



# Committee Daily Bulletin

18<sup>th</sup> Congress  
Second Regular Session

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## BUDGET BRIEFINGS

COMMITTEE	SUBJECT MATTER	DISCUSSIONS
<b>Appropriations</b>	<p>Briefing on the proposed FY 2021 budget, plans and programs, and major accomplishments of the following government offices:</p> <ul style="list-style-type: none"> <li>• Department of Public Works and Highways (DPWH)</li> </ul>	<p>The Committee, chaired by Rep. Eric Go Yap (Party-List, ACT-CIS), listened to the presentations on the proposed FY 2021 budget, plans and programs, and major accomplishments of the DPWH and DOT.</p> <p>Committee Vice Chair, Rep. Romeo Momo Sr. (Party-List, CWS), sat as the presiding officer during the DPWH's budget briefing.</p> <p>DPWH Undersecretary for Planning and Public-Private Partnership (PPP) Service Maria Catalina Cabral said that under the FY 2021 National Expenditure Program (NEP), the DPWH is set to receive P667.32 billion, which is 15% higher than its current budget of P581.67 billion.</p> <p>The bulk of the DPWH's budget or P643.17 billion goes to capital outlay (CO); while the rest will go to maintenance and other operating expenses (MOOE), P14.12 billion; personnel services (PS), P9.18 billion; and Retirement and Life Insurance Premiums (RLIP), P85 million.</p> <p>Cabral presented the following major infrastructure programs of the DPWH: Traffic Decongestion Program; Integrated and Seamless Transport System; Convergence and Rural Road Development Program; and Livable, Sustainable and Resilient Communities. She also reported that 97% of the national roads are already paved as of 2019.</p> <p>Rep. Arlene Brosas (Party-List, GABRIELA) asked for the breakdown of the P397.22 billion infrastructure budget lodged in the DPWH Central Office. She reminded the body that the Department was not able to submit it in time for the budget briefing of the Development Budget Coordination Committee at the House of Representatives last September 4.</p> <p>DPWH Secretary Mark Villar clarified that the P397.22 billion is not a lump sum amount as regarded by Rep. Brosas. In fact, a copy of the details of this budget allocation was already submitted to the Committee, he said.</p> <p>Rep. Brosas also asked about the seemingly "double insertions" of projects in the budget of the DPWH under the 2021 NEP.</p> <p>Villar replied that there are no double insertions under the DPWH budget but a "continuation of an existing project." He explained that the DPWH uses a multi-year contractual authority which allows the DPWH to bid out the whole amount of a multi-year contract. Hence, every year, the amount is being reflected in the DPWH budget until such time that the project has already been completed. This kind of arrangement usually involves big ticket projects, the implementation of which span several years.</p> <p>Rep. Arnolfo "Arnie" Teves Jr. (3<sup>rd</sup> District, Negros Oriental) asked for the basis of the DPWH in allocating funds to legislative districts. He questioned why some legislative districts receive more funds compared to others which have high absorptive capacity.</p> <p>Villar explained that the basis for allocating funds is not just the absorptive capacity of the legislative districts. It may also be that</p>

<p>Continuation... Appropriations</p>	<ul style="list-style-type: none"> <li>Department of Tourism (DOT) and its attached agencies</li> </ul>	<p>flagship and priority projects of the administration are located in specific legislative districts, hence they receive more funding.</p> <p>At this point, Minority Leader Bienvenido Abante Jr. (6<sup>th</sup> District, Manila) raised a point of order and asked about the presence of the DPWH officials at the Plenary Hall, the venue of the physical meeting. (Other DPWH officials, including Secretary Villar, were attending the hybrid meeting via Zoom.) Informed that there are only two undersecretaries and three assistant secretaries who physically attended the budget briefing, the Minority Leader moved to defer the deliberation of the DPWH's proposed 2021 budget, which the Committee adopted.</p> <p>Committee Vice Chair, Rep. Michael John Duavit (1<sup>st</sup> District, Rizal), sat as the presiding officer during the hearing on the budget of the DOT and its attached agencies.</p> <p>Under the NEP, the DOT and its attached agencies will have a budget of P3.84 billion to be distributed by expense class as follows: PS, P760.10 million; MOOE, P3.03 billion; financial expenses (FE), P3.58 million; and CO, P50.14 million.</p> <p>According to DOT Secretary Bernadette Romulo-Puyat, the Department's FY 2021 proposed budget of P3.84 billion is P93.6 million lower than the current year's appropriation of P3.93 billion. She, however, said that in spite of its lower budget for next year, the DOT aims to establish a strategic plan that will help develop domestic tourism programs, products, and local destinations while securing the employment of tourism workers under the new normal.</p> <p>House Members proceeded to ask questions on matters pertaining to specific items of the proposed budget and the implementation of DOT programs.</p> <p>Rep. Sharee Ann Tan (2<sup>nd</sup> District, Samar) inquired on the support or assistance extended by the DOT to the tourism sector, which was severely affected by the imposition of lockdowns and travel restrictions because of the pandemic.</p> <p>DOT Undersecretary for Tourism Development Benito Bengzon Jr. said that the DOT has allocated about P6 billion for extension of capital loans to affected tourism enterprises. The loan program will be administered by the Small Business Corporation (SB Corp) which is under the Department of Trade and Industry (DTI). He said the DOT, together with the SB Corp, is now finalizing the guidelines on the loan ceiling as well as other terms and conditions of the loans.</p> <p>Bengzon added that the DOT has also set aside approximately P3 billion of its budget pursuant to the Bayanihan to Heal as One Act (Bayanihan I) and has allocated around P100 million to provide financial assistance to community and regional tour guides.</p> <p>Reps. Gabriel Bordado Jr. (3<sup>rd</sup> District, Camarines Sur), Sergio Dagooc (Party-List, APEC), and Mark Go (Baguio City) expressed concern that the reduction in DOT's budget for FY 2021 might have an impact on the agency's performance. They cited the important role of the tourism industry in the economic recovery process of the country, saying that it contributes 12.7% of the gross domestic product (GDP) and 13.5% of the country's total employment generation.</p> <p>Rep. France Castro's (Party-List, ACT-TEACHERS) questioned the almost 83% increase in the DOT's budget for branding for FY 2021.</p> <p>DOT Assistant Secretary for Branding and Marketing Communications Howard Lance Uyking explained that the DOT's</p>
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<p>Continuation... Appropriations</p>		<p>budget for branding for the current year that was realigned to programs under the Bayanihan I will be carried over to the DOT's FY 2021 proposed budget. Romulo-Puyat added that the DOT will give importance to the promotion of health and safety measures in its branding materials in response to the pandemic and the new normal.</p> <p>On the query of Rep. Vicente "Ching" Veloso III (3<sup>rd</sup> District, Leyte) on the DOT's plan for international marketing, Romulo-Puyat said that the focus right now is the promotion of domestic tourism but the DOT is also looking at the possibility of implementing a "travel bubble" wherein a small number of selected countries in the region will be allowed to enter the country for tourism purposes.</p> <p>Iloilo City Rep. Julienne Baronda asked about the current status of MICE (meetings, incentives, conferences and exhibitions) tourism in the country as a result of the pandemic given that the country is considered as an established MICE destination.</p> <p>Romulo-Puyat said that activities related to MICE tourism can be held in areas under modified general community quarantine (MGCQ) but only at 50% capacity. However, she said that some local government units (LGUs) are still hesitant to open their tourist spots and destinations to tourists.</p> <p>Rep. Stella Luz Quimbo (2<sup>nd</sup> District, Marikina City) inquired if the conservation of historical sites is part of DOT's geo-tourism branding. Romulo-Puyat answered yes and said that it is handled by DOT's Office of Product Development and the Tourism Promotions Board (TPB).</p> <p>Rep. Bernadette Herrera-Dy (Party-List, Bagong Henerasyon) noted that the earmarked revenues of the TPB amounting to P12.5 billion remained unused as of December 2019. TPB Chief Operating Officer Maria Anthonette Velasco-Allones said that the P12.5 billion-revenue was remitted to the National Treasury under the General Fund and it is up to the Department of Budget and Management to decide how it will be utilized.</p> <p>Several Members expressed their support to further augment the FY 2021 budget of the DOT and its attached agencies.</p> <p>The Committee agreed to terminate the deliberation on the proposed 2021 budget of the DOT and its attached agencies.</p>
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COMMITTEE MEETINGS ON HOUSE MEASURES				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Energy	HBs 7059 & 7341	Reps. De Jesus and Gatchalian	Extending the implementation of the lifeline rate, amending for the purpose Section 73 of RA 9136, otherwise known as the Electric Power Industry Reform Act (EPIRA) of 2011, as amended by RA 10150	<p>The Committee, presided by its Vice Chair Rep. Presley de Jesus (Party-List, PHILRECA), approved HBs 7059 and 7341.</p> <p>The Secretariat will draft a substitute bill incorporating in it, among others, certain standards or parameters that will ensure that only the targeted beneficiaries, the marginalized end-users, will benefit from the lifeline rate.</p> <p>Reps. De Jesus and Wes Gatchalian (1<sup>st</sup> District, Valenzuela City), authors of HBs 7059 and 7341, respectively, said that the proposed law extends the implementation of the lifeline</p>

Continuation... Energy				<p>rate to continue providing assistance to low-income electricity consumers, who are not capable of paying the full cost of services, through a subsidized electricity rate.</p> <p>Under Section 73 of RA 9136, the lifeline rate is a socialized pricing mechanism for the marginalized end-users which shall be exempted from the cross subsidy phase-out under the law for a period of 10 years from 2001, unless extended by law. The lifeline rate was first extended in 2011 and will be implemented until 2021.</p> <p>Representatives from the Department of Energy (DOE) and the Energy Regulatory Commission (ERC) manifested their support for the proposed law.</p>
<b>Energy jt. w/ Information and Communications Technology</b>	Substitute Bill to HBs 515, 646 & 4222	Reps. Roman, Tambunting, and Go (M.)	Housekeeping and maintenance of electric cables, wires and posts	<p>The Joint Committee, presided by Rep. Presley de Jesus (Party-List, PHILRECA), Vice Chair of the Committee on Energy, and Rep. Joy Myra Tambunting (2<sup>nd</sup> District, Parañaque City), Vice Chair of the Committee on Information and Communications Technology, will deliberate further on the Substitute Bill to HBs 515, 646, and 4222 in its next meeting.</p> <p>The Secretariat was directed to incorporate in the substitute bill the pertinent recommendations of the resource persons and the authors so that in the next meeting of the Committee, the final version of the substitute bill will be presented.</p> <p>Rep. Geraldine Roman (1<sup>st</sup> District, Bataan), author of HB 515, said that there is a need to tidy up dangling electricity and internet wires and cables not only to remove this eyesore but to ensure public safety. Her bill requires all electric, cable, and telecommunications companies to conduct periodic inspections of their respective utility line installations and for the government agencies exercising jurisdiction over these installations to monitor height clearance requirements for the safety of the public.</p> <p>Baguio City Rep. Mark Go, author of HB 4222, said that his bill lays down the standards for the installation of electric and cable wires and posts. The goal is to fix or remove dead or dangling electric and cable wires, as well as dilapidated and abandoned posts along the streets.</p> <p>Likewise, Rep. Tambunting, author of HB 515, stressed that the proposed law seeks to mandate public utility companies to conduct cleanup activity after they have installed wires and posts.</p> <p>Commenting on Section 5 of the bill, Department of the Interior and Local Government (DILG) Undersecretary Ricojudge</p>

<p>Continuation... Energy jt. w/ Information and Communications Technology</p>				<p>Janvier Echiverri recommended that the validity period of the Certificate of Public Safety Compliance (CPSC) be reduced from five years to one year to coincide with the yearly renewal of the Mayor's permit.</p> <p>Rep. Go said that making CPSC a yearly requirement seems unreasonable and cumbersome for the service providers.</p> <p>Rep. Go also opposed the suggestion of the Private Electric Power Operators Association to delete Section 6 (Installation of Electric Wires, Cables and Posts and Standards Requirements) of the bill. He surmised that if this section will be deleted, electric, cable, and telecommunications companies will again just install cables without the inspection and approval of the city or municipal engineer concerned or the Department of Public Works and Highways (DPWH).</p> <p>Section 6 provides that no installation of electric wires, cable, posts equipment and accessories shall be allowed in a particular area without the city or municipal engineer concerned or the Department of Public Works and Highways (DPWH), whichever is applicable. It also provides that the installation shall conform to the Philippine Electrical Code, Philippine Distribution Code, Distribution Services and Open Access Rules, National Building Code, and other existing applicable local and international standards.</p>
	<p>HB 3960</p>	<p>Rep. Almario</p>	<p>Requiring all franchise grantees using wires and cables in the operation of their businesses to relocate all wires and cables underground or use colored wires and cables to identify their corporation</p>	<p>The Joint Committee agreed to create a technical working group (TWG) to discuss the bills further.</p> <p>Rep. Rosanna "Ria" Vergara (3<sup>rd</sup> District, Nueva Ecija) was designated as head of the TWG.</p>
	<p>HB 5845</p>	<p>Rep. Herrera-Dy</p>	<p>Mandating all companies, service providers, industries, and other similar entities that use wires and/or cables, especially those that are engaged in the business of providing telephone, cable, internet service, and power supply to the public, to relocate and/or install their wire and cable system underground or use colored wires and cables to identify their corporation</p>	

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