



# Committee Daily Bulletin

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## COMMITTEE MEETING ON HOUSE MEASURES

| COMMITTEE      | MEASURES  |   | SUBJECT MATTER  | ACTION TAKEN/DISCUSSION  |
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|                | NO.   | PRINCIPAL AUTHOR  |   |  |
| Ways and Means | Substitute Bill to HBs 340, 1371, 4288, 5316, 5729, 5968 & 6399 | Reps. Romualdo, Go (E.C.), Hofer, Eriguel, Nieto, Datol (dec.), and Rodriguez | Providing for a new Passport Law, repealing for the purpose RA 8239, otherwise known as the Philippine Passport Act of 1996   | <p>The Committee, chaired by Rep. Joey Sarte Salceda (2<sup>nd</sup> District, Albay), approved the tax provision of the Substitute Bill with amendments.</p> <p>In amending the bill, the Members agreed to increase the discount proposed to be given to senior citizens for the processing, issuance or replacement of a passport from 32% to 50% and to provide the same discount to persons with disabilities (PWDs).</p>   |
|                | HR 227  | Rep. Suansing (E.)  | Investigation into the implementation of Section 150-B (Excise Tax on Sweetened Beverages) of the National Internal Revenue Code (NIRC) of 1997, as amended by RA 10963, otherwise known as the Tax Reform for Acceleration and Inclusion (TRAIN) Law | <p>The Committee, presided by its Senior Vice Chair, Rep. Estrellita Suansing (1<sup>st</sup> District, Nueva Ecija), will schedule another meeting to discuss further the issues raised relative to HR 227.</p> <p>Rep. Suansing, author of HR 227, presented to the body the findings and recommendations of the Committee as reflected in the Committee Report on HR 227.</p> <p>According to Rep. Suansing, there is a deficit of P12.3 billion between the revenue goal and actual revenues collected from the excise tax on sweetened beverages (SB) since 2018, the year the TRAIN law took effect. She mentioned the problems which could have contributed to the deficit, as follows:</p> <ul style="list-style-type: none"> <li>• Delayed issuance of the Bureau of Internal Revenue (BIR) regulation on the registration of beverage products which manufacturers declare to be not using high-fructose corn syrup (HFCS). This led to the low number of registrations during the first few months of implementation in 2018; and</li> <li>• Inadequacies in product testing due to the limited personnel and equipment of the Food and Drug Administration (FDA), the agency responsible for evaluating and validating product formulations that are registered by manufacturers for excise tax exemption.</li> </ul> <p>Rep. Suansing reported that in an audit conducted by the BIR on three companies that were exempted from tax for declaring the non-usage of HFCS, on-hand stocks of HFCS were discovered. These errant companies were required to pay excise tax amounting to P8.6 million for 2018.</p> |

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| Continuation...<br>Ways and<br>Means |  |  |  | <p>Rep. Suansing expressed concern that more companies are also providing false declarations in order to avoid the payment of SB excise tax. Thus, she recommended that the BIR should not exempt products from the payment of excise tax unless actual product testing has been conducted by the FDA.</p> <p>She also said that the Committee recommends the earmarking of funds for the FDA in the General Appropriations Act (GAA) Special Provision for 2021 so that it could improve its product testing capability and purchase additional high performance liquid chromatography (HPLC) equipment for HFCS verification.</p> <p>The FDA confirmed that it needs additional personnel and equipment, adding that verifying a single product formulation takes time to complete.</p> <p>BIR Director Beverly Milo also confirmed the misrepresentation being done by companies in order to avoid paying the excise tax.</p> <p>Several House Members agreed that the FDA's capability to conduct HFCS verification should be improved further and that the needed equipment should be acquired.</p> <p>Philippine Sugar Millers Association (PSMA) Executive Director Cocoy Barrera expressed his support to the Committee's recommendations.</p> <p>The Department of Finance (DOF) and the Bureau of Customs (BOC) were asked to submit the reports that were requested of them during the meeting relative to HR 227.</p> <p>Department of Health (DOH) Undersecretary and FDA Director General Rolando Enrique Domingo will be invited to attend the next meeting to answer the queries of the Members.</p> |
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| DISCUSSION WITH AGENCIES/ENTITIES                           |   |   |
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| COMMITTEE   | SUBJECT MATTER  | DISCUSSIONS   |
| <b>North Luzon Growth Quadrangle</b><br>(Special Committee) | Consultative meeting with the following government agencies to assess the damage caused by Typhoon Ulysses in Region II and Cordillera Autonomous Region (CAR) and to know the measures being implemented to address the same | <p>The Committee, chaired by Rep. Ramon "Mon-Mon" Guico III (5<sup>th</sup> District, Pangasinan), listened to the presentations of concerned government agencies on the situation in Region II and CAR relative to the effects of Typhoon Ulysses in North Luzon.</p> <p>Rep. Guico said that Cagayan Valley and the CAR are among the areas hit hard by the Typhoon. Thus, today's consultative meeting aims to assess the extent of damage Typhoon Ulysses has brought to CAR and Region II as well as the measures that are being implemented to address the ensuing problems. He lamented that the situation in North Luzon was slightly</p> |

Continuation...  
North Luzon Growth  
Quadrangle  
(Special Committee)

- Office of the Civil Defense (OCD)

overshadowed by the massive flooding in Marikina and some parts of Rizal province. Only when photos and videos of massive flooding and landslides were posted on social media that the country saw the dire situation in North Luzon. He added that Region II and CAR are vital agricultural hubs not just in Luzon but in the country. Hence, it is important to know how this disaster will affect the supply of food in the country.

OCD Region II Acting Regional Director Harold Cabrerros reported that to date, 151,684 families or 583,493 individuals were affected in Cagayan Valley. There were 24 deaths because of landslide, drowning, and electrocution; while 3 were injured and 3 others are missing. Flooded areas were 21 municipalities and 1 city in Cagayan; 3 cities and 22 municipalities in Isabela; 15 municipalities in Nueva Vizcaya; and 5 municipalities in Quirino. The cost of damage to crops is estimated at P73.79 million, while the estimated damage to infrastructure stands at P44.96 million.

Search, rescue, and retrieval operations were conducted during and after the typhoon where 51,184 individuals were rescued by over 4,000 rescuers composed of personnel from the Armed Forces of the Philippines, Philippine National Police, Bureau of Fire Protection, Philippine Coast Guard, and local government units (LGUs) in the region.

The OCD Region II also extended the following support and assistance to the affected people in the region: distribution of 21,783 food items amounting to P10.05 million; delivery of medicines, hygiene kits, jerry cans, food, water, and other health related supplies amounting to P10.34 million; and conduct of clearing operations. Moving forward, the affected individuals will be given assistance through the various programs of the government like the emergency shelter assistance, cash for work, financial assistance to the injured and family members of those who died, and agricultural rehabilitation intervention. Cabrerros added that at present, national roads are already passable in the region.

OCD CAR Regional Director Albert Mogol presented the situation in CAR. He said 1,075 families or 4,147 individuals were affected because of Typhoon Ulysses. Casualties include 11 dead, 3 injured, and 1 missing. Mogol also reported that 40 road sections were closed to traffic while 119 road sections only have one lane passable. Because of the typhoon, 6,228 farmers were affected with damage to agriculture estimated at P166.4 million and damage to fisheries estimated at P19.4 million.

Recognizing the severity of the situation in Region II (Cagayan Valley), OCD CAR initiated its OPLAN Tulong Cagayan which demonstrates the strong commitment of the people of Cordillera to provide assistance to the neighboring region which is experiencing massive flooding.

In line with inter-regional response to disasters, Mogol informed the Committee that the construction of the Cordillera Regional Disaster Risk Reduction and Management Council (DRMMC) inter-agency warehouse located in Tabuk City, Kalinga is underway with a project cost of P25.2 million. The inter-agency warehouse will serve as storage of stocks and equipment of concerned agencies to allow an immediate deployment of resources in times of disasters. Mogol also sought the help of the Committee for the allocation of funds to repair and upgrade hydrometeorological (hydromet) stations in the region. These facilities provide real time weather-monitoring data that could greatly help in disaster preparedness and management.

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| <p>Continuation...<br/>North Luzon Growth<br/>Quadrangle<br/>(Special Committee)</p> | <ul style="list-style-type: none"> <li>• Department of Social Welfare and Development (DSWD)</li> <br/> <li>• Department of Agriculture (DA)</li> </ul> | <p>DSWD Assistant Secretary for Policy and Plans Joseline Niwane reported that based on the Department's records, as of November 15, there are 141,495 families or 545,878 individuals affected by Typhoon Ulysses in North Luzon, most of whom come from Region II. To respond to their needs, the DSWD provided 9.39 million food and non-food items. The DSWD also intends to increase the distribution of relief goods to affected families; facilitate the release of financial assistance; and continuously monitor the compliance of evacuation centers with standards and health protocols, among others.</p> <p>DA CAR Regional Executive Director Cameron Odsey reported that in the agriculture sector, a total of 12,679 hectares of various crops were affected, of which 838 hectares (7%) are totally damaged and 12,679 hectares (93%) are partially damaged. Over 10,000 farmers were affected by the typhoon, with production losses valued at P166.82 million. The major commodities affected were rice, corn, high-value crops, and livestock. Odsey added that the DA has around P244 million available for the procurement of seeds for the farmers and for the implementation of its livestock program, which could also help assist affected farmers.</p> <p>Odsey said that since the start of the typhoon season this year, the DA CAR has been constantly monitoring the weather advisories and relaying early warnings to its agricultural program coordinating offices for dissemination to partner LGUs and farmers so that they can prepare early on.</p> <p>For DA Region II, Executive Director Narciso Edillo reported the estimated losses in the agriculture sector due to typhoons Pepito, Rolly and Ulysses which affected the same set of farmers in the following provinces: Cagayan, P329 million; Isabela, P1 billion; Nueva Vizcaya, P179 million; and Quirino, P41 million. Edillo, however, pointed out that the totals might still change because losses due to Typhoon Ulysses are only initial figures. The DA will be able to give definite figures as soon as its personnel have seen the actual impact of the typhoon when they do their field inspection and validation.</p> <p>Rep. Ron Salo (Party-List, KABAYAN) asked which agency is primarily responsible for collecting all data and coordinating the government's disaster preparedness and management activities, including the crafting of policies that will provide long-term solutions to calamities.</p> <p>Mogol replied that the OCD has regional DRRM Councils which serve as the focal body in handling disaster preparedness, response, and management. The regional DRRM Councils have four vice chairpersons representing the Department of Science and Technology (DOST), which is in charge of issuing early warning advisories for prevention measures; the Department of the Interior and Local Government (DILG), for disaster preparedness; DSWD, for disaster response; and the National Economic and Development Authority (NEDA), for recovery and rehabilitation efforts.</p> <p>DA Undersecretary Ariel Cayanan said that while the government has put in place policies on what to do before, during and after calamities, there are always problems that will come along the way because the natural course of bodies of water are changing. Hence, he suggested that adequate funds be allocated for the construction of more and effective infrastructures such as dikes that will keep raging waters away from the communities during typhoons.</p> |
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| <p>Continuation...<br/>North Luzon Growth<br/>Quadrangle<br/>(Special Committee)</p> |  | <p>Baguio City Rep. Mark Go stressed the need to have a system wherein the release of water from dams would be undertaken in a manner that will not cause massive flooding. He noted that in several instances, the release of water from dams contribute to flooding in certain areas when there is continuous rain.</p> <p>Deputy Speaker Aurelio "Dong" Gonzales Jr. (3<sup>rd</sup> District, Pampanga) suggested that discussions be made with concerned government agencies to come up with an effective system for storing rainwater for farmers' use during the dry season.</p> <p>Vice Chair Rep. Joseph "Jojo" Lara (3<sup>rd</sup> District, Cagayan) pointed out the need to inform in advance the communities that will be affected by the release of water from dams at every instance so that they can make the necessary preparations or they can evacuate if needed.</p> <p>It was reported that the water released from Magat Dam into the Cagayan River has caused this body of water to swell, submerging nearby communities.</p> <p>Representatives from the Department of Environment and Natural Resources, National Power Corporation, National Irrigation Administration, and dam operators will be invited in the Committee's next meeting to answer queries of the Members.</p> |
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Erratum:

On page 2 of CDB Vol. II No. 55 (November 11 issue), the action taken by the Committee on Transportation on HB 2401 was erroneously written as "approved." The correct sentence should be "The Committee, chaired by Rep. Edgar Mary Sarmiento (1<sup>st</sup> District, Western Samar), approved the consolidation of HB 2401 with other bills of similar subject matter that are currently being studied and deliberated on by the technical working group created for the purpose." We apologize for the mistake. Rest assured that we will exercise due diligence in writing our news stories with accuracy.