Roman Uybarreta (Party-List, 1-CARE) and Rogelio Neil Pepito Roque (4<sup>th</sup> District, Bukidnon), presented the features of the substitute bill.</p> <p>DBM Director Tessie Gregorio suggested that the proposed endowment fund of the Institute</p>

Continuation... Energy				<p>be sourced partly from the income of the University of the Philippines (UP) aside from regular appropriations under the General Appropriations Act (GAA). The Institute is proposed to be placed under the Office of the UP President.</p> <p>The Committee agreed to revise Section 9 (Advisory Council of the Institute) of the bill, as recommended by the Energy Policy Development Program (EPDP) Program Director Majah Leah Ravago, and to include a social science representative in the advisory council, as proposed by UP School of Economics Professor Emeritus Rolando Danao.</p> <p>EPDP is a USAID-funded project implemented by the UP Economics Foundation aimed at strengthening policymaking in the country particularly for environmentally sound energy sector development (Source: USAID website).</p> <p>Representatives from the Gas Policy Development Project (GPDP) and the Electrical and Electron Engineering Institute (EEEI) also gave their respective comments on the bill.</p> <p>The Committee will request the Department of Energy (DOE), Energy Regulatory Commission (ERC), and National Electrification Administration (NEA) to submit data on the energy fees and charges that they are currently imposing and the total income earned from the collection of these fees.</p> <p>The DBM was requested to submit its position paper on the bill.</p>
Good Government and Public Accountability	HR 1551	Rep. Acharon	Investigation into the alleged payment by the Department of Public Works and Highways (DPWH) of road right-of-way (RROW) claimants in General Santos City using spurious or fabricated land titles	<p>The Committee, chaired by Camiguin Rep. Xavier Jesus Romualdo, will deliberate further on the issues raised relative to HR 1551 in its next meeting.</p> <p>DPWH Region XII Director Basir Ibrahim informed the Committee that upon knowledge of the alleged irregularities in the payment of ROW claims as just compensation for private lands expropriated to give way to government infrastructure projects in Region XII, he suspended all such payments. He said his action was based on DPWH Department Order (DO) No. 153 series of 2017, which required that any ROW payment in Region XII “shall be made only upon judicial determination and after final and executory judgment.”</p> <p>Ibrahim also disclosed that out of the more than P4 billion ROW claims in General Santos City, only P2.8 billion were paid involving 157 claimants who were either partially paid directly or through a Special Power of Attorney (SPA).</p>

<p>Continuation... Good Government and Public Accountability</p>				<p>Rep. Enrico Pineda (Party-List, 1-PACMAN) asked if verifications of the claimants' identity were made prior to the release of payments. Ibrahim answered in the negative since there were no irregularities reported or discovered at that time.</p> <p>Former DPWH Central Office Legal Service Director Estrella Decena-Zaldivar justified the use of SPAs to receive payments in behalf of the claimants, saying that this is allowed under the DPWH guidelines and even under the Civil Code of the Philippines.</p> <p>Deputy Speaker Ferdinand Hernandez (2<sup>nd</sup> District, South Cotabato) inquired on the number of lot titles that were considered spurious. Land Registration Authority's (LRA) Legal Service Director Rhandolfo Amansec replied that out of the 148 Transfer Certificates of Title (TCTs) submitted in connection with the ROW claims, only 108 TCTs appeared in the LRA's database. It means that the other 40 titles were fake, Amansec claimed.</p> <p>Former DPWH Secretary Rogelio Singson said that payments for the ROW claims were released only upon verification by the LRA of the pertinent TCTs.</p> <p>Commission on Audit (COA) State Auditor Elmina Buenbrazo reported that COA issued an Audit Observation Memorandum (AOM) to DPWH on the basis of its audit reports in 2011 and 2014 where it found that infrastructure ROW claims were paid without complete documentation and contrary to various DPWH rules and regulations. Another AOM was again issued to the DPWH for repeatedly allowing or honoring SPAs in the release of payments for ROW claims. According to Buenbrazo, such practice highly exposes the government to the risk of adverse claims.</p> <p>On the query of Rep. Michael Romero, Ph.D. (Party-List, 1-PACMAN) on the number of individuals involved in this anomaly, National Bureau of Investigation's (NBI) NCR Agent Mamerto Tello Jr. said that based on its investigation report, at least 46 individuals will be charged accordingly.</p> <p>Deputy Speaker Hernandez chided the Office of the Solicitor General (OSG) for failing to file a pleading in behalf of the DPWH to counter the Writ of Mandamus issued by the court requiring the Department to pay the ROW claimants in General Santos City. The DPWH was thus compelled to comply with the writ and released the payments.</p> <p>OSG Associate Solicitor Marlon Bosantog explained that a responsive pleading was not filed since the petition was not against the government but against private parties. Moreover, when the Writ of Mandamus was</p>
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<p>Continuation... Good Government and Public Accountability</p>				<p>issued back in 2012, there were no allegations yet that the transactions were fraudulent and invalid. Furthermore, he said that only seven claims were paid on the strength of this writ, as compared to the 167 claims that were paid by the DPWH outside of the writ.</p> <p>The resource persons were requested to submit documents relative to the ROW issue, including the investigative report done by the NBI on the matter.</p> <p>A show cause order will also be issued to Wilma Mamburam and Nelson Ti who were among the ROW claimants in General Santos City. The COA Chairperson will also be invited in the next meeting to comment on the issue.</p>
<p>Housing and Urban Development</p>	<p>HBs 7372, 7747 &amp; 8184</p>	<p>Reps. Castelo, Nieto, and Belmonte (J.C.)</p>	<p>Establishing a rental subsidy program for informal settler families (ISFs) in Metro Manila and appropriating funds therefor</p>	<p>The Committee, chaired by Rep. Alfredo "Albee" Benitez (3<sup>rd</sup> District, Negros Occidental), agreed to create a technical working group (TWG) to study further and consolidate the three bills.</p> <p>Reps. Winston "Winnie" Castelo (2<sup>nd</sup> District, Quezon City), John Marvin "Yul Servo" Nieto (3<sup>rd</sup> District, Manila), and Jose Christopher Belmonte (6<sup>th</sup> District, Quezon City), respective authors of HBs 7372, 7747 and 8184, presented the merits of their bills. The bills intend to provide housing rental subsidy to ISFs who are living in danger zones and in areas affected by the implementation of the government's infrastructure programs.</p> <p>According to Rep. Belmonte, the rental subsidy will be granted to qualified ISFs for a maximum of five years or upon availment of a permanent housing from the government, whichever comes first.</p> <p>Rep. Rodante Marcoleta (Party-List, SAGIP) suggested that the proposed rental subsidy program be harmonized with other housing programs of the government such as the "balik probinsya program." He said that ISFs may no longer be encouraged to return to their respective hometowns when they know that they can avail themselves of the rental subsidy in Metro Manila.</p> <p>Likewise, Baguio City Rep. Mark Go said that the program might result to ISFs becoming dependent on the government all their lives, adding that that there should be a limit to the length of time the rental subsidy could be given. He also suggested the conduct of a survey of ISFs that may need rental subsidy as well as an inventory of the number of government facilities that can rent out housing units.</p> <p>Based on a 2017 survey, there are about 1.5 million ISFs in the country including 500,000</p>

Continuation... Housing and Urban Development				<p>residing in the National Capital Region (NCR), according to National Housing Authority's (NHA) Policy Studies and Development Division head Agnes Agay.</p> <p>The City Government of Valenzuela shared with the Committee its successful implementation of a public housing rental program in the city intended for ISFs who are living along waterways or danger zones.</p> <p>The head of the city government's Housing and Resettlement Office, Elenita Reyes, said that the program, which is in partnership with the NHA, has a 97% collection efficiency. She added that the city government imposes only a minimal rental fee of P300.00 per month which is small enough to allow the ISFs to save and soon buy their own housing units through available government housing loan programs. She made it clear that the housing units are temporary dwellings only and thus cannot be owned by the ISFs.</p> <p>Rep. Benitez lauded the successful implementation of the public housing rental program of the City of Valenzuela, citing it as a good model that may be emulated by other local government units (LGUs).</p> <p>Replying to Rep. Benitez' query as to whether the City Government of Valenzuela is open to modifying the rental program into a "rent-to-own" scheme, Reyes said that the city government will study its viability.</p> <p>The resource persons from the following government and non-government organizations expressed their support for the bills: NHA, Housing and Urban Development Coordinating Council (HUDCC), Home Development Mutual Fund (HDMF or Pag-IBIG Fund), Presidential Commission for the Urban Poor (PCUP), Social Housing Finance Corporation (SHFC), National Economic and Development Authority (NEDA), League of Municipalities of the Philippines (LMP), and the advocacy group, Pantawid UPA Organization.</p> <p>The resource persons were requested to submit their respective position papers on the bills.</p>
Ways and Means	HB 4575	Rep. Salceda	Restructuring the excise tax on tobacco products and amending for the purpose pertinent sections of the National Internal Revenue Code (NIRC), as amended	<p>The Committee, chaired by Rep. Estrellita Suansing (1<sup>st</sup> District, Nueva Ecija), terminated its deliberation on the two bills.</p> <p>The Secretariat was directed to draft a Substitute Bill to HBs 4575 and 6648, and the corresponding Committee Report incorporating therein the pertinent recommendations of the House Members and resource persons.</p>
	HB 6648	Rep. Tan (A.)	Increasing the excise tax on tobacco products, amending for the purpose Section 145 of the NIRC of 1997, as amended by RA 10351 or the Sin Tax Reform Law	

Continuation... Ways and Means				<p>The Committee adopted the existing sharing of annual incremental revenues derived from excise tax collections on tobacco products under the Sin Tax Reform Law.</p> <p>Likewise, the Committee agreed to adjust the specific tax rates from P35.00/pack of cigarettes to P37.50/pack beginning July 1, 2019, and P2.50/pack incremental increase every July 1 each year to reach P45.00/pack in 2022. Starting July 1, 2023, the specific tax rate shall be increased by 4 percent every year thereafter.</p>
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TECHNICAL WORKING GROUP MEETINGS				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Government Reorganization jt. w/ Energy (Technical Working Group)	Draft Substitute Bill to HBs 7104, 5020, & 5961	Reps. Velasco, Alvarez (P.), and Gatchalian	Streamlining the regulatory commission on energy, renaming the Energy Regulatory Commission (ERC) into the Philippine Power Regulatory Commission, amending for the purpose RA 9136, otherwise known as the Electric Power Industry Reform Act (EPIRA) of 2001, appropriating funds therefor	<p>The joint technical working group (TWG), co-chaired by Rep. Mark Aeron Sambar (Party-List, PBA) for the Committee on Government Reorganization, and Rep. Carlos Roman Uybarreta (Party-List, 1-CARE) for the Committee on Energy, terminated its deliberations on the draft substitute bill.</p> <p>ERC Chair Agnes Devanadera, commenting on the proposed structure and composition of the ERC, said that increasing the number of commissioners from five to nine will prevent the Commission from expeditiously addressing the concerns of its stakeholders due to the difficulty of getting a consensus. Instead of increasing the number of commissioners, Devanadera believes that it would be best for the ERC to increase the number of its technical personnel and their corresponding salaries and benefits.</p> <p>On fiscal autonomy, Devanadera suggested that ERC be allowed to retain 30% of its revenues, instead of 20%, as stated in the draft substitute bill.</p> <p>On the other hand, Marinduque Rep. Lord Allan Jay Velasco, author of HB 7104, and Rep. Rosanna "Ria" Vergara (3<sup>rd</sup> District, Nueva Ecija) explained that the proposed increase in the number of commissioners will be advantageous to the ERC in that more people will be able to attend to its numerous work as a quasi-judicial regulatory body and eventually reduce, if not eliminate, its backlogs.</p> <p>Rep. Velasco also suggested that the commissioners shall be at least 45 years old. Devanadera, however, requested that the existing minimum age requirement of 35 years be maintained.</p>

Continuation... Government Reorganization jt. w/ Energy (Technical Working Group)				<p>Meanwhile, Rep. Sambar suggested to put a cap on the length of service that a commissioner can render.</p> <p>Representatives of the National Electrification Administration (NEA), National Grid Corporation of the Philippines (NGCP), and Laban Konsyumer Inc. expressed their support for the proposed law.</p>
Transportation (Technical Working Group)	HBs 4085, 4669, 4891, 6009, 6089, 6407 & 6467	Reps. Bernos, Castelo, Batocabe, Nogralles (J.J.), Bagatsing, Gatchalian, and Villafuerte	Regulating transportation network services, imposing and authorizing fees, providing penalties for violations thereof	<p>The technical working group (TWG), presided by Rep. Edgar Mary Sarmiento (1<sup>st</sup> District, Samar), will deliberate further on the 15 measures in its next meeting.</p> <p>In this meeting, the TWG focused its discussion on the processing of TNCs' applications for accreditation by the LTFRB.</p>
	HB 6766	Deputy Speaker Yap	Prescribing rideshare support companies, providing regulations governing their operations, and clarifying the scope of Commonwealth Act 146, also known as the Tax Code, and the Land Transportation and Traffic Code, and other relevant laws	Muntinlupa City Rep. Rozzano Rufino Biazon questioned the basis for LTFRB's delayed approval or rejection of TNCs' applications for accreditation to operate TNVS. Rep. Biazon said that the LTFRB should formally notify the applicants of the documents or requirements they failed to submit or complied with in order to give them the chance to respond.
	HR 403	Rep. Agarao	Investigation into the operations of the existing transportation network companies (TNCs) (Uber, Grab and U-Hop) particularly with respect to the legality of their existence, safety of transporting passengers, abuses committed by their accredited transportation network vehicles service (TNVS) and their liabilities and most importantly, the absence of congressional franchise as a significant prerequisite for their operations	<p>LTFRB Executive Director Samuel Jardin said that the policies and procedures being observed by the agency are based on the issuances and directives of the LTFRB Board.</p> <p>Rep. Michelle Antonio (Party-List, AGBIAG) asked about the status of operation of all TNCs accredited so far, noting that only Grab and MiCab are currently operating in Metro Manila right now. She also mentioned the difficulty of booking a ride with Grab and its stiff fare rates.</p>
	HR 573	Rep. Panganiban	Investigation into the accreditation given by the Land Transportation Franchising and Regulatory Board (LTFRB) to TNCs and the operations of Uber, Grab and U-Hop	LTFRB Board Member Aileen Lizada said that the problem lies in the shortage of TNVS units, explaining further that out of the maximum 65,000 TNVS vehicles allocated in Metro Manila by the LTFRB, only 22,000 are active and operating.
	HR 1125	Former Rep. Roque (H.)	Inquiry into the suspension of issuance of permits to TNVS by the LTFRB	Lizada also reported that recently, the LTFRB denied the application for accreditation of three more prospective TNCs, namely: Velox Technology Philippines Inc., I-Taxi Transport Service, and Fratelli Tech and Logistics, Inc. (Joyride).
	HR 1138	Rep. Bagatsing	Inquiry into the process and guidelines implemented by LTFRB regarding public ride sharing and recommend remedial measures for the safety of the riding public	Rep. Manuel Zubiri (3 <sup>rd</sup> District, Bukidnon) asked the LTFRB to determine the reason for the shortage in TNVS vehicles and find ways on how to address the problem.
	HR 1139	Rep. Uybarreta	Directing the LTFRB to finalize the new guidelines for the issuance of Certificate of Public Convenience to TNVS	On the other hand, Alliance for Concerned Transport Organizations (ACTO) President Efen de Luna suggested that the LTFRB also issue a provisional authority (PA) to other utility vehicles like the UV Express, which charge cheaper fares compared to Grab-accredited vehicles.
	HR 1140	Rep. Antonio	Inquiry into the process being followed by the LTFRB in granting franchises to TNVS providers	
	HR 1151	Rep. Sarmiento (E.M.)	Inquiry into the appropriate regulatory framework for TNCs and TNVS	

AGENCY BRIEFING		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Mindanao Affairs	<p>Briefing on the flagship programs and infrastructure projects for Mindanao in 2019 by the following agencies:</p> <ul style="list-style-type: none"> <li>Mindanao Development Authority (MinDA)</li> <li>Department of Public Works and Highways (DPWH)</li> </ul>	<p>The Committee, chaired by Rep. Maximo Rodriguez Jr. (2<sup>nd</sup> District, Cagayan de Oro City), listened to the briefing conducted by the Mindanao Development Authority (MinDA) and the Department of Public Works and Highways (DPWH) on the flagship infrastructure projects for Mindanao in 2019.</p> <p>MinDA's Planning, Policy and Project Development Office Director Reyzaldy Tan presented the peace and development framework for Mindanao. He said the agency advocates a responsible budget for all the projects in the region anchored on the Mindanao 2030 vision to uplift the quality of life of all the Mindanaoans.</p> <p>Tan reported that 42 interregional projects for Mindanao, including the construction of 33 roads, five bridges, and four flood control systems are already in the pipeline. Of the total P84 billion budget required for all these projects, Tan said that P32 billion has already been funded, while P6.6 billion was included in the 2019 National Expenditure Program (NEP). Tan urged the DPWH to allocate funds based on a multi-year programming to complete the remaining P46 billion worth of other projects for Mindanao.</p> <p>DPWH Undersecretary for Regional Operations in Mindanao Dimas Soguilon presented the DPWH's infrastructure programs and projects for 2019 under the Philippine Development Plan (PDP) Strategic Framework, including the priority impact projects to be implemented in Mindanao. One of these is the Mindanao Road Development Network Program which involves the construction and improvement of 2,600 kilometers of road network, with a project cost of P126.8 billion.</p> <p>Soguilon also reported on the status of utilization of the FY 2018 budget for Mindanao and its proposed budget for 2019. He said that of the P457.2 billion proposed budget of the DPWH for capital outlay in 2019, P151.6 billion or 33.16% goes to Mindanao.</p> <p>Majority of the Members of the Committee present expressed apprehension about the implications of the cash-based budgeting system and the possibility of a reenacted budget on the projects intended for Mindanao in 2019. (The cash-based budgeting limits contractual obligations and disbursement of payments for goods delivered and services rendered within the fiscal year.)</p> <p>Soguilon said that all projects included in the 2019 budget will be implemented once the FY 2019 budget is approved.</p> <p>Department of Budget and Management (DBM) Undersecretary Herman Jumilla said that projects for 2019 can only be awarded and implemented upon the approval of the 2019 NEP, which may not be possible if the FY 2018 budget is reenacted. On the cash-based budgeting, DBM Assistant Secretary Ike Bravo said that in view of the upcoming mid-term elections in 2019, the awarding of projects should be done before or immediately after the election ban to beat the one-year window within which to spend the budget.</p>

<p>Continuation... Mindanao Affairs</p>		<p>Reps. Jose “Pingping” Tejada (3<sup>rd</sup> District, North Cotabato) and Johnny Ty Pimentel (2<sup>nd</sup> District, Surigao del Sur) inquired why the release of funds for projects approved by the Road Board is being withheld due to the supposed abolition of the Road Board. They urged the DBM to immediately release the funds to facilitate the implementation of these projects.</p> <p>Jumilla explained that the release of the funds is being held in abeyance pending Congress’ final action on the proposed abolition of the Road Board.</p> <p>The Committee agreed to pass a resolution to compel the DBM to release the funds for projects approved by the Road Board.</p> <p>Deputy Speaker Ferdinand Hernandez (2<sup>nd</sup> District, South Cotabato) commented that road right-of-way (RROW) problems have been the cause of delays in the implementation of infrastructure programs. He inquired on the status of funds that remained unused because of the RROW problems. Soguilon said that the funds are reverted back to the Treasury.</p>
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