



Committee Daily Bulletin

18th Congress
Second Regular Session

A publication of the Committee Affairs Department

Vol. II No. 23
September 1, 2020

COMMITTEE MEETINGS ON HOUSE MEASURES

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Economic Affairs	Substitute Bill to HB 7483	Rep. Sy-Alvarado	Establishing the Bulacan Airport City Special Economic Zone and Freeport, Province of Bulacan and appropriating funds therefor	<p>The Committee, chaired by Rep. Sharon Garin (Party-List, AAMBIS-OWA), approved the Substitute Bill to HB 7483.</p> <p>At the outset, Rep. Garin explained that the bill seeks to establish an economic zone and freeport inside the proposed new airport in Bulacan, Bulacan to encourage investments, promote economic activities, and generate employment opportunities not only in the province but also in nearby cities and municipalities, including Metro Manila.</p> <p>Rep. Stella Luz Quimbo (2nd District, Marikina City) inquired on the factors considered in the cost-benefit analysis of the proposed airport project.</p> <p>National Economic and Development Authority (NEDA) Chief Economic Development Specialist Criselle Santos could not say for certain what the factors were but she clarified that NEDA did not consider in its cost-benefit analysis the proposed economic and freeport zone since the proposal it reviewed was only for the establishment of a new airport in Bulacan.</p> <p>Nevertheless, NEDA OIC-Director Remedios Endencia agreed that a thorough study of the proposed economic and freeport zone must be done to ensure that it would be beneficial to the country as a whole, saying that the creation of more tax-free zones does not always guarantee economic success.</p> <p>Rep. Estrellita Suansing (1st District, Nueva Ecija) noticed that there are several <i>ex-officio</i> members proposed to be included in the Board of Directors of the Bulacan Airport City Special Economic Zone and Freeport Authority (BACSEZFA) who come from the same area. She suggested the following offices to be included as members of the Board: NEDA, Department of Trade and Industry (DTI), and Department of Finance (DOF). Other Members of the Committee also suggested that the representative from the legislative district where the Bulacan Ecozone is proposed to be located shall be specifically identified to avoid confusion.</p> <p>Meanwhile, Rep. Arlene Brosas (Party-List, GABRIELA) objects to the establishment of the proposed new airport and airport city development project in Bulacan. She asserted that a thorough study should have been made to assess the</p>

Continuation... Economic Affairs				<p>adverse effects of the project on the welfare and livelihood of the affected fisherfolk, the poor, and the marginalized, as well as its impact on the environment, particularly on the mangrove trees and various species of fish in the area due to massive construction activities.</p> <p>Rep. Rufus Rodriguez (2nd District, Cagayan de Oro City) underscored the need to include a provision in the bill that will ensure the protection of the fisherfolk and agrarian reform beneficiaries, prevent environmental degradation, and provide for the relocation of affected families.</p> <p>Department of Agrarian Reform (DAR) Undersecretary Luis Meinrado Pañgulayan said that the metes and bounds of the proposed special economic zone and freeport should be clearly defined, expressing concern that it might encroach on parcels of land being tilled by agrarian reform beneficiaries.</p> <p>On issues pertaining to the airport project, NEDA said these will have to be addressed by the Department of Transportation (DOTr) being the implementing agency of the project.</p> <p>Department of Environment and Natural Resources (DENR) Director Emelita Lingat disclosed that about 54 hectares of mangrove forest will be affected by the airport project. However, even before the start of the construction phase of the airport project, the proponent, San Miguel Corporation, has already started planting mangrove species in coastal areas in Hagonoy, Bulacan as part of the airport development plan.</p> <p>DENR-Environmental Management Bureau (DENR-EMB) Region III division chief Raldy Pagador informed the Committee that the environmental compliance certificate (ECC) of the proposed airport project is under process.</p>
Poverty Alleviation	Substitute Bill to HB 5249	Rep. Zarate	Granting 50% discount on funeral services to indigent families and granting free funeral services to extremely poor families nationwide, appropriating funds therefor	<p>The Committee, chaired by Rep. Dale "Along" Malapitan (1st District, Caloocan City), approved the Substitute Bill to HB 5249 and the corresponding Committee Report.</p> <p>The Committee Report will be referred to the Committee on Appropriations for review of its funding provision.</p>
	HBs 4407, 4470, 4764 & 5250	Reps. Dalog, Bolilia, Mangaoang, and Limkaichong	Institutionalizing the community-driven development (CDD) approach as a national strategy for inclusive growth and social protection, mandating all national government agencies and departments, including their attached agencies, offices and bureaus, local government units (LGUs), and other government instrumentalities to implement their community-based programs, activities, and projects, and appropriating funds therefor	<p>The Committee agreed to create a technical working group (TWG) to consolidate the four bills and come up with a substitute bill.</p> <p>Reps. Lianda Bolilia (4th District, Batangas), Allen Jesse Mangaoang (Kalinga), and Jocelyn Sy-Limkaichong (1st District, Negros Oriental), respective authors of HBs 4470, 4764 and 5250, underscored the need to institutionalize the CDD approach being a vital tool for poverty reduction as it promotes inclusion, participatory governance, and community empowerment in the local development process.</p>

Continuation... Poverty Alleviation				<p>The proposed law requires all government agencies to implement the CDD approach, with the Department of Social Welfare and Development (DSWD) as the lead agency that will integrate the CDD approach into the local planning and budgeting process.</p> <p>Expressing their support for the bills were the DSWD and the Department of the Interior and Local Government (DILG).</p> <p>Resource persons from the LGUs, academe, and non-government organizations shared their successful experiences in using the CDD approach in implementing their respective programs.</p> <p>Department of Budget and Management (DBM) Bureau-B Assistant Director Jane Abella opposed the bill's proposed funding source which will come from the annual budget of the concerned government agencies because this might be too costly for the government. According to Abella, the DSWD is already implementing the <i>Kapit-Bisig Laban sa Kahirapan</i>-Comprehensive and Integrated Delivery of Social Services (Kalahi-CIDSS), which uses the CDD approach, and is a foreign-funded program with approximately P49 billion in total grants.</p>
Transportation	HBs 4161 & 7197	Reps. Romualdez (Y.M.) and Acosta	Establishing the Philippine Coast Guard (PCG) Academy, appropriating funds therefor	<p>The Committee, chaired by Rep. Edgar Mary Sarmiento (1st District, Western Samar), approved the consolidation of the two bills.</p> <p>Muntinlupa City Rep. Rozzano Rufino Biazon, sponsored HB 4161 on behalf of the author Rep. Yedda Marie Romualdez (Party-List, TINGOG SINIRANGAN). He said that the bill seeks to establish a dedicated educational institution that will ensure that the PCG will have a well-trained and well-equipped pool of officers who are specifically honed to fulfill the maritime law enforcement and administration functions of the PCG.</p> <p>Rep. Gil "Kabarangay Jr." Acosta (3rd District, Palawan), author of HB 7197, manifested that the explanatory note attached to his bill be considered as his sponsorship speech.</p> <p>Expressing their support for the bills were the PCG, Department of Transportation (DOTr), Department of the Interior and Local Government (DILG), and the Philippine Military Academy (PMA).</p> <p>DILG Undersecretary Ricojudge Janvier Echiverri sought a clarification on Section 16 of HB 4161 which provides that the qualification and entry requirements of cadets should be a "natural born Filipino citizen who is also single with no parental obligations." He said that the process of selection should not be discriminatory.</p> <p>Rep. Biazon replied that a cadet should be ready to move and transfer anytime which is why it is</p>

Continuation... Transportation				<p>advantageous if the cadet has no personal commitment upon entry.</p> <p>Rep. Acosta opined that these requirements are meant to ensure the loyalty and commitment of the cadets.</p> <p>On the budgetary requirement to establish the academy, Department of Budget and Management (DBM) Director Maria Grace de los Santos said that it should be included in the General Appropriations Act (GAA) subject to the availability of funds.</p>
	HBs 899	Rep. Mariño	Establishing fair investigation and accountability for road crashes	The Committee agreed to create a technical working group (TWG) to consolidate and study further the two bills.
	HB 1987	Rep. Siao	Promoting responsible driving and establishing fair accountability for road safety incidents and violations of traffic laws and regulations	<p>Rep. Mario Vittorio "Marvey" Mariño (5th District, Batangas), author of HB 899, said that he filed the bill in order for police authorities to conduct proper investigation of road crashes to ensure that erring drivers or individuals are held accountable. The enactment of the proposed law will establish the protocol for fair road crash investigation and accountability procedures.</p> <p>Expressing their support for the bills were the DOTr, DILG, Department of Justice, Philippine National Police-Highway Patrol Group, and the Land Transportation Office.</p> <p>Program Manager Maria Fatima Villena of the Bloomberg Initiative for Global Road Safety of the UP Center for Integrative and Development Studies, also expressed her support for the bills.</p> <p>Meanwhile, Robert Siy of the Move as One Coalition expressed concern that the proposed law might promote reckless driving as it will reduce the culpability of drivers involved in accidents. Under Section 8 of HB 899, "culpability shall be presumed when the person injured crossed the street or highway instead of using the designated pedestrian crossing or nearby footbridge or when the person injured did not have the right of way at the exact time of the accident."</p>
Ways and Means	HB 826	Deputy Speaker Gonzales (A.)	Providing for protection of the remittances of overseas Filipino workers (OFWs)	<p>The Committee, chaired by Rep. Joey Sarte Salceda (2nd District, Albay), approved with amendments the tax provision of HB 826.</p> <p>Deputy Speaker Aurelio "Dong" Gonzales Jr. (3rd District, Pampanga) agreed to the suggestion of the Committee that a uniform 50% discount on remittance fees will be granted to OFWs sending money to their immediate family members regardless of the amount that will be remitted. Likewise, the financial and non-bank financial intermediaries providing discounts on remittance fees may also claim the discounts as a tax deduction based on the cost of services rendered to the OFWs. However, the total deduction from the gross income of the establishments providing discounts on remittance fees shall not exceed P24,000 per OFW every taxable year.</p>

<p>Continuation... Ways and Means</p>	<p>HR 556</p>	<p>Deputy Speaker Pichay</p>	<p>Inquiry into the unabated smuggling of goods into the country by unscrupulous operators of customs bonded warehouses to the detriment of local manufacturers and producers and the Philippine economy, with the end in view of recommending measures to stop smuggling using the warehousing system by revisiting the provisions of the Customs Modernization Tariff Act on bonded warehouses and limiting the type, nature and number of bonded warehouses</p>	<p>The Committee will deliberate further on the issues raised relative to HR 556 in its next meeting.</p> <p>Committee Senior Vice Chair Rep. Estrellita Suansing (1st District, Nueva Ecija) presented to the body her review of warehousing transactions of petroleum customs bonded warehouse (CBW) operators from 2015 to 2019. She discussed the transactions and violations committed by two petroleum CBWs, the Petrotrade Philippines, Inc. and Chevron Philippines, which were used as samples for the review.</p> <p>Rep. Suansing said that the two companies violated Customs Administrative Orders (CAOs) 1-2009 and 13-2019, which provide the rules and regulations for the establishment, operation, supervision and control of CBWs.</p> <p>According to Rep. Suansing, CBWs are licensed facilities of the Bureau of Customs (BOC) that import, receive, and store goods, raw materials, semi-finished materials, components, and packing materials meant for manufacturing finished products to export or for the account of authorized users or clients. The CBWs may be manufacturing and non-manufacturing. The non-manufacturing bonded warehouse can further be classified as private and public CBWs.</p> <p>Private CBWs are warehouse facilities licensed by the BOC to import, receive, and store articles for its production intended for domestic consumption, withdrawal of which shall be made only upon payment of duties, taxes and other charges. On the other hand, public CBWs are duly authorized to receive and store general cargoes for exportation, transfer to another CBW, free zones, or for local consumption, in the same state when the cargoes are imported.</p> <p>Rep. Suansing said that Petrotrade Philippines, Inc., a non-manufacturing private CBW operator of bunker fuel, allegedly exported its bonded commodities by loading them to foreign vessels, which is not allowed for private CBWs. She claimed that the estimated unpaid taxes equivalent to the exported bonded commodities amounted to P386.09 million for the input value added tax (VAT) and P275.74 million for the excise tax.</p> <p>Rep. Suansing also disclosed that there was a huge discrepancy in the Petrotrade's landed cost and excise taxes paid as reflected in the Single Administrative Document (SAD) vis-à-vis the landed cost and excise taxes paid indicated in the liquidation report. She opined that these are doubtful and should not have happened under regular circumstances.</p> <p>Likewise, Chevron Philippines, Inc., a private CBW operator of Jet A1 fuel, exported majority of its imported goods which should only be used for domestic consumption as mandated under the</p>
---	---------------	--------------------------------------	--	--

<p>Continuation... Ways and Means</p>				<p>CAOs. The government could have collected P5.09 billion and P6.67 billion of input VAT and excise tax, respectively, out of these irregular transactions.</p> <p>Another irregularity pointed out by Rep. Suansing was BOC's approval to use the Joint Oil Companies Aviation Fuel Storage Plant (JOCASP), another CBW, as extension storage of Chevron. She reiterated that this was violative of the CAOs as only public CBWs, and not private CBWs, are allowed to transfer imported goods from one CBW to another.</p> <p>On the query of Rep. Sharon Garin (Party-List, AAMBIS-OWA), Customs Commissioner Rey Leonardo Guerrero said that the BOC had closed down all non-compliant CBWs. He added that by the middle of September, the BOC will issue a new Customs administrative order that will spell out the new CBW system.</p> <p>The Committee approved the motion of Rep. Jericho Jonas Nograles (Party-List, PBA) directing the BOC to conduct an audit on the transactions made by Petrotrade and Chevron for the period 2015 to 2019 within two months. Afterwhich, the Bureau shall submit its findings to the Committee along with its plans of action pertaining to its findings including the collection of taxes due and filing of appropriate cases against CBW operators concerned.</p> <p>Guerrero said that the BOC had already started its own audit of the CBWs.</p> <p>Likewise, the Bureau of Internal Revenue was also tasked to conduct a financial audit on CBWs' underpayment of output VAT.</p>
<p>Welfare of Children</p>	<p>Substitute Bill to HB 3472</p>	<p>Rep. Ong (R.)</p>	<p>Promoting the rights of deserted or abandoned children with unknown parents, protecting their status as natural-born citizens of the Philippines and providing penalties against acts inimical to their welfare</p>	<p>The Committee, chaired by Rep. Yedda Marie Romualdez (Party-List, TINGOG SINIRANGAN), approved the Substitute Bill to HB 3472 and the corresponding Committee Report.</p> <p>Rep. Romualdez expressed her gratitude to all the Members of the Committee for supporting the proposed law. She said that the bill was thoroughly deliberated on by the technical working group which crafted the substitute bill.</p> <p>The bill seeks to recognize foundlings as natural-born citizens of the Philippines regardless of the status and circumstances of birth, thereby according them due protection by the State. It defines "foundlings" as "deserted or abandoned children who were found with unknown facts of birth and parentage within the Philippine territories."</p>

TECHNICAL WORKING GROUP MEETING ON HOUSE MEASURES

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Housing and Urban Development (Technical Working Group)	HBs 2450, 4759, 7079, 7268, 7291 & 7405	Reps. Sy-Alvarado, Nieto, Deputy Speaker Villafuerte, Reps. Rodriguez, Tambunting, and Suansing (E.)	Providing for a national housing development, production, and financing program, regularizing its appropriation for its implementation	<p>The technical working group (TWG), chaired by Rep. Francisco "Kiko" Benitez (3rd District, Negros Occidental), will deliberate further on the 11 bills in its next meeting.</p> <p>The Secretariat was directed to draft a substitute bill incorporating therein the pertinent suggestions of the resource persons.</p> <p>At the outset, Rep. Benitez said that the bills ensure that there is sufficient funding for housing production through direct house production subsidies, loans, and securitization of mortgages. He said that it is necessary that the housing programs of the government not only address the need for shelter of low-income families but to facilitate the holistic development of individuals and communities through the provision of health and sanitation facilities, assistance for livelihood, and promotion of participatory governance. Rep. Benitez further said that "the presence of these elements will ensure that the communities we build are livable, inclusive, resilient, and sustainable."</p> <p>Expressing support for the bills were representatives from the Department of Human Settlements and Urban Development (DHSUD), National Housing Authority (NHA), National Home Mortgage Finance Corporation (NHMFC), Home Development Mutual Fund (Pag-IBIG Fund), Social Housing and Finance Corporation (SHFC), Department of Environment and Natural Resources (DENR), Department of the Interior and Local Government (DILG), Insurance Commission (IC), National Economic and Development Authority (NEDA), Social Security System (SSS), Laguna Lake Development Authority (LLDA), Chamber of Real Estate and Builders Association, Inc. (CREBA), Subdivision and Housing Developers Association (SHDA), and Joly Homes Foundation.</p> <p>DSHUD Public Housing and Human Settlements Service OIC-Director Rowena Dineros said that the average appropriation for the housing sector from 2016-2019 is a meager 0.44% of the national budget. With the proposed law, Dineros said that adequate funds will be provided to address the housing requirement of the country, which is estimated to be at 6.57 million units by 2022.</p> <p>NHA Corporate Planning Department Manager Agnes Agay said that the estimated subsidy for the implementation of the housing programs of the NHA is P1.77 trillion. Agay also conveyed the recommendations of the NHA, one of which is to allocate directly to the NHA the relocation and resettlement funds, instead of channeling these to other agencies as proposed in HB 2540, to allow it to plan ahead and begin the process of housing</p>
	HB 1176	Deputy Speaker Romero	Increasing the capitalization of the National Housing Authority (NHA), expanding and accelerating its urban land reform and social housing program	
	HBs 2564 & 4902	Reps. Castelo and Nieto	Providing for the resettlement, aid, and rehabilitation services for the underprivileged, homeless citizens, and informal settlers affected by the demolition of houses/dwellings along danger areas as well as the victims of disasters and calamities and those affected by government infrastructure projects in Metro Manila and other urban areas	
	HBs 3541 & 3837	Rep. Violago and Majority Leader Romualdez	Establishing a unified housing and urban development fund and a centralized home financing program, amending for the purpose RA 7835, otherwise known as the Comprehensive and Integrated Shelter Financing Act (CISFA) of 1994	

<p>Continuation... Housing and Urban Development (Technical Working Group)</p>				<p>development even before actual displacements of people occur.</p> <p>With regard to the pooling of the funds for the centralized home financing program, Pag-IBIG Fund lawyer Jose Roberto Po asked to be clarified on whether the funds that the Pag-IBIG would need to allocate as its contribution to the program will be on a yearly or one-time allocation. Under the proposed law, aside from Pag-IBIG, the SSS and the Government Service Insurance System shall also contribute funds to the proposed centralized home financing program.</p> <p>Meanwhile, SHFC Planning Department Manager Florencio Carandang Jr. suggested that the definition of the “Community Mortgage Program” in the proposed law be amended to include the three phases of community mortgage – lot acquisition, site development, and house construction – as well as the mortgage modalities.</p> <p>CREBA National Chairman Charlie Gorayeb expressed support for the bills as they provide for a national housing development, production, and financing program that seeks to solve the country’s 6.57 million housing backlog. He, however, asked where the funds will be sourced out considering that the program will entail P2.7 trillion direct government appropriations over a span of 20 years.</p> <p>Department of Finance (DOF) representative Earl John Pajaro expressed reservation on the bills explaining that the proposed tax exemptions are not aligned with the objectives of the government’s tax reform programs.</p> <p>The resource persons were asked to submit their respective position papers on the bills for consideration by the TWG.</p>
--	--	--	--	---

AGENCY BRIEFING		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
<p>Transportation</p>	<p>Update by the Department of Transportation (DOTr) on its plans and programs under the Bayanihan to Recover as One Act (or Bayanihan 2), focusing on assistance to critically-impacted businesses, temporary livelihood to displaced workers, and development of accessible sidewalks/bicycle lanes</p>	<p>The Committee, chaired by Rep. Edgar Mary Sarmiento (1st District, Western Samar), discussed with the DOTr its plans and programs relative to the Bayanihan 2.</p> <p>DOTr Undersecretary for Finance Garry de Guzman and Assistant Secretary Mark Steven Pastor informed the body that the P9.5 billion that was allocated to the DOTr under the Bayanihan 2 will be spent on the following:</p> <ul style="list-style-type: none"> • Assistance to critically-impacted businesses in the road, aviation and maritime sectors - P2.6 billion; • Temporary livelihood to displaced workers through service contracting of public utility vehicles - P5.6 billion; and • Construction of sidewalks and protected bike lanes and other bicycle-related programs - P1.3 billion. <p>Rep. Sarmiento announced that a face-to-face meeting with the DOTr will be scheduled by the Committee to discuss thoroughly the</p>

<p>Continuation... Transportation</p>	<p>Update on the following: land and rail transportation situation during the general community quarantine (GCQ); implementation of the radio-frequency identification (RFID) system; and resumption of motorcycle taxi pilot study</p>	<p>programs and projects to be funded by the Bayanihan 2 budget. He asked the DOTr to ensure transparency and accountability in spending government funds.</p> <p>The Land Transportation Franchising and Regulatory Board (LTFRB) reported that it has been opening routes after the lockdown based on demand using gradual, calibrated, and by-phases approach.</p> <p>Meanwhile, representatives from the Light Rail Transit (LRT) 1, LRT2, Metro Rail Transit (MRT) 3, and the Philippine National Railways (PNR) reported that their operations have resumed with limited capacity after the lifting of the enhanced community quarantine (ECQ) in Metro Manila. The rail operators assured their strict compliance with health and safety measures pursuant to the guidelines of the Inter-Agency Task Force for the Management of Emerging Infectious Diseases (IATF) and the Department of Health (DOH).</p> <p>According to DOTr OIC-Undersecretary for Administrative Service Artemio Tuazon Jr., LRT1 currently has 24 trains running during peak hours and 18 trains during non-peak hours. The LRT2 and MRT3 are operating five trains and 18 trains, respectively, throughout the day while the PNR is operating 10 trains for the whole day.</p> <p>The Committee recommended the strict enforcement of health protocols, installation of markings and signages, and provision of other logistics to increase the carrying capacity of trains.</p> <p>With regard to the implementation of the RFID system, Toll Regulatory Board (TRB) Executive Director Abraham Sales said that the purpose was to stem the spread of COVID-19 among toll tellers. Thus, the DOTr has issued Department Order No. 2020-12 last August 13, requiring all expressways to implement by November 2 a complete cashless payment system in response to the ongoing COVID-19 pandemic.</p> <p>Sales said that the TRB is currently overseeing the compliance of toll operators in transitioning fully into the cashless and contactless payment system before the deadline. However, he also admitted that only 40% of motorists are using the RFID system in expressways.</p> <p>Resource persons from San Miguel Corporation and the Metro Pacific Tollways Corporation said that they will be able to fully implement cashless toll collection in the expressways before the deadline.</p> <p>Rep. Sarmiento asked Undersecretary Tuazon to convey to the IATF and the National Task Force against COVID-19 the Committee's request to allow the resumption of the pilot run of motorcycle taxis being studied by the technical working group (TWG) created by the government. The result of the TWG's study will serve as a vital input in crafting the necessary legislation on the operation and regulation of motorcycle taxis. Rep. Sarmiento added that allowing the operation of motorcycle taxis, subject to appropriate regulations, will provide the public with cheaper, faster, and more convenient mode of transportation.</p>
---	---	---

Comments, suggestions and requests for copies may be sent to the Committee Publication Staff, Committee Management Support Service I, 3rd Floor, Ramon V. Mitra, Jr. Bldg., House of Representatives, Constitution Hills, Quezon City, through cmss1.cad.hrep@gmail.com or at tel. nos. 8932-6118/8931-5001 local 7122. Also available at <http://www.congress.gov.ph>