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PUBLIC HEARINGS		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Rules	Obligation-based versus cash-based budgeting; issues regarding the 2018 and 2019 national budget	<p>The Committee, chaired by Majority Leader Rolando Andaya Jr. (1st District, Camarines Sur), held a public hearing in Naga City, Camarines Sur on January 3, 2019 for the purpose of discussing the pros and cons of an obligation-based and cash-based system of budgeting in government.</p> <p>After a brief discussion on the two budgeting systems, the hearing focused on the alleged irregularities related to the allocation and disbursement of funds under the 2018 annual budget and the alleged insertions in the 2019 annual budget, particularly involving flood control projects.</p> <p>Department of Public Works and Highways (DPWH) officials in the Bicol Region gave their respective testimonies on the processing and approval of requests for funding for flood control projects.</p> <p>Based on the testimonies given under oath, the procedures and requirements for the approval of flood control projects were generally not complied with.</p> <p>Majority Leader Andaya and the House Members present in the hearing also observed that the testimonies point to a multibillion-peso flood control “scam” that may involve primarily Budget Secretary Benjamin Diokno and a senior DPWH official. Majority Leader Andaya cleared DPWH Sec. Mark Villar from any involvement in the alleged scam.</p> <p>The owner of CT Leoncio Construction and Trading, based in Bulacan, was grilled by the Committee during the hearing on how the firm bagged several infrastructure projects in the Bicol Region and for its possible ties with Diokno and his family.</p> <p>A subpoena duces tecum will be issued by the Committee to compel the submission of official documents and transaction records related to flood control projects implemented in years 2017 and 2018. DPWH senior officials including Undersecretaries Ma. Catalina Cabral and Rafael Yabut will be invited to attend the next public hearing, as well as Patrick Gatan, DPWH’s project director of the flood control management cluster.</p> <p>House Members present in the hearing were Minority Leader Danilo Suarez (3rd District, Quezon) and Reps. Rodante Marcoleta (Party-List, SAGIP), Anthony Bravo, PhD. (Party-List, COOP NATCCO), and Gabriel Bordado (3rd District, Camarines Sur).</p>