



# Committee Daily Bulletin

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## COMMITTEE MEETINGS ON HOUSE MEASURES

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
<b>Energy</b>	Substitute Bill to HB 7060	Rep. Dagooc	Promoting the use of microgrid systems to accelerate the total electrification of unserved and underserved areas nationwide	<p>The Committee, chaired by Rep. Juan Miguel Arroyo (2<sup>nd</sup> District, Pampanga), approved the Substitute Bill to HB 7060 subject to style and amendment.</p> <p>Rep. Sergio Dagooc (Party-List, APEC), author of HB 7060 and head of the technical working group (TWG) that drafted the Substitute Bill, presented the bill to the Committee for its consideration. He said that all the pertinent suggestions and comments of the resource persons were incorporated in the bill.</p> <p>The proposed law seeks to expedite the total rural electrification of unserved and underserved areas in the country by utilizing non-traditional means and new technology such as the microgrid system which is more reliable, sustainable, and cost effective than the traditional grid extension.</p>
<b>Energy Jt. w/ Information and Communications Technology</b>	Substitute Bill to HBs 515, 646 & 4222	Reps. Roman, Tambunting and Go (M.)	Mandating the proper installation and maintenance of overhead electric supply, communication lines, and structure by all electric, cable and telecommunications companies for purposes of public safety and good housekeeping	<p>The Committee, co-versed by Rep. Juan Miguel Arroyo (2<sup>nd</sup> District, Pampanga), 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, approved the Substitute Bill subject to style and amendment.</p> <p>Rep. Tambunting and Baguio City Rep. Mark Go, authors of HBs 646 and 4222, respectively, agreed to the following amendments proposed by the Members:</p> <ul style="list-style-type: none"> <li>To state in Section 5 (Responsibility of the Local Government Units) that ordinances that will be issued by the LGUs governing the overhead installation of electric wires, cables, and utility poles should be in accordance with existing laws and regulations issued by the national agencies;</li> <li>To state in Section 6 (Issuance of a Certificate of Public Safety Compliance) that the provisions of the Ease of Doing Business and Efficient Government Service Delivery Act of 2018 should be observed in the issuance of the said certificate. This was in consideration of Rep. Rosanna "Ria" Vergara's (3<sup>rd</sup> District, Nueva Ecija) observation that there are instances when some of the operations and maintenance work of electric and telecommunications companies are hampered by the delayed action of some</li> </ul>

Continuation... Energy Jt. w/ Information and Communications Technology				<p>LGUs on their request to undertake such activities; and</p> <ul style="list-style-type: none"> <li>To clarify in Section 6 that a valid Certificate of Public Safety Compliance (CPSC) shall be a pre-requisite for the renewal of local business permits only and not for the renewal of the legislative franchise of the electric and telecommunications companies. Rep. Rep. Sergio Dagooc (Party-List, APEC) said that the current language of this provision may be misconstrued that the CPSC will be required for the renewal of a legislative franchise. Hence, he maintained that the provision should be amended.</li> </ul>
<b>Ways and Means</b>	Substitute Bill to HB 7919	Rep. Salceda	Imposing taxes on offsite betting activities on locally licensed cockfights and derbies, amending Section 125 of the National Internal Revenue Code (NIRC) of 1997, as amended	<p>The Committee, chaired by Rep. Joey Sarte Salceda (2<sup>nd</sup> District, Albay), approved the Substitute Bill subject to style and amendment. Thereafter, the Committee Report was also approved.</p> <p>Committee Vice Chair, Rep. Sharon Garin (Party-List, AAMBIS-OWA), presented to the body the salient features of the Substitute Bill. Under the proposed law, “there shall be levied, assessed and collected a tax equivalent to 5% based on gross receipts, which shall be directly remitted to the Bureau of Internal Revenue (BIR) and shall be in lieu of all other percentage taxes but shall not be in lieu of local government taxes and regulatory fees and charges applicable to such activities.”</p> <p>Furthermore, “gaming operators that will be responsible for supervising, managing and operating offsite betting activities shall be duly authorized by the Games and Amusements Board (GAB) and that the latter shall issue the rules and regulations for the fair conduct of offsite betting on locally licensed cockfights and derbies, including devices required of gaming operators, agents and other related parties.”</p> <p>GAB Chair Abraham Kahlil Mitra suggested to include international derbies as among the offsite betting activities to be regulated by the GAB.</p> <p>Baguio City Rep. Mark Go said that only those localities with local ordinances which allow offsite betting should be authorized to conduct offsite betting activities.</p> <p>Rep. Virgilio Lacson (Party-List, MANILA TEACHERS) recommended that the use of the proceeds from the 5% tax should be indicated in the proposed law. He suggested that the tax revenues can be earmarked for health or education programs of the government.</p> <p>Rep. Salceda, being the author of HB 7919, said that he is amenable to the suggestions made by Rep. Go and the GAB Chair. With regard to the earmarking of the proceeds from the proposed 5% tax, he said that this matter could just be</p>

Continuation... Ways and Means				taken up during the bill's deliberations in the plenary for consideration of all the Members of the House.  Expressing their support to the Substitute Bill were the Department of Finance (DOF) and the BIR.
	Substitute Bill to HB 6502	Rep. Silverio	Converting the Bulacan Agricultural State College in the Municipality of San Ildefonso, Province of Bulacan, into a state university, to be known as the Bulacan State Agricultural University (BSAU), and appropriating funds therefor	The Committee approved the tax provisions of the two Substitute Bills with amendments.  In amending the bills, the Committee agreed to insert the phrase "for educational purposes" in the second paragraph of Section 19 of the two bills entitled Tax Exemption on Importation and Donations, to be read as:
	Substitute Bill to HB 7352	Rep. Singson-Meehan	Converting the Ilocos Sur Polytechnic State College in the Municipality of Sta. Maria, Province of Ilocos Sur, and all its campuses in the Province of Ilocos Sur, into a state university, integrating therewith the North Luzon Philippines State College, in the City of Candon, Province of Ilocos Sur, to be known as the Ilocos Sur Philippines Polytechnic University (ISPPU), and appropriating funds therefor	<ul style="list-style-type: none"> <li>• "All grants, bequests, endowments, donations and contributions made to the (BSAU or ISPPU) to be used actually, directly and exclusively for educational purposes shall be exempt from donor's tax and the same shall be considered as allowable deduction from the gross income of the donor for purposes of computing the taxable income of the donor, in accordance with the provisions of the NIRC of 1997, as amended."</li> </ul> Expressing their support to the two Substitute Bills were the DOF and the BIR.

AGENCY BRIEFING		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Rural Development	Briefing by the Department of Agriculture (DA) on the implementation of the Special Area for Agricultural Development (SAAD) Program for 30 priority provinces amid the COVID-19 pandemic	<p>The Committee, chaired by Rep. Elisa "Olga" Kho (2<sup>nd</sup> District, Masbate), listened to the briefing by the DA on the implementation of the SAAD Program.</p> <p>Rep. Kho said that considering the COVID-19 pandemic's socio-economic effects to the marginalized sector like farmers, fisherfolk and other rural workers, it is imperative for the Committee to look into the implementation of DA's projects and essential services, particularly its SAAD Program, to help in the recovery of affected communities in rural and remote areas. This, according to her, will help the Committee undertake legislative initiatives and help appropriate funding to intensify production across the food value chain, and safeguard sustainable livelihood interventions.</p> <p>In recognition of SAAD's contribution to rural development, Rep. Kho said that the Committee will file a House Resolution calling for the extension of the SAAD Program to another six years from its expiration in 2022. She said that the Resolution will also request to include as beneficiaries all other qualified provinces subject to existing guidelines of the program and the determination of the DA.</p> <p>DA SAAD Program Director Myer Mula informed the Committee that the SAAD Program, which is a locally-funded program of the DA, aims to help alleviate poverty among the marginalized and poorest of the poor communities in the agriculture and fishery sectors in 30 priority provinces identified by the Philippine Statistics Authority (PSA) based on its 2012 and 2015 data, as well as areas covered by Executive Order No. 70, series of 2018.</p>

<p>Continuation... Rural Development</p>	<p>EO 70 institutionalizes the whole-of-nation approach in attaining inclusive and sustainable peace, creating a National Task Force to End Local Communist Armed Conflict (NTF-ELCAC), and directing the adoption of a national peace framework.</p> <p>The SAAD Program aims to improve food production for household consumption and commercial purpose in areas of operation. It also aims to assist beneficiaries establish agricultural enterprises by establishing market linkages and providing technical assistance and logistical support. Under the Program, selected beneficiaries will be given animals, crops, fisheries production and post-production inputs, tools, machinery, and equipment to improve their farm and fish production practices and productivity. As of 2020, the Program has benefited 88,836 individuals from the farming sector and 27, 349 from the fisheries sector. It has also developed 61 agri-enterprises across 9 SAAD provinces and 28 types of community-based enterprises.</p> <p>According to Mula, the DA proposed a total budget of P1.49 billion for the continued implementation of the Program for FY 2021. As part of its COVID-19 response, the DA created the SAAD Enhanced Community Quarantine (ECQ) Guidelines focused on the provision of fast growing/earning commodities. Mula also mentioned that it reverted P87.35 million to the Department of Budget and Management (DBM) to fund the government's COVID-19 response programs, in compliance with National Budget Circular 580.</p> <p>NBC 580 provides, among others, that 35% of programmed appropriations under the FY 2020 General Appropriations Act shall no longer be made available for release effective April 1, 2020 to partially generate the required amounts to implement the national policy to address the COVID-19 situation.</p> <p>Reps. Alan 1 Ecleo (Dinagat Island), Sergio Dagooc (Party-List, APEC), and France Castro (Party-List, ACT-TEACHERS) asked the DA to apprise them of the guidelines, criteria, and other considerations used in determining which provinces and individuals were qualified for the SAAD Program. They are of the opinion that some poor provinces like the Dinagat Islands should be included in the program's implementation for 2021.</p> <p>Mula said that the areas and funding for this six-year program were already identified and approved, hence could no longer be changed as per DBM guidelines. He, however, suggested that should the legislators want to implement similar programs in certain provinces, they could request for funding for inclusion in the proposed 2021 General Appropriations Act. The Members asked the DA to submit its analysis of the PSA data as well as other related information used in the selection of beneficiaries.</p> <p>Rep. Eufemia "Ka Femia" Cullamat (Party-List, BAYAN MUNA) asked the DA if the SAAD program has indeed achieved its goals. According to Mula, the DA has just started its assessment of the program, but he promised to provide the Committee with the result of the assessment as soon as it is completed.</p> <p>Also during the meeting, several beneficiaries from both the agriculture and the fisheries sectors gave their respective testimonials on the effectiveness of the Program and on the benefits they received from it.</p>
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