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No. 40

CALL TO ORDER

At 3:00 p.m., Deputy Speaker Evelina G. Escudero called the session to order.

THE DEPUTY SPEAKER (Rep. Escudero). The session is now called to order.

NATIONAL ANTHEM

THE DEPUTY SPEAKER (Rep. Escudero). Please rise for the singing of the Philippine National Anthem.

Everybody rose to sing the Philippine National Anthem.

THE DEPUTY SPEAKER (Rep. Escudero). Please remain standing for the prayer to be led by the Hon. Rosanna “Ria” Vergara of the Third District of Nueva Ecija.

Everybody remained standing for the Invocation.

INVOCATION

REP. VERGARA. Compassionate and merciful God, we give You thanks for giving us another day. Grant us sound judgment and unity of purpose to address the many issues facing our nation. We are faced with vital decisions to be made in these challenging times, and there are forces and interests demanding our immediate attention. Help us to discern them properly so that our decisions will reflect Thy holy will.

Draw us ever closer to You, so that with Your spirit, and aware of Your presence amongst us, we will face the many tasks of this day. Bless all the Representatives of the Seventeenth Congress, and guide us always so that we may think clearly, speak confidently and act courageously, knowing that all noble service is based on patience, truth and love. Remind each one of us of our duty to propose, review and pass legislation that will uplift the lives of the Filipino people, and may we

be ever mindful of the promptings of the Holy Spirit. In this moment of prayer, please grant to the Members of the People’s House, the gifts of wisdom and discernment so that in our words and actions, Your greater glory will be reflected.

All these, we humbly ask in the name of the Father, the Son and the Holy Spirit. May our Blessed Mother, Queen of Heaven and Earth, intercede and pray for us. Amen.

Glory be to the Father, and to the Son and to the Holy Spirit. As it was in the beginning, is now, and ever shall be, world without end. Amen.

THE DEPUTY SPEAKER (Rep. Escudero). Thank you, the Honorable Vergara.

The Majority Leader is recognized.

SUSPENSION OF SESSION

REP. NOEL. Mme. Speaker, I move that we suspend the session for a few minutes.

THE DEPUTY SPEAKER (Rep. Escudero). The session is suspended.

It was 3:03 p.m.

RESUMPTION OF SESSION

At 3:04 p.m. the session was resumed.

THE DEPUTY SPEAKER (Rep. Escudero). The session is resumed.

The Majority Leader is recognized.

REP. ANDAYA. Mme. Speaker, in line with the investigation being conducted by the Rules Committee on the effects of a Cash-Based Budgeting System, and in light of the revelation that, in the implementation of the 2018 budget, a large-scale scam was discovered where a certain proprietor, C.T. Leoncio, has garnered contracts worth billions of pesos, we would like to put on record that we have here the certification of the SEC attesting that, indeed, C.T. Leoncio Construction

and Trading is not a registered corporation. We would also like to turn in a contract where it stated that C.T. Leoncio Construction is a sole proprietorship owned by a certain Consolacion T. Leoncio. Moreover, the information coming in has stated that contracts were simultaneously bagged in the province of Sorsogon, Catanduanes, Samar, NCR, Camarines Sur, Pangasinan, Tarlac, Batangas, Bulacan and Davao City, all starting in 2017, Mme. Speaker. These are contracts not only with the Department of Public Works, but also with the BIR, DOTr, Philippine Ports Authority, Philippine Fisheries Development Authority and DOLE.

So, in furtherance of the investigation being conducted by your Rules Committee, I move that we issue a subpoena for Consolacion T. Leoncio, proprietor of C.T. Leoncio Trading and Construction.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. ANDAYA. Likewise, I move that we subpoena the pertinent DPWH regional directors, district engineering offices, and the COA officials in charge of auditing these projects.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

SUSPENSION OF SESSION

REP. ANDAYA. Thank you, Mme. Speaker. I move that we suspend the session.

THE DEPUTY SPEAKER (Rep. Escudero). The session is suspended.

It was 3:07 p.m.

RESUMPTION OF SESSION

At 3:53 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Escudero). The session is resumed.

The Majority Leader is recognized.

REP. MARCOLETA. Mme. Speaker, I move that we call the roll of Members.

ROLL CALL

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Secretary General is directed to call the roll of Members.

*The Secretary General called the roll, and the result is reflected in Journal No. 40, dated December 11, 2018.**

THE SECRETARY GENERAL. Mme. Speaker, the roll call shows that 250 Members responded to the call.

THE DEPUTY SPEAKER (Rep. Escudero). With 250 Members responding to the call, the Chair declares the presence of a quorum.

REP. ATIENZA. Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). The Majority Leader is recognized.

REP. ATIENZA. Did we hear it right? The Secretariat reported two-five-zero?

THE DEPUTY SPEAKER (Rep. Escudero). Two hundred fifty Members responded to the call, Honorable Atienza.

REP. ATIENZA. That is way off the reality on the floor. Our count only showed 220. So, I would like to put on record that their count is 30 more than the actual count that we did right now—220 as against 250.

THE DEPUTY SPEAKER (Rep. Escudero). The Majority Leader is recognized.

REP. NOEL. Mme. Speaker, I believe the Secretariat already counted and they did it on a point by point manner so that—I move that a quorum be declared.

I so move, Mme. Speaker.

REP. ATIENZA. We reiterate our point that the actual number of Members on the floor today as of 4:00 p.m. or rather 4:05 p.m., before 4:10 p.m., is only 220.

THE DEPUTY SPEAKER (Rep. Escudero). The manifestation of the Honorable Atienza is duly noted. The Majority Leader is recognized.

* See ANNEX (printed separately)

REP. ATIENZA. Please take note of my count because that will be very material in our questioning the proceedings—220 is the count.

THE DEPUTY SPEAKER (Rep. Escudero). The Majority Leader is recognized.

NOMINAL VOTING ON R.B.H. NO. 15
ON THIRD READING

REP. NOEL. Mme. Speaker, I move that we vote on Third Reading on Resolution of Both Houses No. 15 and direct the Secretary General to read the title of the measure, and call the roll for nominal voting.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

Thereupon, the Secretary General read the title of the measure, printed copies of which were distributed to the Members on December 6, 2018, pursuant to Section 58, Rule X of the House Rules.

THE SECRETARY GENERAL. Resolution of Both Houses No. 15, entitled: RESOLUTION OF BOTH HOUSES PROPOSING THE REVISION OF THE 1987 CONSTITUTION OF THE REPUBLIC OF THE PHILIPPINES.

The Chair directed the Secretary General to call the roll for nominal voting. Thereafter, pursuant to the Rules of the House, a second roll call was made. The result of the voting on Third Reading on the aforesaid measure is reflected in Journal No. 40, dated December 11, 2018.*

REP. ATIENZA. We vote “No” and we would like to explain our vote later.

REP. BAG-AO. I vote “No,” Mme. Speaker, and I reserve the right to explain my vote after the voting.

REP. BELMONTE (J.). I vote “No,” Mme. Speaker, and I reserve my right to explain my vote later.

REP. BORDADO. Mme. Speaker, my vote is “No” and kindly allow me to explain my vote later. Thank you.

REP. BROSAS. Mme. Speaker, my vote is “No” and I would like to explain my vote later.

REP. CASILAO. Mme. Speaker, my vote is “No” and I would like to explain my vote later.

REP. CASTRO (F.L.). Mme. Speaker, my vote is “No” and I will explain my vote later.

REP. DE JESUS. Mme. Speaker, my vote is “No” and I will explain my vote later.

REP. ELAGO. My vote is “No” and I reserve my right to explain my vote. Thank you, Mme. Speaker.

At this juncture, Deputy Speaker Escudero relinquished the Chair to Rep. Rolando G. Andaya Jr.

REP. ERICE. Mr. Speaker, my vote is “No.”

REP. LAGMAN. Mr. Speaker, I vote “No” and I will explain my vote subsequently.

REP. ROCAMORA. I vote “Yes” with a reservation to explain my vote later.

REP. RODRIGUEZ (M.). Yes, yes, yes.

REP. SANGCOPAN. Anak Mindanao votes “No” and I will explain our vote later.

REP. SY-ALVARADO. Mr. Speaker, bilang Kinatawan po ng Unang Distrito ng Bulacan, ako po ay bumuboto ng “Yes.”

REP. TINIO. Mr. Speaker, I vote “No” to R.B.H. No. 15 and I will explain my vote later.

REP. ZARATE. Mr. Speaker, ang boto ko po ay “No” and I will reserve my right to explain my vote later.

At this juncture, the Presiding Officer relinquished the Chair to Deputy Speaker Evelina G. Escudero.

RESULT OF THE VOTING

THE DEPUTY SPEAKER (Rep. Escudero). The result shows 224 affirmative votes, 22 negative votes and three abstentions.

Resolution of Both Houses No. 15 is approved on Third Reading. (*Applause*)

The Majority Leader is recognized.

REP. ATIENZA. Mme. Speaker.

* See ANNEX (printed separately)

EXPLANATION OF VOTES

REP. MARCOLETA. Mme. Speaker, I move that we recognize the Members who signified their intent to explain their negative votes.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Members who want to explain their votes will now be called.

The Majority Leader is recognized.

REP. ATIENZA. Mme. Speaker, may I be allowed to explain my vote.

REP. MARCOLETA. Mme. Speaker, I move that we recognize them in alphabetical order.

THE DEPUTY SPEAKER (Rep. Escudero). Please proceed.

REP. MARCOLETA. I move that we recognize the Hon. Jose L. Atienza Jr. for the explanation of his negative vote.

THE DEPUTY SPEAKER (Rep. Escudero). The Honorable Atienza is now recognized. The Gentleman has three minutes to explain his vote.

REP. ATIENZA EXPLAINS HIS VOTE

REP. ATIENZA. Thank you, Mme. Speaker. Thank you, Congressman Marcoleta.

Nakita po ninyo kung bakit kinailangang dagdagan ang roll call, sapagkat kailangan natin ng 220 na boto to amend the Constitution. Anyway, since you already counted and declared the count, we now demand for the list of those who actually voted in today's proceedings.

I voted "No" emphatically simply because I believe that the Constitution should not be tampered with, revised or changed in this manner. We need people's participation and full knowledge of the challenges of the times. We agree that the Constitution should be revised, but not in this manner. The people's full involvement and their knowledge on what we are doing and what they want for the future should have been considered in this particular issue, but shifting to federalism is not the answer to our problems today or even tomorrow.

Our country is naturally segmented, being divided by water, as we are an archipelago. Dividing the nation further with the promise of regional power, authority and identity could even create a situation where we would be accused of segmentizing the nation, which could spell the collapse of the Philippine Republic.

Ang aking boto ay "No" sapagkat kinakailangan natin bigyan ng tinig ang mga mamamayan sa usaping ito. Hindi Kongresista ang dapat magbago ng ating Saligang Batas. Ang ating pag-uusapan dito ay, malamang, kung ano iyong ating agenda sa ating pulitika at kung ano ang makakabuti sa ating pulitika. Let Juan dela Cruz speak for himself in a genuinely-called for Constitutional Convention, no less.

And, again, ang pederalismo ay hindi tugon sa ating kalagayan. Ito pa ang magiging sanhi upang ang ating bansa ay magkawatak-watak sa darating na panahon at ang Kongresong ito ang kanilang sisisihin. We will be written down in history as the Congress that caused the collapse of the country.

Hindi ko po malilimutan ang sinabi ng ating bayaning pambansa, Gat Dr. Jose Rizal, na ang katatagan at kalakasan ng ating bansa ay nakasalalay sa epektibong representasyon. Ang ipinapakita natin ngayon ay hindi epektibong representasyon. Nagugunita ko po ang mga nakaraang Kongreso kung saan inabuso ang salapi ng bayan gamit ang pork barrel, pero ito ay mas masahol pa roon sapagkat ang kinabukasan ng ating mga anak at ng mga darating pang Pilipino ang ating niyuyurakan at ginagawang madilim.

Maraming salamat po.

THE DEPUTY SPEAKER (Rep. Escudero). The Honorable Atienza, thank you for your explanation. The Majority Leader is recognized.

REP. BAG-AO. Mme. Speaker.

REP. MARCOLETA. Mme. Speaker, I move to recognize the Honorable Kaka J. Bag-ao for her explanation.

THE DEPUTY SPEAKER (Rep. Escudero). The Honorable Bag-ao is recognized. You have three minutes.

REP. BAG-AO EXPLAINS HER VOTE

REP. BAG-AO. Thank you, Mme. Speaker.

Ang boto ko po ay "No" sa Resolution of Both Houses No. 15. The debate on changing the Constitution should be a national conversation, not just a short debate among lawmakers. Yes, we represent our constituents in this Chamber, but our power to represent is less important than our duty to listen to the people and empower them in this process. The Constitution is the fundamental law of the land. I strongly believe that amending it should not be done through shortcuts.

Ilan lamang ito sa mga problema sa panukala: walang anti-dynasty provision, isang patunay na hindi panig sa mga nasa laylayan ang panukalang ito. Kasabay pa nito ang pagtatakda sa panukala ng college degree

requirement para sa mga mahahalal sa executive at legislative branches. Huwag naman sana nating lagyan ng harang ang pagkakataon ng bawat mamamayan na maglingkod at mamuno sa ating bayan. Two-party system ang isa pang ipinapanukala pero hindi pa nga natin natitiyak ang pagreporma sa kasalukuyang sistema kung saan hindi rin malinaw na batayan ang ideolohiya at posisyon sa isyu sa pagsali sa mga partido.

Bakit po nawala ang probisyon na nagbabanggit ng independent national economy? Hahayaan ba natin na ang mga dayuhan ang magmamay-ari ng mga serbisyo at pasilidad sa ating bansa? Papayag ba tayo na ikompromiso rin natin ang pagmamay-ari ng mga lupain ng mga Pilipino sa pamamagitan ng pagdagdag ng mga salitang “unless otherwise provided by law”? Ito ang kapinsalaan, lalo na, sa mga magsasaka at katutubong Pilipino. Sinabi sa Preamble ng panukala, “We, the sovereign Filipino people,” pero nasaan ang mga mamamayang Pilipino sa prosesong ito? Hindi natin naipakita na tunay na kasama sila sa usapin at marami sa mga probisyon ay hindi naman kumakatawan sa mga interes nila.

Bilang taga-Mindanao, ako po ay matagal nang advocate ng pederalismo pero kahit po ang pederalismo ay hindi malinaw na naipaliwanag sa panukalang ito, kaya ang boto ko po ay “No” sa Resolution of Both Houses No. 15.

Maraming salamat, Mme. Speaker. Maraming salamat, mga kasama.

THE DEPUTY SPEAKER (Rep. Escudero). Your explanation is noted, Congresswoman Bag-ao.

The Majority Leader is recognized.

REP. MARCOLETA. Mme. Speaker, I move that we recognize the Hon. Jose Christopher Y. Belmonte for his explanation.

THE DEPUTY SPEAKER (Rep. Escudero). The Hon. Christopher Belmonte is recognized. The Gentleman has three minutes.

REP. BELMONTE (J.) EXPLAINS HIS VOTE

REP. BELMONTE (J.). Mme. Speaker, my colleagues, magandang hapon po.

As Representative of the Sixth District of Quezon City, I voted “No” on R.B.H. No. 15.

The House of Representatives is the primary institution that ensures that, in the enactment of national measures, we enshrine the interests of each and every Filipino. We in Congress are the Representatives of our constituents. Our constituents deserve no less. We have to make sure that their interest is guarded in every legislation sought to be passed in this august Chamber.

R.B.H. No. 15, as we see it now, is so different from the draft discussed in the Committee. It was even recommitted to the Committee on Constitutional Amendments for failure to include the Vice President in the line of succession. Despite clear objections to the proposed Constitution, the debates were terminated on December 3, 2018 after only three session days of debate. Three days to debate a measure that will change our Constitution, ladies and gentlemen. For a Resolution that seeks to change the very character of our nation and the fundamental workings of our government, it is a disservice to our constituents. Three session days—there are questions that will be left unanswered.

Hawiin natin ang usapan mula sa pulitika pabalik sa mga katanungang bumabagabag sa mga ordinaryong Pilipino: mataas na presyo ng bilingin, kawalan ng trabaho, karahasan laban sa mahihirap. At a time when poverty and powerlessness prevail over our citizens, hindi ba dapat sa kanila nakatuon ang ating pansin kung paano natin mabibigyan ng solusyon ang kanilang mga suliranin?

Change is a double-edged sword, Mme. Speaker. Tinkering with our Constitution in the name of supposed change, by forcing such change despite the absence of any clamor for it and doing it only for personal gain will not, in any way, contribute to the strengthening of our nation. Tanggal ang term limits, burado ang anti-dynasty provision—para kanino ba talaga ang Cha-cha na ito?

On behalf of the constituents of the Sixth District of Quezon City, I vote “No” on R.B.H. No. 15, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). Thank you, Congressman Belmonte.

The Majority Leader is recognized.

REP. MARCOLETA. Mme. Speaker, I move that we recognize the Hon. Gabriel H. Bordado Jr. for his explanation.

THE DEPUTY SPEAKER (Rep. Escudero). Congressman Bordado is now recognized.

REP. BORDADO. Thank you, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). You have three minutes.

REP. BORDADO EXPLAINS HIS VOTE

REP. BORDADO. Mme. Speaker, as early as 2008, I already expressed my support for federalism, particularly for the model crafted by former Senate Pres. Aquilino Pimentel Jr., in view of the dismal socio-economic condition of the Bicol Region, notwithstanding its abundant natural and manpower

resources. In fact, Mme. Speaker, I was once a member of the panel of speakers led by Commodore Dante Jimenez, now PACC Chairman, and erstwhile UP President, Dr. Jose Abueva, to drum up public support for the shift from the current unitary government to a federal form of government.

Mme. Speaker, I have, however, some misgivings on Resolution of Both Houses No. 15 proposing the revision of the 1987 Philippine Constitution. A number of these misgivings, Mme. Speaker, for instance, the lifting of term limits for all of us and the deletion of the provision against political dynasties, among others, were articulated by our colleagues who managed to interpellate the Sponsor of the Resolution. Mme. Speaker, I was listed as interpellator no. 10 but the process was, unfortunately, abbreviated.

Mme. Speaker, how I wish I was able to propound my questions to clear things up, but more than anything else, I am disturbed by the findings made by reputable polling firms showing that an overwhelming majority of our people are against it or, to put it mildly, Mme. Speaker, not interested in revising the 1987 Philippine Constitution.

Mme. Speaker, as Representative of the people, I am, therefore, voting “No” on the proposed Resolution of Both Houses No. 15.

Thank you, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). Your explanation is noted, Congressman Bordado.

The Majority Leader is recognized.

REP. MARCOLETA. Mme. Speaker, I move that we recognize the Hon. Arlene D. Brosas for her explanation.

THE DEPUTY SPEAKER (Rep. Escudero). Congresswoman Brosas is recognized.

REP. BROSAS EXPLAINS HER VOTE

REP. BROSAS. Thank you, Mme. Speaker.

“No” ang boto ng Representasyong ito sa panukalang pag-amyenda ng Konstitusyon. Hindi perpekto ang 1987 Constitution ngunit isang kahangalan ang palitan ito ng bersiyon na lalong magpapalala sa pandarahas sa mga mamamayan at tuluyang paglimot sa aral ng kasaysayan, isang bersiyon na mabilisan na ipinasa at hindi nabigyan ng pagkakataon na makapag-interpellate at makadebate sa mahalagang usapin na ito ang ilan pang House Members. Tumitindig ang Gabriela Women’s Party na hindi ang pag-amyenda sa Konstitusyon ang nais na pagbabago ng sambayanang Pilipino. Consistent ito sa lahat ng survey na nagsasabing two out of three Filipinos oppose Charter change.

Ang R.B.H. No. 15 ay hindi para sa sambayanan, higit lalo na sa mga kababayan nating nasadlak

sa kahirapan. Ito ay malinaw na pagtalikod ng Kamara sa mga mamamayan para isulong ang interes ng mga kapitalista at pagkapit sa puwesto ng mga pulitiko at ng mga naghahari-harian. Ang pagtanggap ng Article VIII ng 1987 Constitution, na nagbibigay garantiya sa hustisya, karapatan sa paggawa, repormang agraryo, pabahay, proteksiyon sa karapatan ng mga kababaihan at karapatan sa pag-o-organisa, ay tuwirang pagpatay sa mga karapatang tinutungtungan ng Saligang Batas. Ang R.B.H. No. 15 ay pagtataksil sa tagumpay na nakamit ng mg mamamayan sa laban at pagsugpo sa pasismo noong diktadurya ng rehimeng Marcos.

Sino ang direktang makikinabang sa R.B.H. No. 15? Malinaw na hindi ang mga mamamayan. Walang ibang layunin ang panukalang ito kung hindi ang patuloy na pagkapit-tuko sa kapangyarihan ng mga nasa kasalukuyang liderato ng administrasyon. Habang nagdarahop ang mga mamamayan, unlimited term pa ang gusto ng proponents ng Charter change. Malinaw na sa bulwagang ito ay gagawin ang lahat para masunod lamang ang gusto, mula sa pagratsada ng budget na ngayon ay kinukwestiyon sa maanomalyang pork barrel, unli-martial law at ngayon, unli-term extension habang ang sambayanan ay patuloy na nagdurusa sa pagtaas ng presyo ng mga bilihan at kawalan ng nakabubuhay na sahod at regular na trabaho. Ang mga probisyon ng R.B.H. No. 15 hinggil sa pagbabago ng batayan sa deklarasyon ng martial law ay signal ng pakikidigma hindi sa mga terorista, hindi sa mga rebelde, kundi sa pakikidigma ng sariling gobyerno sa kanyang mamamayan.

THE DEPUTY SPEAKER (Rep. Escudero). Congresswoman Brosas, please wrap up.

REP. BROSAS. Yes, Mme. Speaker. I am going to wrap up.

Sa nagdaang taon na umiiral ang batas militar sa Mindanao, umabot sa 359,680 individuals ang napilitang lumikas sa kanilang mga komunidad. Sa kabila nito, nagpapatuloy ang aerial bombardment, lockdown sa ground zero, laganap na pagtatayo ng checkpoints at harassment sa mga komunidad. Our great concerns now are human rights, national sovereignty at democracy.

Gabriela Women’s Party stands firm that this Charter change ...

THE DEPUTY SPEAKER (Rep. Escudero). Thank you, Congresswoman Brosas.

REP. BROSAS. Mme. Speaker, one ...

THE DEPUTY SPEAKER (Rep. Escudero). Thank you. Your explanation is noted.

REP. BROSAS. Can I request for 30 seconds, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). Okay.

REP. BROSAS. Just 30 seconds lang po just to finish the sentence, Mme. Speaker.

Charter change is pro-imperialist, pro-capitalist and is a self-serving effort by the current administration and its cronies.

Thank you, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). Thank you, Congresswoman Brosas.

The Majority Leader is recognized.

REP. MARCOLETA. Mme. Speaker, I move that we recognize the Hon. Ariel “Ka Ayik” B. Casilao for his explanation.

THE DEPUTY SPEAKER (Rep. Escudero). The Honorable Casilao is now recognized to explain his vote. He has three minutes.

REP. CASILAO EXPLAINS HIS VOTE

REP. CASILAO. Mme. Speaker, ang Kinatawang ito ay bumoto ng “No” dahil sa lahat ng mga pagtatangkang baguhin o amyendahan ang ating Saligang Batas, itong kasalukuyang Resolution of Both Houses No. 15 ang pinakamasahol. Walang duda, ito ang pinakawalanghiya. Kinakatawan ng R.B.H. No. 15 ang lahat ng mali at bisyo sa ating pamahalaan at lipunan, at ang kagahaman ng oligarkiya na nangingibabaw sa ating ekonomiya at pulitika. Nilalaman nito ang mga probisyon na nagbubusog sa mga makasariling interes ng iilan at magpapalakas sa kanilang pagmonopolyo ng kapangyarihan sa ekonomiya at pulitika. Sa katotohanan, Mme. Speaker, buburahin ng R.B.H. No. 15 ang mga tagumpay ng pakikibaka nakamit ng mamamayang Pilipino laban sa nakaraang pasismo at diktadurya nang naitala ang 1987 Konstitusyon. Sa tabing po ng pederalismo, ibabalik nito sa bansa ang nakalipas na kapanahunan kung saan ang kapangyarihang pulitika ay inililipat-lipat lamang sa dalawang partido, isang pampulitikang sistema na nagdulot sa paglikha ng isang diktadurya noong 1972. Tinataglay ng R.B.H. No. 15 ang malaking posibilidad nang pagpapanumbalik ng halimaw na diktadurya. Hindi pa nasiyahan ang Kapulungang ito na tanggalin ang anumang protectionist na mga probisyon para protektahan ang ating pambansang ekonomiya, patrimonyo at sobereniya. Hindi rin nagkasya ang panukalang ito na tanggalin na ang anumang probisyong naglilimita sa dinastiya sa ating pamahalaan o sa

pulitika. Ang tangkang naglalagay ng Bill of Duties, na isang artikulo na ang tunguhin ay likhain ang isang bansa ng mga mistulang tupa na mga mamamayang tahimik at palayuko sa kanilang pamahalaan, ito ay garapal na pagka-elitista, kontra-demokrasya at maka-oligarkiya ng R.B.H. No. 15.

Tuluyan nang buburahin ng R.B.H. No. 15 ang konsepto ng tunay na hustisyang panlipunan na nasa kasalukuyang Konstitusyon. Ito ang naging batayan para ipaglaban ng mga magsasaka ang tunay na reporma sa lupa at ang kanilang karapatan sa lupa, at ang isulong ng mga manggagawa ang kanilang mga karapatan sa pag-union, security of tenure at pag-welga. Sa panukalang ito, wala akong nakikitang kapakanan para sa masang anakpawis kundi ang iukit ang paglaki ng agwat ng mahihirap at mayayaman sa ating bansa. Talo man kami sa boto dito sa Kapulungang ito pero tiyak sa basurahan ng kasaysayan ang kalalagyan ng panukalang batas na ito.

Maraming salamat, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). Thank you, Congressman Casilao.

The Majority Leader is recognized.

REP. NOEL. Mme. Speaker, I move that we recognize the Hon. France L. Castro for the explanation of her vote.

THE DEPUTY SPEAKER (Rep. Escudero). The Hon. France Castro is recognized.

REP. CASTRO (F.L.) EXPLAINS HER VOTE

REP. CASTRO (F.L.). Thank you very much, Mme. Speaker.

Mme. Speaker, ang Kinatawang ito po ay bumoto ng “No” sa R.B.H. No. 15 dahil naniniwala po ako na ang usaping pagbabago ng Konstitusyon ay isang napakaselan at napaka-importanteng bagay at dapat ito ay ini-exercise ng ating mamamayan. Pangalawa po, Mme. Speaker, ang panukalang batas na ito ay niratsada at pinag-usapan po nang walang quorum. Self-serving at mali ang proseso ng pag-amyenda ng Konstitusyon.

Ang R.B.H. No. 15, na gustong mangyari ng administrasyon, ay papunta sa isang tinatawag na political monopoly dahil mawawala na ang policy on political dynasties, magkakaroon na lamang ng two-party system, term extension of elected officials at higit sa lahat, inaalis ang term limits. Isa pa pong kadahilanan, Mme. Speaker, ay ang napakadelikadong mga bagong probisyon. Ito po iyong Article on the Bill of Duties, ang pagdagdag ng lawless violence as a ground for martial law declaration and the deletion of the provision on the State’s responsibility to guarantee respect for human rights. So, nangangamba po ang

Representasyong ito na magkakaroon pa ng mas maraming human rights violations. Panghuli po, Mme. Speaker, ang proposal for the 100-percent foreign ownership of educational institutions, mass media and advertising, the liberalization of public utilities and privatization scheme in health care and housing, these are direct assaults on Philippine sovereignty and will only worsen the existing inequalities.

Ang taumbayan po ang talo sa R.B.H. No. 15. Kaya po, Mme. Speaker, ang boto ko po ay “No.”

THE DEPUTY SPEAKER (Rep. Escudero). Thank you, Cong. France Castro.

The Majority Leader is recognized.

REP. NOEL. Mme. Speaker, I move that we recognize the Hon. Emmi A. De Jesus to explain her vote.

THE DEPUTY SPEAKER (Rep. Escudero). Cong. Emmi De Jesus is recognized. She has three minutes.

REP. DE JESUS EXPLAINS HER VOTE

REP. DE JESUS. Mme. Speaker, sa ngalan ng tinig ng kababaihan, “No” ang boto ng Representasyong ito sa isang panukala na baguhin ang Konstitusyon na higit lamang na magiging pabor sa iilang makapangyarihan at dayuhang namumuhunan. Makailang ulit na nabigo ang panukalang Cha-cha sa Kapulungang ito mula pa sa rehimeng Ramos dahil sa malinaw na kawalan ng suporta mula sa publiko. Samu’t sari ang pakulo, mula sa People’s Initiative, CONCORD, Sigaw ng Bayan, Con-con at R.B.H. No. 1 o Economic Cha-cha. Subalit ngayon, pilit na sumayaw ang Kamara sa saliw ng Cha-cha at pataksil na inaprubahan ang panukala kahit pa saliya ito sa tunog ng pagkalam ng tiyan ng milyong-milyong Pilipino at malinaw na walang suporta mula sa mamamayan. Saksi ang kasaysayan ngayong araw sa pagtataksil na ito ng Mababang Kapulungan. Hindi naging substansiyal ang debate sa Resolution of Both Houses No. 15, pero heto, niratsada at aprubado na. For the record, hindi nabigyan ang Gabriela Women’s Party at iba pang Kinatawan ng pagkakataong makapagtanong sa Sponsor ng panukala. To begin with, there is no compelling reason or public clamor to amend the Constitution. Malinaw ang sinasabi ng surveys: mababang presyo ng bilihin at dagdag sahod ang gusto ng mamamayan na aksyunan, hindi Cha-cha.

Buong-buo na isinangla ng panukalang Charter na ito ang soberaniya ng bansa sa pagtatanggal ng limit sa foreign ownership ng lupain, pampublikong utilidad, telekomunikasyon, mass media, at iba pang sektor ng ekonomiya. Tiyak na mas lububha ang pangangamkam ng lupa at dislokasyon ng mga komunidad bunga nito.

Pinalalakas din ang pagkakataon para abusuhin ang mga manggagawang Pilipino sa pagpasok ng konsepto ng shared responsibility sa pagitan ng kapital at paggawa, at pag-distrungka sa pagpapahalaga sa paggawa bilang primaryang puwersang pang-ekonomiya. Wala itong ibang kahulugan kung hindi ang pag-institutionalize ng pagbarat ng sahod, pagpapatupad ng pleksibleng paggawa tulad ng kontraktuwalisasyon at mas matinding atake sa karapatang mag-union at mag-organisa. Tinanggal din sa panukalang Charter na ito ang probisyon hinggil sa karapatan ng manggagawang kababaihan sa isang ligtas at malusog na kalagayan.

Himig Pasko ang rehistro ng Cha-cha sa tenga ng mga abusado sa kapangyarihan, sa malalaking korporasyon at dayuhang negosyo. Para naman sa ordinaryong mamamayan, wala itong kabuluhan kung hindi higit na pagkalam ng sikmurang walang laman. Sana hindi pasok sa kaliwang tenga at labas sa kanan lamang ang mensaheng ito: binigo na naman ng Kamara...

THE DEPUTY SPEAKER (Rep. Escudero). The Honorable De Jesus, please wrap up.

REP. DE JESUS. ... ang kababaihan at sambayan.

Kaya ang Representasyong ito ay bumoto ng “No.” Salamat po, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). Thank you.

The Majority Leader is recognized.

REP. NOEL. Mme. Speaker, I move that we recognize the Hon. Sarah Jane I. Elago for the explanation of his vote.

THE DEPUTY SPEAKER (Rep. Escudero). The Hon. Sarah Elago is recognized. She has three minutes to explain her vote.

REP. ELAGO EXPLAINS HER VOTE

REP. ELAGO. Thank you, Mme. Speaker.

The 1987 Constitution was a product of immense public pressure from the struggle against the Marcos dictatorship and EDSA uprising that compelled the government to considerably address the political and economic demands of the Filipino people, most especially on matters of national sovereignty and patrimony, human rights and safeguards against abuse of power and military rule. While it does not embody the totality of the desires and demands of the people, the constitutional provisions on national economy and patrimony serve as our last line of defense against full-blown liberalization.

R.B.H. No. 15 betrays this commitment to uphold national sovereignty and patrimony that have resulted in constitutional limits on foreign equity. The phrase “unless otherwise provided by law” in the provision on public utilities and lands of the public domain allows an opening for the creation of legislation that will hard sell basic services and resources to benefit foreign investors to the detriment of the Filipino people. This opens a Pandora’s box of intensified environmental plunder and exploitation. Likewise, Mme. Speaker, R.B.H. No. 15 provides for the liberalization of mass media and advertising that grossly favors foreign interests.

Speaking of nationalism, R.B.H. No. 15 uses it as a guise for its sinister purpose of justifying the creation of a police state and the establishment of military rule. R.B.H. No. 15 allows military conscription and introduces a new article, Bill of Duties, and embedded in it are dangerous provisions that may also be a source of actionable grounds for either civil or criminal laws, to punish failure to comply with its enumerated acts. R.B.H. No. 15 removes specifics on how to protect the welfare of working women, and sponsors privatization, not only of health care, but also of housing. There are also frontal attacks on labor rights that are embedded in its provisions. It does not expressly make mention of security of tenure, humane conditions of work and living wage. All it promises is “equitable treatment and freedom from discrimination” while removing the right to participate in policy and decision-making processes affecting the rights and benefits of workers. Mme. Speaker, in R.B.H. No. 15, the provisions on agrarian reform are also completely regressive. Lastly, Mme. Speaker, R.B.H. No. 15 is deceptive. In the guise of guaranteeing “equal access to opportunities for public service,” it erases the prohibition of political dynasties, and removes term limits. R.B.H. No. 15 speaks volumes of the administration’s insecurity and fear of the growing resistance against its anti-people policies.

The approval of R.B.H. No. 15 shows the true intent of this regime, which is to legalize and prolong its reign of terror in the country.

THE DEPUTY SPEAKER (Rep. Escudero). Representative Elago, please wrap up.

REP. ELAGO. It provides for a “no-election” scenario benefiting the lethal combination of the ruling clique to stay in power and give rise to another dictator, as if we have not learned from history.

THE DEPUTY SPEAKER (Rep. Escudero). Please wrap up.

REP. ELAGO. Bilang tagapagmana ng kinabukasan, hindi man lang po tayo nabigyan ng pagkakataon, kahit pa tayo ay nakalista sa interpellation, upang maipakita

ng mga kabataan na sila ay hindi nakakalimot ng kasaysayan, at ang kabataan ay may pagmamahal sa bayan.

Our “No” vote on R.B.H. No. 15 is a resounding “No” to the betrayal of history, “No” to outright treachery, “No” to mortgaging our future. Our “No” vote is a “Yes” to a struggle for a better future.

Maraming salamat, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). Thank you, Congresswoman Elago.

The Majority Leader is recognized.

REP. NOEL. Mme. Speaker, I move that we recognize the Hon. Edcel C. Lagman for the explanation of his vote.

THE DEPUTY SPEAKER (Rep. Escudero). Rep. Edcel Lagman is now recognized. He has three minutes to explain his vote.

REP. LAGMAN EXPLAINS HIS VOTE

REP. LAGMAN. Mme. Speaker, the Charter change embodied in Resolution of Both Houses No. 15 is an initiative that has floundered before it could take off. Its centerpiece agenda on the shift to federalism is a virtual centerfold because it is bare. No less than President Duterte’s economic advisers had exposed it as not economically viable. The undue haste in shifting from the unitary to the federal system of government will further deteriorate the economy. Alacrity could spell disaster.

The President’s chief economist, NEDA Director General Ernesto Pernia, has underscored the country’s lack of preparedness for the shift to federalism. Secretary Pernia also observed that implementing federalism before we are ready could be detrimental to economic growth. He warned that federalism might shred the country’s balance sheet. Moreover, the shift to federalism comes with a price which the nation can nearly afford, according to Secretary Pernia. Finance Secretary Carlos Dominguez has likewise ventilated his concerns and he said that the transformation could lead to, and I quote: “dire, irreversible economic consequences.” Even Budget Secretary Benjamin Diokno has joined them by stating that the projected plan to shift to federalism needs a more in-depth study. Secretary Diokno explained or asked, and I quote: “The core of federalism is the fiscal side—how do you finance the federal government?”

It is not enough that the President’s top economic advisers are mistrustful of the shift to a federal form of government. The great majority of Filipino people are also clueless about federalism and remain opposed to Charter change at this time. If the overwhelming

majority of Filipinos are not aware of federalism or do not care to know what federalism is or do not understand federalism, it is foolhardy for the Duterte administration to embrace federalism with inordinate alacrity. Overhauling our present form of government is an ambitious experiment that has no historical anchorage in the Philippines and could be a perilous misadventure. Moreover, the voting process, in the Constituent Assembly, of Representatives and Senators has not been resolved. The Senators, who are indispensable components of the Constituent Assembly, are lukewarm to constitutional amendments now.

The passage of Resolution of Both Houses No. 15 is an exercise in futility.

THE DEPUTY SPEAKER (Rep. Escudero). Thank you, Congressman Lagman.

REP. LAGMAN. I vote “No” to a proposition that lacks merits and is doomed for the archives.

Thank you, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). Thank you, Congressman Lagman.

The Majority Leader is recognized.

REP. NOEL. Mme. Speaker, I move that we recognize the Hon. Ramon V.A. “Rav” Rocamora to explain his vote.

THE DEPUTY SPEAKER (Rep. Escudero). Rep. Ramon Rocamora is recognized. He has three minutes to explain his vote.

REP. ROCAMORA EXPLAINS HIS VOTE

REP. ROCAMORA. Thank you, Mme. Speaker.

To prevent any confusion as to my actual vote on account of the subsequent explanation, I would like to state at the outset that I voted “Yes.” I voted “Yes” because I believe that there are merits in this form of government and I am talking about federalism. Also, I believe that we really have to empower local governments. In fact, I have filed bills that will give more resources to local governments by revising the IRA-sharing formula in favor of local governments and institutionalizing people’s participation in budget processes. These are key inputs in the successful putting-up of strong federal states.

My subsequent explanation may be taken as reservation, suggestion or probably, caveat. I am disturbed by the impression that federalism is the cure-all, like a drug that cures all. Drugs, at least, have indications of what they are for or contraindications but here, as of now, we really do not know what it is for. They say that federalism is the answer, but what is

the question? I believe that we should have delineated first the things that need to be cured by federalism. Federalism actually is devolution, and our number one law on devolution is the Local Government Code. So, I think the first thing to do is to look into why the local governments failed to accomplish the purpose of the Code, which is to devolve and perhaps implement the amendments in that particular law. Well, of course, this is already too late because we are in the process of amending the Constitution, but my point is, before we start implementing federalism, we need to look into what we really need to cure with this form of government. We need to look and go into what specific issues or problems that we need to address.

Secondly, I believe that there is a need to further study federalism because we need...

THE DEPUTY SPEAKER (Rep. Escudero). Representative Rocamora, please wrap up.

REP. ROCAMORA. Yes, yes.

We need to look into the nitty-gritty of this form of government. There are so many difficult issues here like economics, politics, so, we need to go into these. I believe the Resolution we are now addressing should be a step in the right direction, but I strongly put in this caveat or else, we will court disaster in our federalism experiment.

Thank you, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). Thank you, Representative Rocamora.

The Majority Leader is recognized.

REP. NOEL. Mme. Speaker, I move that we recognize the Hon. Amihilda J. Sangcopan for the explanation of her vote.

THE DEPUTY SPEAKER (Rep. Escudero). I beg your pardon, Majority Leader? Representative?

REP. NOEL. The Hon. Amy Sangcopan.

THE DEPUTY SPEAKER (Rep. Escudero). The Hon. Amy Sangcopan is recognized. She has three minutes to explain her vote.

REP. SANGCOPAN EXPLAINS HER VOTE

REP. SANGCOPAN. Thank you, Mme. Speaker.

Anak Mindanao or AMIN Party-List voted “No” on Resolution of Both Houses No. 15 seeking to revise the 1987 Philippine Constitution. The proposed constitutional changes do not, in any way, reflect the campaign for federalism. This proposal merely reiterates the legislative function of Congress in enacting laws to

create local government units and autonomous regions. We caution that adopting state policies on a Bill of Duties, a two-party system, and the extension of terms of elected officials may curtail the freedom of expression which is constitutionally guaranteed to the people we all serve. This is blind pluralism that could severely limit the engagement of the masses, our constituency, towards national development and unity. Finally, the liberalization of our investment policies in favor of foreign nationals and entities is tantamount to giving up our external sovereignty. Having the phrase “unless otherwise provided by law” added to the economic provisions of the 1987 Constitution will disenfranchise the Filipino people. It will authorize foreign nationals to acquire and own property and undertake services that should be owned and controlled by the Filipino people.

For centuries, Mme. Speaker, dear colleagues, the Bangsamoro people experienced historical injustices which substantially resulted to land dispossession against the Moro people that started the Bangsamoro struggle. Anak Mindanao or AMIN Party-List, as founded by its human rights advocates, stand solidly in favor of protecting and promoting the rights and dignity of our people. Thus, we vote “No” on R.B.H. No. 15.

Thank you, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). Thank you, Representative Sangcapan.

The Majority Leader is recognized.

REP. NOEL. Mme. Speaker, I move that we recognize the Hon. Antonio L. Tinio for the explanation of his vote.

THE DEPUTY SPEAKER (Rep. Escudero). Rep. Antonio Tinio is now recognized. He has three minutes.

REP. TINIO EXPLAINS HIS VOTE

REP. TINIO. Maraming salamat, Mme. Speaker.

Mme. Speaker, bumoto ako ng tumataginting na “No” bilang pagtutol sa panukalang Konstitusyon na magbibigay ng unlimited na panunungkulan sa mga political dynasty ng walang term limits, unlimited one-party rule, unlimited martial law powers sa Presidente, at unlimited na pagmamay-ari at kontrol ng dayuhan sa lupain, likas-yaman, public utilities at mga estratehikong sektor ng ekonomiya at lipunan; “No” sa Konstitusyon para sa mga oligarko at dayuhan, hindi para sa nakararaming Pilipinong inaapi at pinagsasamantalahan.

Maraming salamat, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). Thank you, Congressman Tinio.

The Majority Leader is recognized.

REP. MARCOLETA. Mme. Speaker, I move that we recognize the Hon. Carlos Isagani T. Zarate for his explanation.

THE DEPUTY SPEAKER (Rep. Escudero). Congressman Zarate is recognized. He has three minutes.

REP. ZARATE EXPLAINS HIS VOTE

REP. ZARATE. Maraming salamat, Mme. Speaker.

Ang Kinatawag ito po ay bumoboto ng “No” sa Resolution of Both Houses No. 15 o ang pagbabago sa ating Saligang Batas dahil ito ay makakasama sa ating mga mamamayan, lalung-lalo na rin sa ating patrimonyo ng ating bayan. Mme. Speaker, ito ay kasuklam-suklam at malaking kataksilan sa ating kasaysayan, lalung-lalo na sa kasaysayan natin sa paglaban sa diktadura. Ni hindi nga nito ginawa ang sinasabing rason para dito, na mabuo daw ang federal states, at iniwan sa Kongreso ang pagdisenyo nito. Delikado rin ito, Mme. Speaker, dahil hindi alam ng mamamayan kung ano na ang magiging plano ng mga darating na Kongreso para dito at kung ano ang magiging kahihinatnan nito.

Ang mas malala pa ay ang pinagtuunan ng R.B.H. No. 15 ay ang pagtanggap sa term limits ng mga pulitiko at ng mga kanselasyon sa eleksiyon sa darating na taong 2019. Tinanggal din ng R.B.H. No. 15 ang probisyon sa kasalukuyang Konstitusyon na nagbabawal sa political dynasty para ma-engganyo ang mga pulitiko mula sa mga Senador hanggang sa mga konsehal. Lalo pa ding ibinuyangyang ng R.B.H. No. 15 ang Pilipinas sa pagsasamantala ng ibang bansa, kasama na ang mga imperyalistang bansang Amerika at Tsina.

Hindi masahol na Cha-cha ang panawagan, kahilingan at hinihingi ng ating mga nagdarahop na mamamayan, Mme. Speaker. Ang gusto ng ating mamamayan ay matugunan ang kanilang malawakan at lalo pang lumalalang kahirapan. Kaya nananawagan tayo, Mme. Speaker, sa ating mga kasamahan sa Senado na harangin ang Cha-cha na ito kahit na may mga nakaka-engganyong mga probisyon para sa kanila dahil hindi makikinabang dito ang mga mamamayan at hindi nito pauunlarin ang ating bayan. Ang R.B.H. No. 15 ay tungkol sa term extension, pagkansela sa midterm elections sa darating na taon, pagpapanatili ng political dynasties, at lalo pang pagsasamantala ng mga dayuhan at lokal na mga mapagsamantalang namumuhunan. Kaya muli, tinatala po ng Kinatawag ito ng BAYAN MUNA, Mme. Speaker, ang pagboto ng “No” sa R.B.H. No. 15.

Maraming Salamat po.

THE DEPUTY SPEAKER (Rep. Escudero). Thank you, Congressman Zarate.

The Majority Leader is recognized.

APPROVAL OF R.B.H. NO. 15
ON THIRD READING

THE DEPUTY SPEAKER (Rep. Escudero). With 224 affirmative votes, 22 negative votes and three abstentions, Resolution of Both Houses No. 15 is approved on Third Reading.

REP. NOEL. Mme. Speaker, I move that we proceed to the Reference of Business.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Secretary General will please read the Reference of Business.

REFERENCE OF BUSINESS

The Secretary General read the following House Bills on First Reading, Messages from the Senate, Communication, and Committee Reports, and the Deputy Speaker made the corresponding references:

BILLS ON FIRST READING

House Bill No. 8737, entitled:

“AN ACT CURTAILING THE ILLEGAL ACTIVITIES OF RACKETEERS AND POWERFUL SYNDICATES IN THE PHILIPPINES”

By Representative Tambunting
TO THE COMMITTEE ON PUBLIC ORDER
AND SAFETY

House Bill No. 8738, entitled:

“AN ACT PROHIBITING DISCRIMINATION AGAINST CHILDREN ON ACCOUNT OF ILLEGITIMACY OR BIRTH OUT OF WEDLOCK AND PROVIDING PENALTIES THEREFOR”

By Representative Lopez (C.)
TO THE COMMITTEE ON WELFARE OF
CHILDREN

House Bill No. 8739, entitled:

“AN ACT PROVIDING FOR ADDITIONAL SUPPORT AND COMPENSATION FOR EDUCATORS IN BASIC EDUCATION”

By Representative Nieto
TO THE COMMITTEE ON BASIC EDUCATION
AND CULTURE

House Bill No. 8740, entitled:

“AN ACT RENAMING BOGO-CURVA-MEDELLIN-DAANBANTAYAN-MAYA

ROAD IN THE PROVINCE OF CEBU TO
JUAN MACARAEG HIGHWAY”

By Representative Salimbangon
TO THE COMMITTEE ON PUBLIC WORKS
AND HIGHWAYS

House Bill No. 8742, entitled:

“AN ACT STRENGTHENING THE AL-AMANAHA ISLAMIC BANK AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6848, OTHERWISE KNOWN AS THE CHARTER OF THE AL-AMANAHA ISLAMIC INVESTMENT BANK OF THE PHILIPPINES, AND AUTHORIZING ITS CONDUCT OF ISLAMIC BANKING AND INVESTMENT”

By Representative Sangcopan
TO THE COMMITTEE ON BANKS AND
FINANCIAL INTERMEDIARIES

MESSAGES FROM THE SENATE

Message dated December 5, 2018, informing the House of Representatives that on December 4, 2018 the Senate designated Senators Joseph Victor G. Ejercito, Joel Villanueva, Emmanuel “Manny” D. Pacquiao, Franklin M. Drilon and Risa Hontiveros as conferees to the Bicameral Conference Committee on the disagreeing provisions of Senate Bill No. 1850 and House Bill No. 8636, both entitled:

“AN ACT INSTITUTIONALIZING A NATIONAL INTEGRATED CANCER CONTROL PROGRAM AND APPROPRIATING FUNDS THEREFOR”.
TO THE COMMITTEE ON RULES

Message dated December 6, 2018, informing the House of Representatives that on even date the Senate designated Senators Panfilo M. Lacson, Gregorio B. Honasan II, Joel Villanueva, Win Gatchalian and Risa Hontiveros as conferees should the House of Representatives ask for a conference upon approval of its counterpart version of Senate Bill No. 1898, entitled:

“AN ACT AMENDING SECTIONS 66 AND 67 OF REPUBLIC ACT NO. 6975, OTHERWISE KNOWN AS THE ‘DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT ACT OF 1990’, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES”
TO THE COMMITTEE ON RULES

Message dated December 6, 2018, informing the House of Representatives that on even date the Senate designated Senators Joseph Victor G. Ejercito, Joel Villanueva and Risa Hontiveros as

conferees to the Bicameral Conference Committee on the disagreeing votes on House Bill No. 6618, entitled:

“AN ACT ESTABLISHING A ONE HUNDRED (100)-BED CAPACITY HOSPITAL IN BARANGAY HABAY 2 IN THE CITY OF BACOR, PROVINCE OF CAVITE TO BE KNOWN AS THE BACOR DISTRICT HOSPITAL, AND APPROPRIATING FUNDS THEREFOR”.

TO THE COMMITTEE ON RULES

COMMUNICATION

Report of Honorable Dante Roberto P. Maling, Acting Secretary General, House of Representatives, on enrolled bills, submitted to the Office of the President, for His Excellency’s consideration and signature, pursuant to the provision of Rule VI, Section 18, Par. (h) of the Rules of the House of Representatives:

1. House Bill No. 416, entitled:
“AN ACT ALLOWING HOME ECONOMICS GRADUATES TO TEACH HOME ECONOMICS SUBJECTS AND HOME ECONOMICS-RELATED TECHNICAL-VOCATIONAL SUBJECTS IN ALL PUBLIC AND PRIVATE ELEMENTARY AND SECONDARY EDUCATIONAL INSTITUTIONS, RESPECTIVELY, CONSISTENT WITH SECTION 8 OF REPUBLIC ACT NO. 10533 OR THE ENHANCED BASIC EDUCATION ACT OF 2013”;
2. House Bill No. 5152, entitled:
“AN ACT REQUIRING HIGHER EDUCATION INSTITUTIONS TO REPORT PARTICIPATION AND PROGRAM SUPPORT EXPENDITURES IN ALL COLLEGE ATHLETIC PROGRAMS”;
3. House Bill No. 5203, entitled:
“AN ACT MOVING THE DATE OF ‘CATARMAN DAY’ TO AUGUST 30 OF EVERY YEAR, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 9203, ENTITLED ‘AN ACT DECLARING THE FIFTEENTH (15TH) DAY OF AUGUST OF EVERY YEAR AS A SPECIAL NONWORKING HOLIDAY IN THE MUNICIPALITY OF CATARMAN, PROVINCE OF CAMIGUIN, TO BE KNOWN AS ‘CATARMAN DAY’ ”;
4. House Bill No. 5638, entitled:
“AN ACT DECLARING NOVEMBER 28 OF EVERY YEAR A SPECIAL NONWORKING HOLIDAY IN THE MUNICIPALITY OF SANTA MARGARITA, PROVINCE OF

SAMAR, IN COMMEMORATION OF ITS FOUNDING ANNIVERSARY, TO BE KNOWN AS THE ‘SANTA MARGARITA FOUNDATION DAY’ ”;

5. House Bill No. 5639, entitled:
“AN ACT DECLARING OCTOBER 16 OF EVERY YEAR A SPECIAL NONWORKING HOLIDAY IN THE CITY OF CALBAYOG, PROVINCE OF SAMAR, IN COMMEMORATION OF ITS CHARTER DAY ANNIVERSARY, TO BE KNOWN AS THE ‘CALBAYOG CITY CHARTER DAY’ ”;
6. House Bill No. 5780, entitled:
“AN ACT RENAMING THE DON HONORIO VENTURA TECHNOLOGICAL STATE UNIVERSITY (DHVTSU) IN THE MUNICIPALITY OF BACOLOR, PROVINCE OF PAMPANGA AS THE DON HONORIO VENTURA STATE UNIVERSITY (DHVSU), AND EXPANDING ITS CURRICULAR OFFERINGS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 9832, ENTITLED ‘AN ACT CONVERTING THE DON HONORIO VENTURA COLLEGE OF ARTS AND TRADES IN THE MUNICIPALITY OF BACOLOR, PROVINCE OF PAMPANGA INTO A STATE UNIVERSITY TO BE KNOWN AS THE DON HONORIO VENTURA TECHNOLOGICAL STATE UNIVERSITY (DHVTSU) AND APPROPRIATING FUNDS THEREFOR’ ”;
7. House Bill No. 6065, entitled:
“AN ACT AMENDING REPUBLIC ACT NO. 9718, ENTITLED: ‘AN ACT CONVERTING THE NAVAL INSTITUTE OF TECHNOLOGY IN THE MUNICIPALITY OF NAVAL, PROVINCE OF BILIRAN INTO A STATE UNIVERSITY TO BE KNOWN AS THE NAVAL STATE UNIVERSITY, INTEGRATING THEREWITH THE BILIRAN NATIONAL AGRICULTURAL COLLEGE IN THE MUNICIPALITY OF BILIRAN AND APPROPRIATING FUNDS THEREFOR’ ”;
8. House Bill No. 6129, entitled:
“AN ACT ESTABLISHING THE LANA DEL NORTE SPORTS TRAINING CENTER TO BE LOCATED IN THE MUNICIPALITY OF TUBOD, PROVINCE OF LANA DEL NORTE AND APPROPRIATING FUNDS THEREFOR”;
9. House Bill No. 6294, entitled:
“AN ACT INCREASING THE BED CAPACITY OF THE BILIRAN PROVINCIAL HOSPITAL IN ITS PROPOSED RELOCATION SITE IN BARANGAY LARRAZABAL, MUNICIPALITY OF NAVAL, PROVINCE

OF BILIRAN, FROM SEVENTY-FIVE (75) TO TWO HUNDRED (200) BEDS, AND APPROPRIATING FUNDS THEREFOR”;

10. House Bill No. 7713, entitled:

“AN ACT CHANGING THE NAME OF INOYONAN HIGH SCHOOL IN BARANGAY INOYONAN, MUNICIPALITY OF BULA, PROVINCE OF CAMARINES SUR TO FELIPE P. PANTON HIGH SCHOOL”;

11. House Bill No. 7714, entitled:

“AN ACT CHANGING THE NAME OF TAWANTAWAN ELEMENTARY SCHOOL IN BARANGAY TAWANTAWAN, BAGUIO DISTRICT, DAVAO CITY TO ROSALIA ‘AGLAY’ AYAG ELEMENTARY SCHOOL”;

12. House Bill No. 7733, entitled:

“AN ACT CONVERTING THE DR. EMILIO B. ESPINOSA, SR. MEMORIAL STATE COLLEGE OF AGRICULTURE AND TECHNOLOGY (DEBESMSCAT) IN THE MUNICIPALITY OF MANDAON, PROVINCE OF MASBATE, INTO A STATE UNIVERSITY TO BE KNOWN AS THE DR. EMILIO B. ESPINOSA, SR. – MASBATE STATE UNIVERSITY (DEBESMSU), AND APPROPRIATING FUNDS THEREFOR”;

13. House Bill No. 7767, entitled:

“AN ACT SEPARATING THE SICSICAN NATIONAL HIGH SCHOOL – ANNEX IN BARANGAY STA. MONICA, PUERTO PRINCESA CITY, PROVINCE OF PALAWAN FROM THE SICSICAN NATIONAL HIGH SCHOOL, CONVERTING IT INTO AN INDEPENDENT NATIONAL HIGH SCHOOL TO BE KNOWN AS SANTA MONICA NATIONAL HIGH SCHOOL, AND APPROPRIATING FUNDS THEREFOR”;

14. House Bill No. 7768, entitled:

“AN ACT SEPARATING THE BOCBCO NATIONAL HIGH SCHOOL – KIARA ANNEX IN BARANGAY KIARA, MUNICIPALITY OF DON CARLOS, PROVINCE OF BUKIDNON FROM THE BOCBCO NATIONAL HIGH SCHOOL, CONVERTING IT INTO AN INDEPENDENT NATIONAL HIGH SCHOOL TO BE KNOWN AS KIARA NATIONAL HIGH SCHOOL, AND APPROPRIATING FUNDS THEREFOR”;

15. House Bill No. 7769, entitled:

“AN ACT ESTABLISHING A NATIONAL HIGH SCHOOL IN BARANGAY PINAYAG, MUNICIPALITY OF KAYAPA, PROVINCE OF NUEVA VIZCAYA TO BE KNOWN AS PINAYAG NATIONAL HIGH SCHOOL, AND APPROPRIATING FUNDS THEREFOR”;

16. House Bill No. 7775, entitled:

“AN ACT CONVERTING THE BAYOG NATIONAL HIGH SCHOOL IN BARANGAY KAHAYAGAN, MUNICIPALITY OF BAYOG, PROVINCE OF ZAMBOANGA DEL SUR INTO A NATIONAL TECHNICAL – VOCATIONAL HIGH SCHOOL TO BE KNOWN AS BAYOG NATIONAL TECHNICAL – VOCATIONAL HIGH SCHOOL, AND APPROPRIATING FUNDS THEREFOR”;

17. House Bill No. 7776, entitled:

“AN ACT SEPARATING THE DABUBU HIGH SCHOOL – ANNEX IN BARANGAY SINAOANGAN SUR, MUNICIPALITY OF SAN AGUSTIN, PROVINCE OF ISABELA FROM THE DABUBU HIGH SCHOOL, CONVERTING IT INTO AN INDEPENDENT NATIONAL HIGH SCHOOL TO BE KNOWN AS SOUTHEASTERN REGION HIGH SCHOOL AND APPROPRIATING FUNDS THEREFOR”; and

18. House Bill No. 7777, entitled:

“AN ACT SEPARATING THE CABANGAHAN NATIONAL HIGH SCHOOL – CORDOVA NATIONAL HIGH SCHOOL EXTENSION IN BARANGAY DAY-AS, MUNICIPALITY OF CORDOVA, PROVINCE OF CEBU FROM THE CABANGAHAN NATIONAL HIGH SCHOOL, CONVERTING IT INTO AN INDEPENDENT NATIONAL HIGH SCHOOL TO BE KNOWN AS CORDOVA NATIONAL HIGH SCHOOL AND APPROPRIATING FUNDS THEREFOR”.

COMMITTEE REPORTS

Report of the Committee on Economic Affairs, the Committee on Trade and Industry, the Committee on Appropriations and the Committee on Ways and Means (Committee Report No. 1019), re H.B. No. 8758, entitled:

“AN ACT ESTABLISHING THE CAMARINES SUR SPECIAL ECONOMIC ZONE IN THE PROVINCE OF CAMARINES SUR, CREATING FOR THIS PURPOSE THE CAMARINES SUR SPECIAL ECONOMIC ZONE AUTHORITY, AND APPROPRIATING FUNDS THEREFOR”

recommending its approval in substitution of House Bill No. 4168

Sponsors: Representatives Garcia (G.), Biron, Zamora (M.C.), Suansing (E.) and Villafuerte
TO THE COMMITTEE ON RULES

Report of the Committee on Revision of Laws (Committee Report No. 1020), re H.B. No. 8762, entitled:

“AN ACT COMMEMORATING THE PLEBISCITE VICTORY ON THE CITYHOOD OF SAN JOSE DEL MONTE WITH THE TANGLAWAN FESTIVAL TO BE HELD ANNUALLY ON SEPTEMBER 10 ON THE OCCASION OF THE FOUNDATION DAY OF THE CITY OF SAN JOSE DEL MONTE, PROVINCE OF BULACAN, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 9750”

recommending its approval in substitution of House Bill No. 8376

Sponsors: Representatives Primicias-Agabas and Robes

TO THE COMMITTEE ON RULES

Report of the Committee on Economic Affairs and the Committee on Trade and Industry (Committee Report No. 1021), re H.B. No. 8764, entitled:

“AN ACT AMENDING SECTIONS 4 AND 8 OF REPUBLIC ACT NO. 7042, AS AMENDED, OTHERWISE KNOWN AS THE ‘FOREIGN INVESTMENTS ACT OF 1991’ ”

recommending its approval in substitution of House Bill No. 4067

Sponsors: Representatives Garcia (G.), Biron, Yap (A.), Gatchalian, Salo and Limkaichong

TO THE COMMITTEE ON RULES

Report of the Committee on Higher and Technical Education (Committee Report No. 1022), re H.R. No. 2358, entitled:

“RESOLUTION CONGRATULATING THE 2017 ACCOUNTANCY BOARD EXAMINATION TOPNOTCHERS AND PASSERS OF THE UNIVERSITY OF SAN CARLOS (USC) IN CEBU CITY FOR THEIR EXEMPLARY PERFORMANCE IN THE 2017 BOARD EXAMINATION FOR CERTIFIED PUBLIC ACCOUNTANTS, AND COMMENDING THE USC FOR SETTING THE STANDARD FOR QUALITY ACCOUNTANCY EDUCATION”

recommending its adoption in substitution of House Resolution No. 1042

Sponsors: Representatives Javier and Garcia (G.)

TO THE COMMITTEE ON RULES

THE DEPUTY SPEAKER (Rep. Escudero). The Majority Leader is recognized.

REP. NOEL. Mme. Speaker, I move that we direct the Secretary General to immediately transmit a copy of R.B.H. No. 15 to the Senate.

I so move.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Majority Leader is recognized.

REP. NOEL. Mme. Speaker, I move to defer approval of the Journal of the previous session.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. NOEL. Mme. Speaker, may we acknowledge the presence of the guests in the gallery of Rep. Peter “Sr. Pedro” M. Unabia of the First District of Misamis Oriental. They are from the Federation of Fisherfolks from the Municipality of Salay, headed by Mayor Angelo Capistrano.

THE DEPUTY SPEAKER (Rep. Escudero). The guests of Congressman Unabia, please stand up. Welcome to the House of Representatives. (*Applause*).

The Majority Leader is recognized.

REP. NOEL. Mme. Speaker, likewise, may we acknowledge the presence of the guests of the Hon. “Kuya” Jose Antonio R. Sy-Alvarado. They are members of the KAP 21 Movements in the city of Malolos, Bulacan.

THE DEPUTY SPEAKER (Rep. Escudero). The guests of Congressman Sy-Alvarado, please stand up. Welcome to the House of Representatives. (*Applause*)

REP. NOEL. Likewise, Mme. Speaker, may we acknowledge the presence of the guests in the gallery of the Hon. Conrado M. Estrella III of ABONO Party-List. They are from the Filipino Investors Federation Inc., namely, Gonzalo Catan Jr., Arquilio Melano and Lani Metillo.

THE DEPUTY SPEAKER (Rep. Escudero). The guests of the Hon. Conrado Estrella, please stand up. Welcome to the House of Representatives. (*Applause*)

REP. NOEL. Also, may we acknowledge the presence of the guests in the gallery the Hon. Ulysses G. Garces of ABS Party-List. They are the members of the Board of Directors and the regional and district leaders of the ABS Party-List, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). The guests of the Hon. Ulysses Garces, please stand up. Welcome to the House of Representatives. (*Applause*)

REP. NOEL. May we also acknowledge the presence of the guests of the Hon. Cecilia Leonila V. Chavez of BUTIL Party-List or the Butil Farmers Party. They are members of the KAP 21 Movements from the City of Malolos, Bulacan.

THE DEPUTY SPEAKER (Rep. Escudero). The guests of Congresswoman Chavez, please stand up. Welcome to the House of Representatives. *(Applause)*

REP. NOEL. Mme. Speaker, may we take up administrative matters.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? *(Silence)* The Chair hears none; the motion is approved.

REP. NOEL. Mme. Speaker, we are in receipt of a message from the Senate informing the House that the Senate has passed with amendments House Bill No. 5565, entitled: AN ACT DECLARING JANUARY 24 OF EVERY YEAR A SPECIAL NONWORKING HOLIDAY IN THE PROVINCE OF PALAWAN AND THE CITY OF PUERTO PRINCESA IN HONOR OF THE MARTYRDOM OF GOVERNOR HIGINIO ACOSTA MENDOZA, SR., TO BE KNOWN AS "GOVERNOR HIGINIO ACOSTA MENDOZA, SR. DAY." We have been advised that the Committee on Revision of Laws, the Sponsor of House Bill No. 5565, as well as the author thereof, has no objection to the amendments of the Senate to the said House Bill.

Mme. Speaker, in accordance with our rules, I move that we concur with the Senate amendments to House Bill No. 5565.

I so move.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? *(Silence)* The Chair hears none; the motion to concur with the Senate amendments to House Bill No. 5565 is approved.

REP. NOEL. Mme. Speaker, we are also in receipt of a message from the Senate informing the House that the Senate has passed with amendments House Bill No. 7753, entitled: AN ACT EXTENDING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO THE IGLESIA NI CRISTO (CHURCH OF CHRIST), UNDER REPUBLIC ACT NO. 4339, AS AMENDED BY REPUBLIC ACT NO. 7225. We have been advised that the Committee on Legislative Franchises, the Sponsor of House Bill No. 7753, as well as the author thereof, has no

objection to the amendments of the Senate to the said House bill.

Mme. Speaker, in accordance with our rules, I move that we concur with the Senate amendments to House Bill No. 7753.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? *(Silence)* The Chair hears none; the motion is approved.

REP. NOEL. Mme. Speaker, the Senate has passed with amendments several House Bills seeking to grant new or renew franchises of certain companies, namely: House Bills No. 5717, 6166, 6167, 6914, 7385 and 7752. We have been informed that the Committee on Legislative Franchises, the Sponsor of the said House bills, is not in agreement with the amendments introduced by the Senate to the said measures.

DESIGNATION OF MEMBERS TO THE CONF. CTTEE.

REP. NOEL. I move that we designate the following as members of the Conference Committee on the disagreeing votes on House Bills No. 5717, 6166, 6167, 6914, 7385 and 7752: for the Majority, Reps. Franz E. Alvarez, Sherwin N. Tugna, Jose "Pingping" I. Tejada, Johnny Ty Pimentel; and for the Minority, Rep. Alfredo A. Garbin Jr.

I so move.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? *(Silence)* The Chair hears none; the motion is approved.

The Members nominated are so designated.

RATIFICATION OF CONF. CTTEE. RPT. ON H.B. NO. 8139 AND S.B. NO. 1431

REP. NOEL. Mme. Speaker, we are in receipt of the Conference Committee Report reconciling the disagreeing provisions of House Bill No. 8139 and Senate Bill No. 1431.

May I ask that the Secretary General be directed to read only the titles of the measures.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? *(Silence)* The Chair hears none; the motion is approved.*

The Secretary General is directed to read only the titles of the measures.

With the permission of the Body, and since copies of the Conference Committee Report have been previously

distributed, the Secretary General read only the titles of the measures without prejudice to inserting the text of the report in the Congressional Record.

THE SECRETARY GENERAL. House Bill No. 8139, entitled: AN ACT INSTITUTING A PHILIPPINE LABOR FORCE COMPETENCY COMPETITIVENESS PROGRAM AND FREE ACCESS TO TECHNICAL-VOCATIONAL EDUCATION AND TRAINING (TVET); and Senate Bill No. 1431, entitled: AN ACT INSTITUTING A PHILIPPINE LABOR FORCE COMPETENCIES COMPETITIVENESS PROGRAM, ESTABLISHING FREE ACCESS TO TECHNICAL AND VOCATIONAL TRAINING PROGRAMS AND FOR OTHER PURPOSES.

THE DEPUTY SPEAKER (Rep. Escudero). The Majority Leader is recognized.

REP. NOEL. Mme. Speaker, in accordance with our rules, I move that we ratify the said Conference Committee Report.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Conference Committee Report is ratified.

QUESTION HOUR

REP. MARCOLETA. Mme. Speaker, on December 4, 2018, the House adopted House Resolution No. 2307, entitled: RESOLUTION URGING THE HOUSE OF REPRESENTATIVES TO REQUIRE THE APPEARANCE AND PARTICIPATION OF THE DEPARTMENT OF BUDGET AND MANAGEMENT SECRETARY BENJAMIN DIOKNO IN THE QUESTION HOUR REGARDING THE 2019 ELECTION BUDGET.

Mme. Speaker, in accordance with Section 22, Article VI of the Constitution and pursuant to House Resolution No. 2307, I move that we proceed to the Question Hour.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Majority Leader is recognized.

REP. MARCOLETA. Mme. Speaker, I move that we direct the Secretary General to read the questions submitted by Minority Leader Rep. Danilo E. Suarez to Department of Budget and Management Secretary Benjamin E. Diokno.

THE DEPUTY SPEAKER (Rep. Escudero). The Secretary General is directed to read the questions submitted for the Secretary of Budget.

THE SECRETARY GENERAL. Questions for the Department of Budget and Management Sec. Benjamin Diokno:

1. Kindly discuss the legal history of the creation of the DBM.

2. What is the primary role of the DBM in the budget process?

3. Several agencies have very low absorptive capacities and many of them were complaining that this is due to delays in the disbursement by the DBM. May I ask the good Secretary to enlighten us on this matter?

4. Can you submit the DBM report on the savings and use of savings for the Executive Branch, including GOCCs, from 2017 to September 30, 2018 (Quarterly Report)?

5. For the past years, there have been audit report findings of mismanaged and zero implementation of the multi-billion MVUC Funds (Motor Vehicle User's Charge).

- What happened to the Road Board Funds? With the impending abolition of Road Board, may we know what is the timeline and plan of the DBM to manage and dispose of these MVUC Funds?

6. What are the terms and conditions of our China loans? Our concern is that we will be following the steps of Sri Lanka which defaulted into debt with China.

7. To supplement government revenue collections, around P1.189 trillion or 6.1 percent of the GDP will be borrowed in 2019. Of this amount, P906.2 billion or 76.2 percent will be sourced locally; while the remaining P282.7 billion will come from foreign borrowings.

- Every year, the budget is not fully utilized, yet we keep on borrowing; thus, we keep on paying increasing interests. Elaborate your rationale on this borrowing mix.
- The allocation for the debt burden increased from P370.8 billion in 2018 to P414.1 billion in 2019. In 2018, 4.1 percent of the budget was allocated for debt burden. For 2019, 11 percent of the budget was allocated for debt burden. As reported by the Bureau of the Treasury (BTr), the Philippines reached a record high outstanding debt of P71.167 trillion as of end of October 2018, primarily driven by higher domestic borrowings. What is the DBM doing to effectively manage these debts? When will we be able to pay off our debts?

8. The DSWD has the lowest absorptive capacity among all government agencies. This is primarily due to the delays, discontinuation and poor implementation of projects and programs. This also means that the agency

is being highly inefficient in the delivery of basic goods and services to the people.

- What is the DBM doing to help the DSWD in addressing this problem?

9. One of the agencies with low utilization rate is the DOTr. In 2017, the DOTr has unused appropriations worth P14.19 billion.

- What primarily drove the DOTr's low utilization? What are the undertakings of the DBM to assist the DOTr towards the improvement of its budget utilization?

10. Another agency with low utilization rate is the DPWH. In 2017, the DPWH has unused appropriations worth P67.1 billion.

- What accounts for the agency's very poor absorptive capacity?
- What are the undertakings of the DBM to assist the DPWH towards the improvement of its budget utilization?

11. Per COA's findings, only P222.7 billion or 34.14 percent was disbursed of the P610.9 billion obligated by the DPWH for 2017 due to delayed and non-implementation of infrastructure projects. Inefficient and incomplete implementation of infrastructure projects amounting to P80.1 billion also contributed to the inefficiency of the Department.

- What were the main reasons for these cases?
- How is the Department addressing this problem to improve its efficiency?

12. The COA also reported that a total of 334 infrastructure projects of the DPWH was found to have defects equivalent to at least P40.9 million which if not corrected, may result in wastage of government funds.

- Does the DBM call out underperforming agencies such as the DPWH, in this case, for defective projects that cause wastage of funds?

13. What are the measures of the DBM in addressing issues on the increasing inflation rate?

14. What is the position of the DBM on the lifting of the suspension of the excise tax on fuel?

15. As regards Cash-Based Budgeting, do you think this can help the government particularly in the "Build, Build, Build" program of President Duterte?

16. Under this kind of budgeting to be followed by the government, contracts for projects/programs intended to be implemented for the fiscal year should be fully delivered, inspected and accepted by the end of the fiscal year. Payment should also be done within the fiscal year and up to a three-month extended period after the fiscal year for goods and services accepted by December 31.

Based on experience, the DBM, sometimes or most of the time, in its downloading of funds for a particular infrastructure project, is always delayed. In

some instances, the downloading of funds is done at the end of the year.

- Will the implementation of Cash-Based Budgeting not hamper the delivery of basic health services or even infrastructure projects?

17. How will the agency implement, on time and on target, its proposed budget for Fiscal Year 2019, considering the habitual delay of the DBM in the downloading of funds to the respective agencies?

- Will the multi-year projects be affected?
- How will the unpaid obligation of the national government be settled?

18. When will the DBM schedule the delayed downloading of funds intended for the Local Government Support Funds (LGSF) for the Fiscal Year 2018?

THE DEPUTY SPEAKER (Rep. Escudero). The Majority Leader is recognized.

SUSPENSION OF SESSION

REP. MARCOLETA. Mme. Speaker, I move that we suspend the session to allow Secretary Diokno access to the designated seat in the Plenary Hall, including his technical staff, if there be any.

THE DEPUTY SPEAKER (Rep. Escudero). The session is suspended.

It was 5:39 p.m.

RESUMPTION OF SESSION

At 5:44 p.m., the session was resumed with Deputy Speaker Raneo "Ranie" E. Abu presiding.

THE DEPUTY SPEAKER (Rep. Abu). The session is resumed.

The Majority Leader is recognized.

REP. MARCOLETA. Mr. Speaker, I move that we recognize the Secretary of the Department of Budget and Management, the Hon. Benjamin E. Diokno.

THE DEPUTY SPEAKER (Rep. Abu). The Secretary of the Department of Budget and Management, the Hon. Benjamin E. Diokno, is recognized to answer questions during the Question Hour.

The Majority Leader is recognized.

REP. MARCOLETA. Mr. Speaker, the Budget Secretary intimated that he will make a very brief statement, after which the Question Hour will start.

THE DEPUTY SPEAKER (Rep. Abu). You may proceed now, the honorable Secretary.

At this juncture, Deputy Speaker Abu relinquished the Chair to Deputy Speaker Evelina G. Escudero.

SEC. DIOKNO. Mme. Speaker, Members of Congress, I am here to show my respect to the institution in this process of the House of Representatives. I see this as an opportunity to clarify some concerns that the Members of the House have relative to the 2019 proposed budget. I am now willing to answer your questions.

THE DEPUTY SPEAKER (Rep. Escudero). The Majority Leader is recognized.

REP. MARCOLETA. Mme. Speaker. Mme. Speaker, I move that we recognize the honorable Minority Leader Danilo E. Suarez for his questions.

THE DEPUTY SPEAKER (Rep. Escudero). The honorable Minority Leader Danilo Suarez is recognized.

REP. SUAREZ. Thank you, Mme. Speaker, Your Honor.

Our Constitution was drafted within the context that there will no longer be concentration of powers within one department or person; hence, the Executive, Judiciary and Legislative Departments were given specific and mutually exclusive powers which act as a check on each other and prevent an overreach of functions. Even the Legislative Department was divided into two Houses with specific powers as stated in the Constitution. The Question Hour as enunciated in Section 22, Article VI of the 1987 Constitution allows the Legislative Department to invite any member of the Executive, the objective of which is to obtain information in pursuit of Congress' oversight functions.

Within this premise, Secretary Diokno, would you yield to my questions?

SEC. DIOKNO. Willingly, Your Honor.

REP. SUAREZ. Thank you, Your Honor. Mr. Secretary, this will be the third year of the Duterte administration which will end in 2019. On three separate appropriations hearings, this Representation asked you for your help. Ang una ko pong sinasabi ay iyon pong localization ng pondo ng gobyerno na hindi nakakarating sa kabayanan, sa lalawigan at sa barangay dahil nai-stack up ho at nandoon po sa central o head office kaya napakalaki ng ating underspending. Ang nangyayari po dito is human nature. Hina-highlight ko po sa inyo iyan na kapag ang isang ahensiya ay may

napakaraming bilyun-bilyong pera, hindi naman nila nakikita ang pangangailangan sa ibaba. Kaya ho ako ay nakiusap sa inyo, na puwede bang i-download natin sa ibaba ang salapi ng bayan upang ito ay mapakinabangan ng kabarangayan? Ang sabi ho ninyo sa akin, "Ano ang proseso?" Sabi ko, "I-amend po natin ang Government Procurement Act." Natatandaan po ninyo iyon?

SEC. DIOKNO. Yes, Your Honor.

REP. SUAREZ. Sige, that is good. Ngayon, ang sabi ninyo sa akin, Mr. Secretary, "Huwag mo nang i-amend. Ayusin na lang natin ang IRR at matutugunan natin ang iyong problema." That was in 2016, at magtatapos na tayo ng 2018. Mr. Secretary, bakit hindi ho natin iyon binigyan ng pansin?

SEC. DIOKNO. Your Honor, first of all, the premise of the question is wrong. We do not have underspending now. We have licked underspending and in fact, we are slightly overspending. I do not know if the chart will show that here, but in 2014, Your Honor, the underspending was about 13 percent. That was in 2014, that is for January to September, because we want to compare the present performance from the first three quarters of this year. As you can see, the underspending—let me look at my chart here because you have been jumping in your questions—in 2014, from January to September, it was about P275.8 billion as shown there. In 2015, the underspending from January to September was 14.5 percent or about P276 billion, Your Honor. In the first half of 2016, from January to September, the first three quarters, so with just one quarter, the underspending was cut to about P56 billion or 2.6 percent.

Now, in 2018, the underspending was gone and in fact, we are slightly above the program as we have overspent about P67 billion. Of course, we cannot spend what you have not authorized us to spend and we are bound by that constraint. We can only spend what Congress has authorized us to spend, but we have front-loaded the funds for projects and the construction will be done, ideally, during the first six months of the year, and that is why there is slight overspending. So, the premise is wrong, Mme. Speaker, as can be shown there.

REP. SUAREZ. Well, Mme. Speaker, Your Honor, the premise is not wrong. Your explanation is correct but that is not the question. You are not answering my question.

SEC. DIOKNO. What is the question?

REP. SUAREZ. The question is that we agreed to localization. We agreed. Pumayag po kayo ...

SEC. DIOKNO. Could you define localization because I do not understand what localization is.

REP. SUAREZ. Ang sinasabi ko po sa inyo, iyong localization, i-download natin ang mga project sa probinsiya, bayan at sa barangay. Ang kasalukuyang kaganapan, Mr. Secretary, may mga dumarating pong project per your GAA sa aming mga distrito pero ang mga nakakakuha po ng mga project na ito ay hindi po taga sa amin. Taga-ibang lugar po sila. Kaya ang sabi ko, para iyong pera ng pamahalaan ay dumaloy sa kabarangayan, tingnan po ninyo ang isang barangay na mabibigyan mo ng farm-to-market road o repair ng flood control project sa halagang kalahating milyon. Napakalaking tulong niyan sa barangay dahil magkakatrabaho ang ating mga kabarangay. Ang pera ay maiiwan sa barangay. Hindi ho ninyo sinunod iyon.

I will go to another major issue, Mr. Secretary. Kung ang concept ninyo at sinasabi ninyo sa akin na ang pera ng bayan ay dapat pangalagaan, dapat proper management, iyan po ang inyong sinasabi na mandate po ng DBM, hindi po ba?

SEC. DIOKNO. That is correct.

REP. SUAREZ. Ngayon, Mr. Secretary, kilala po ba ninyo si Vice Governor Ester Hamor?

SEC. DIOKNO. Yes, Your Honor.

REP. SUAREZ. Kilala ba ninyo ang kanya pong kabiya na si Mayor Edwin “Boboy” Hamor?

SEC. DIOKNO. Yes, Your Honor.

REP. SUAREZ. Sila ho ay tatakbong kandidato sa bayan ng Casiguran at Sorsogon City. Ang kanila pong anak ay asawa ng inyong anak. Sila ho ay ang inyong in-laws. Tama po ba ako na mayroon po tayong project na gagawin sa dalawang lugar na ito na nagkakahalaga ng P2.8 billion?

SEC. DIOKNO. I am not aware of that. That is not part of your question and I can answer that at the appropriate time, Your Honor.

REP. SUAREZ. No, no, I am just saying that ...

SEC. DIOKNO. I can send the reply to your question, Your Honor.

REP. SUAREZ. I have the—well, it is ...

SEC. DIOKNO. Let me tell you, Your Honor, I have served three Presidents, I am known for my integrity, okay. I have no relatives, no friends as far as public

affairs are concerned. That is my reputation, that is why they call me Dr. No, right? So, I do not know what your question is all about.

REP. SUAREZ. No, no, ang sinasabi ko po dito,...

SEC. DIOKNO. That is not part of your question, Your Honor.

REP. SUAREZ. ...Mr. Secretary, hindi ho naman ito kasama na sa 2018 at 2019. Tapos na ho tayo dito, tapos na ang GAA. It was presented and approved already, not by this present leadership but with all our leaderships.

SEC. DIOKNO. Your Honor, my job as DBM Secretary—may I reply, Your Honor.

REP. SUAREZ. If you will allow me to finish my question, Mr. Secretary.

SEC. DIOKNO. Sure.

REP. SUAREZ. All of these projects will be undertaken by just one contractor, one, and if you like localization, you should insist that it should be a contractor from Sorsogon. The contractor is from Bulacan. For you to be able to handle projects worth billions and with this scope of work, you should have a triple A, with an array of heavy equipment, engineers, field offices, et cetera. But a single proprietorship?

SEC. DIOKNO. May I reply now, Your Honor. My job as DBM Secretary is to allocate resources. What happens in the line departments is not my concern, Your Honor, okay. As we release documents, we always say that the use of these funds shall be in accordance with all budgeting, accounting and auditing rules and regulations. The whole government will come to a screeching halt if I have to look at every project that will be done all over the country, Your Honor. That is not my job, that is the job of the line departments.

REP. SUAREZ. Well, that is my next question, Your Honor. Sinasabi po ninyo na sinususi ninyo na natsi-check ninyo by line item ang bawat nakalista sa GAA.

SEC. DIOKNO. That is part of the ...

REP. SUAREZ. That is part of your job.

SEC. DIOKNO. It is part of my job to allocate resources per department, but to implement, that is not my job, Your Honor.

REP. SUAREZ. Mr. Secretary, you are delivering a message to this Representation and to my colleagues that this amount: Concrete Road, Bulan, Sorsogon, P39 million; Off-Carriage Way, Tertiary Road, Casiguran Road, P49 million; Construction of Flood Control Infrastructure, Embarcadero P39 million; so forth and so on—this long.

SEC. DIOKNO. That is correct, Your Honor.

REP. SUAREZ. Hindi ninyo ito alam?

SEC. DIOKNO. I cannot check this and as I said, I just release the money to the line departments and they disburse the money. We do not disburse the money. By the way, because you are telling us that we are slow in disbursement, we release, practically, all in day one, or 90 percent almost on day one. What they do with the money, that is the concern of the line department, Your Honor.

REP. SUAREZ. That may be so, Mr. Secretary, but in other districts, not this time.

SEC. DIOKNO. No, no, it is nationwide. It is nationwide, Your Honor.

REP. SUAREZ. There is a specific reason and I would not even blame you for that.

SEC. DIOKNO. We release ...

REP. SUAREZ. It is emotional and a family reason because you are the in-law's parent and they are running for a position, they may need help. That is precisely what you did.

SEC. DIOKNO. Let me tell you why we have reformed the system, what we call now is comprehensive release. I served under Mrs. Aquino. I served under President Estrada. Okay. I also worked with Senator Angara who was the Senate President at that time, and I was amazed that it took about six months to prepare the budget and another six months for you to go to Congress, Your Honor. Now, after the budget is approved, the agencies cannot move yet because they are waiting for another document to be issued by DBM. That was the wrong way to do it because you had already approved it and it was already signed by the President. So, when I assumed office under Mr. Estrada, we adopted a new system called "What you see is what you get." Your passage of the bill into law, signed by the President, that is the authority, so, they no longer need us, okay. I did that in 1999 and 2000. That was abandoned during the term of President Arroyo, they have abandoned also that system.

Now we are back to that system. Under Mr. Aquino, that was abandoned. So, now, we have gone to the same system that they adopted 20 years ago. What you see is what you get. What Congress has approved is automatically released, Your Honor.

REP. SUAREZ. Mr. Secretary, your treatment in other districts, offices or related agencies, I am not questioning it. Maybe you are doing a good job. I am just particularly concerned about this particular area where you show an extraordinary concern.

SEC. DIOKNO. Why do you say that? I do not even know that transaction, Your Honor. That is the job of the DPWH, not mine. That is the job of the line departments. The line departments disburse, they implement. I do not. Okay?

REP. SUAREZ. Mr. Secretary, are you telling this Representation and addressing the Plenary that there was no communication at all with your daughter stating that her husband's parent is running for a position?

SEC. DIOKNO. Absolutely none, Your Honor.

REP. SUAREZ. Hindi ho ninyo pinag-usapan?

SEC. DIOKNO. Wala po. Hindi namin pinag-usapan.

REP. SUAREZ. Hindi rin kayo nagkikita doon?

SEC. DIOKNO. Walang relatives, walang friends, as far as I am concerned.

REP. SUAREZ. Hindi ho ninyo pinag-uusapan, iyong totoo.

SEC. DIOKNO. Wala ho.

REP. SUAREZ. Talaga?

SEC. DIOKNO. Itaga ninyo sa bato.

REP. SUAREZ. Magaling iyon.

SEC. DIOKNO. As I said, there are no friends, there are no relatives when I make a decision—unbiased, objective. That is why you call me "Dr. No" e, hindi ba?

REP. SUAREZ. This was in 2018, ito pong napakalaking release. Tama po ba?

SEC. DIOKNO. I have no idea what was released, Your Honor. It is the DPWH that knows that.

REP. SUAREZ. Mr. Secretary, hindi ko ho sinasabi na itong list ng DPWH ay mali. Tama po naman ito. Ang sinasabi lang namin dito sa Kongreso, napakalaki ng ibinigay mo sa dalawang bayan.

SEC. DIOKNO. Hindi po ako nagbigay—that was the request of the DPWH.

REP. SUAREZ. Sa inyo.

SEC. DIOKNO. Hindi po, and that was in—you approved the request. It is part of the law, hindi ho ba? That is part of the General Appropriations Bill or Act.

REP. SUAREZ. Well, standard practice po iyong sinasabi ninyo. Naniniwala naman ako na tama po iyong sinasabi ninyo. Ang sinasabi lang namin dito, sinasabi mo na hindi ka gumawa maski kaunting pakiusap man lang sa ibang ahensiya na pakitulangan ang dalawang bayan na ito.

SEC. DIOKNO. No, Sir.

REP. SUAREZ. Hindi ho ninyo ginawa iyon?

SEC. DIOKNO. Never.

REP. SUAREZ. At ito pong nag-iisang ...

SEC. DIOKNO. You know, whenever somebody wants me to request, even if that somebody is a department secretary, I say no because he will ask more from me. That is my policy, Your Honor, and that is the truth.

REP. SUAREZ. Mme. Speaker, Your Honor, there will be a continuing hearing on this in the Committee on Good Government and Public Accountability because I do not feel it. There are also a lot of other Members who would like to raise questions, but the bottom line is this: si Vice Governor Ester Hamor, na incumbent Vice Governor ngayon po ng lalawigan, ay tatakpong Mayor ng Sorsogon City. Hindi ho ninyo alam iyon.

SEC. DIOKNO. I do not know that, Your Honor.

REP. SUAREZ. Iyong gagawin ng father-in-law ng inyong anak ay hindi ninyo alam.

SEC. DIOKNO. I do not know and I do not care, Your Honor.

REP. SUAREZ. You expect us to believe that?

SEC. DIOKNO. Yes, Your Honor. You have to believe me.

REP. SUAREZ. Mabuti na walang kidlat ngayon dahil baka tamaan kayo ng kidlat.

SEC. DIOKNO. You have to believe me, Your Honor.

REP. SUAREZ. Hindi din ninyo alam, Mr. Secretary, na ang kanyang asawa ay tatakpong Mayor ng Casiguran.

SEC. DIOKNO. I do not know, Your Honor.

REP. SUAREZ. Hindi rin ho sinabi sa inyo ng inyong anak na iyong father-in-law niya ay tatakbo ding ...

SEC. DIOKNO. They are very careful when they discuss these things.

REP. SUAREZ. Do you see them?

SEC. DIOKNO. They do not discuss projects with me, Your Honor. They do not ...

REP. SUAREZ. Mr. Secretary, are you a close-knit family?

SEC. DIOKNO. Can you not believe what I am saying, what I am telling you?

REP. SUAREZ. Do you not, come dinner time, hindi kayo nag-uusap-usap kapag Sunday, ganoon ba?

SEC. DIOKNO. Hindi po. Kapag nag-uusap-usap kami ay as a family lang. Wala pong mga projects, walang ganitong klaseng ...

REP. SUAREZ. Hindi ninyo pinag-uusapan iyon?

SEC. DIOKNO. Hindi po namin pinag-uusapan dahil bawal po pag-usapan iyan in our family. Okay.

REP. SUAREZ. Hindi din ninyo kilala itong C.T. Leoncio Construction and Trading.

SEC. DIOKNO. Absolutely, no. I have not heard of this C.T. Leoncio, Your Honor.

REP. SUAREZ. Kung hindi ho ninyo kilala, wala hong nagsabi sa inyo na pakitulangan lang sila?

SEC. DIOKNO. Wala po.

REP. SUAREZ. Kung ikaw ay nag-a-analyze, Mr. Secretary, ng line item budgeting, ...

SEC. DIOKNO. Yes.

REP. SUAREZ. ... at nakita mo na 2.5 plus 998 plus 3.5 in billions of pesos is awarded to just one company, hindi ho tataas ang kilay ninyo?

SEC. DIOKNO. No. I have seen projects where we approved P14 billion po—P14 billion worth of contracts were given the DOTr for the subway, then around P10 billion for the long haul. That is not—I do not ...

REP. SUAREZ. This is not unusual?

SEC. DIOKNO. Hindi ko po alam iyan. That is the DPWH's job, not mine.

REP. SUAREZ. Ang bulk ng area ay doon po sa dalawang bayan na tatakbuhan. Hindi talaga binanggit man lang sa inyo at hiningi ng tulong o pakitulangan, wala ho iyon?

SEC. DIOKNO. Wala po. Maybe we could move to the next question, Your Honor. You have 18 questions. I want to answer them.

REP. SUAREZ. No, no, we will continue this in the Committee on Good Governance and Public Accountability. There are other Members who asked me if they can raise questions also regarding this matter. I just have one issue to take up.

Mr. Secretary, were you approached by someone from the Palace with the instruction to release the money for the Road Board, for the Road Fund?

SEC. DIOKNO. We talked about it many times, Your Honor, at highest level. Let me tell you the decision on the Road Board—we will not release. We also want the Road Board abolished, as you do, and then recall. Okay, that is the policy. We will not release until the Road Board is abolished, because we want Congress, which has the power of the purse, to make the decision on what they want to do with the Road Board proceeds. Right now, it is about P45 billion, Mme. Speaker, Your Honor.

REP. SUAREZ. You were informed already about that when our good Speaker ...

SEC. DIOKNO. Mme. Speaker, Your Honor, on the contrary, I have not received a directive from the President.

REP. SUAREZ. That was in June. Ni-recall po niya iyong congressional approval of abolishing the Road Board. As I have said, that is one law with good intentions. These were the events that

transpired: Letter to you dated July 8, returning the Board Resolution on the approved projects by the Board in April of 2018; in 2014, you returned again to the Board its project no. 6 approved in December of 2017; Letter of Director Clavano to Secretary Diokno, dated September 17, 2018, resubmitting the Road Board's request for the release of SARO for the project approved by the Board.

Iyan po ay mga requests ng Congressmen.

SEC. DIOKNO. That is correct, Mme. Speaker, Your Honor. I am familiar with the circumstances.

REP. SUAREZ. I hope you will understand the plight of the Congressmen, Mme. Speaker, Your Honor.

SEC. DIOKNO. Yes, Mme. Speaker, Your Honor.

REP. SUAREZ. Kapag ho may masamang kalsada, baku-bako at nagkakabarahan, hindi po nagagalit sa Secretary of Public Works, hindi ho nagagalit sa inyo na may hawak ng pananalapi, hindi ho sa gobyerno, hindi ho sa gobernador, hindi sa Presidente. Kami pong mga Congressmen ang minumura.

SEC. DIOKNO. As I said, Mme. Speaker, Your Honor, the policy is that the Road Board should be abolished. We do not want a small group of unelected officials to decide on that amount. We want to give it back to Congress and so, until the Road Board is abolished, we will not release.

REP. SUAREZ. In the last letter where you made a reply, you stated, "The Department will study the same and reevaluate its policy on the matter ..."

REP. DIOKNO. That is correct.

REP. SUAREZ. ... upon receiving the formal copy of the House Resolution rescinding the House of Representatives' approval on Third Reading of the Bill abolishing the Road Board."

SEC. DIOKNO. I have not received a contrary directive from the President, Mme. Speaker, Your Honor, so, that policy stands.

REP. SUAREZ. Mr. Secretary, what do you mean by reevaluate?

SEC. DIOKNO. Well, we will bring it up with the President, but there is no change in the policy, Mme. Speaker, Your Honor.

REP. SUAREZ. Whose policy?

REP. DIOKNO. It is the Executive Department's policy. We want the Road Board abolished. Why are you delegating ...

REP. SUAREZ. I would just like to make this clear, Mr. Secretary.

SEC. DIOKNO. Right, right.

REP. SUAREZ. Mme. Speaker, dear Members, this issue is between this Representation and the good Speaker, and the Palace has nothing to do with this.

SEC. DIOKNO. No, no, the Senate also has its own position abolishing the Road Board and that is the policy of the Palace, Your Honor. It is not my policy, it is the policy of the Palace.

REP. SUAREZ. Mme. Speaker, Your Honor, I will temporarily yield my questioning as there are several Members who would like to raise questions to the good Secretary.

THE DEPUTY SPEAKER (Rep. Escudero). Thank you, Minority Leader.

The Majority Leader is recognized.

REP. MARCOLETA. Mme. Speaker, I move to recognize the Majority Leader, the Hon. Rolando G. Andaya Jr.

THE DEPUTY SPEAKER (Rep. Escudero). The Majority Leader, the Hon. Rolando Andaya, is recognized.

REP. ANDAYA. Thank you very much, Mr. Speaker. Before I proceed, I would like to accommodate the Hon. Jose L. Atienza Jr. for just one question, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). The Honorable Atienza is recognized.

REP. ATIENZA. Salamat po, Mr. Majority Leader.

This Representation would like to take advantage of the presence of no less than the Secretary of the Department of Budget and Management. Now, we know very well that he has full control of the money of the government. It has been bruited about in media that this Congress is guilty of inserting pork barrel funds, they call it "insertions," and Senator Panfilo "Ping" Lacson has been repeatedly pointing at the Members of Congress as guilty of doing this. I would like to ask him directly, in your full knowledge and control of the funds, since you are the one preparing the budget, would

you say categorically if there are insertions in the nature of pork barrel or none at all?

SEC. DIOKNO. Your Honor, ...

REP. ATIENZA. To clear the names of Members of Congress who are all suffering public ridicule, para bagang bumalik kami sa dating gawi, ayaw po namin iyon. Hindi po tayo puwedeng lumabag sa Saligang Batas.

SEC. DIOKNO. If you look at the budget process, the Executive prepares the budget and the President submits the President's budget to the House, and then you can do what you want to do with the budget. You can mangle it, you can approve it in toto, that is your prerogative, okay.

REP. ATIENZA. So, I will ask the Gentleman then, has this Congress mangled the budget that you proposed for the past years when you were holding the position of Budget Secretary?

SEC. DIOKNO. This Congress, no, Sir.

REP. ATIENZA. No?

SEC. DIOKNO. No, as far as I am concerned, no.

REP. ATIENZA. Did I hear right? Hindi po gumagawa ng ilegal ang Kongresong ito, tama po ba iyon?

SEC. DIOKNO. Tama po iyon.

REP. ATIENZA. Salamat po, iyon po kasi ang pinag-uusapan ng bayan. Tayo po ba ay gumagawa ng paraan upang makinabang sa pondo, o ito po ay nakalagay sa budget as public improvement projects in the different districts? Mapalad nga lamang iyong ibang distrito, at katulad po noong binanggit ng ating Minority Leader, mapalad iyong distrito ng mga kamag-anak ng ating Secretary. But I would never accuse him of being biased and providing funds for his relatives. In the same manner, I accept his admission that this Congress has not committed any pork barrel and therefore, Senator Lacson is way off the mark and the allegations in media are not true.

Thank you.

THE DEPUTY SPEAKER (Rep. Escudero). Thank you.

The Majority Leader, we recognize now Majority Leader Rolando Andaya.

REP. ANDAYA. Thank you very much, Mme. Speaker.

Today is quite special. This is the second time for me as 18 years ago, the good Secretary also stood in the same place during a Question Hour, and I had the chance to talk to him last time. What a coincidence, I was sporting the same haircut when that time happened 18 years ago. So, here we go again doing the same thing.

Mme. Speaker, these past two weeks have been very unique, shall we say. Last week, the honorable spokesman for the Palace has been saying that Congress should hurry up the budget, pass it on time, it is the President's budget, with our good Secretary, the head of the DBCC, scaring everyone into thinking that we will have an economic slowdown if we do not pass the budget. However, just recently, the presidential spokesperson finally said that Congress now is allowed to scrutinize the budget, that we are allowed to take our time. What a sudden change. Even the Senate seems to be very confused with the messages of our economic managers. First, they said that we need to extend our session to December 19 to pass it; then they agreed to extend it to December 14 to pass it. Now, they said January is okay and today, February will still be okay. Probably, they realized that all their arguments were hogwash, to say the least, Mme. Speaker. If you look at the budget for 2018, it is actually bigger than 2019, so, if you reenact the budget, then it is bigger. Is that not better? Simple logic dictates that is better. The good Secretary himself said that large-ticket projects in the Build, Build, Build program are covered by a MYOA or Multi-Year Obligational Authority. There is no need for a budget, so, walang problema. There were scare tactics na iyong mga salary increases daw ay hindi mangyayari kung walang bagong budget. Kalokohan iyan.

If you recall, Mme. Speaker, the first tranche of the salary increase of uniformed personnel took effect this year. Do you see any specific line item for the increase in salaries? None. Paano nangyari? E, diniskartehan na lang ng ating DBM. Magaling e, nangyari iyon. So, kung gusto mo, puwede. Hindi ba? Now, during the term of our good Secretary, as I recall, in 2000, the budget was passed in February, am I not correct?

SEC. DIOKNO. That is correct, Your Honor.

REP. ANDAYA. Did the earth, did the heavens crash?

SEC. DIOKNO. There was a slowdown, Your Honor.

REP. ANDAYA. Yes, because you did not have the guts to raise revenues, am I correct?

SEC. DIOKNO. That was 20 years ago, Your Honor, I cannot recall.

REP. ANDAYA. Yes, yes, yes, yes, yes. You cannot recall precisely, but I do recall. In 2007, the budget was passed in March, but the first quarter growth was 6.9 percent and the second quarter growth was a mind-boggling 8.3 percent. So, I really do not know where they were getting that argument, Mme. Speaker. What will really slow down, and this will really happen, is that mayroon tayong utang ngayon sa lahat ng mga departments at hindi mabayaran ngayon ng DBM, around P100 billion. Would I be correct, Mr. Speaker?

SEC. DIOKNO. I have to check the number, Your Honor.

REP. ANDAYA. I will refresh your memory. In your last DBCC meeting in October, you already have overspent P20 billion, am I correct?

SEC. DIOKNO. That is correct.

REP. ANDAYA. Yes, in October.

SEC. DIOKNO. That is what I am saying, that we were not underspending.

REP. ANDAYA. That was in October and yes, I am not saying that you were underspending.

SEC. DIOKNO. Yes.

REP. ANDAYA. I am saying that you have overspent tremendously. Let me read to you the statement of Usec Cabral yesterday and I am just referring to the DPWH. Ang sabi niya, "As of November, mayroon po kaming ibinigay sa DBM na P44 billion na utang sa mga contractor." Ang tanong ko, mabayaran pa? Ang sagot sa akin niya, "Sir, as of now, wala pa po kaming tinatanggap na cash. Ang sabi po sa akin ng mga contractor, pa-cash-based, cash-based budget pa kayo pero wala naman pala kayong cash."

So, is it not true, Mme. Speaker, that at the end of the year, we will have utang? There is no other way to say it. Hindi mabayaran iyong contractors ng buong national government, to the tune of P100 billion.

SEC. DIOKNO. What I recall, Your Honor, from our conversation with ...

REP. ANDAYA. Yes.

SEC. DIOKNO. ... Usec Cabral was that I was talking of P20 billion,...

REP. ANDAYA. By October.

SEC. DIOKNO. ... not P40 billion, as you said.

REP. ANDAYA. We are now in December. I talked to her yesterday.

SEC. DIOKNO. We have not exceeded yet our deficit level, Your Honor.

REP. ANDAYA. Yes, because you will end up with a deficit of 3.8.

SEC. DIOKNO. No, no, we will end with a 3.0 as promised.

REP. ANDAYA. Oh, I doubt it.

SEC. DIOKNO. As promised.

REP. ANDAYA. You will end up with a 3.3 if you do not pay the P100 billion. On that, we are in agreement.

SEC. DIOKNO. I have not seen the P100 billion, Your Honor.

REP. ANDAYA. Well, I am telling you now. As the head of the DBCC now, if you do not see it at this point in time, then you have a problem.

SEC. DIOKNO. We have two weeks to go, Your Honor, before the end of the year.

REP. ANDAYA. Yes. Do you mean to tell me that you would be paying it off in two weeks?

SEC. DIOKNO. We have two weeks to go and we have not yet reached the deficit level, Your Honor.

REP. ANDAYA. Yes. So you have admitted to me now that you owe P100 billion to contractors?

SEC. DIOKNO. We do not—I do not know that for a fact.

REP. ANDAYA. See? You can pay for it, but you do not know how much you are paying for. So, let me go now to the next topic.

SEC. DIOKNO. Let me just or could I make a statement here? Earlier, Congressman Andaya mentioned that this was the second time that I was here on the podium.

REP. ANDAYA. You want to go through that?

SEC. DIOKNO. Yes.

REP. ANDAYA. You really want to go through that?

SEC. DIOKNO. That is not true, Your Honor. This is my first time in the Question Hour.

REP. ANDAYA. No.

SEC. DIOKNO. The first time was when the House constituted itself into a Committee of the Whole and I was defending the budget.

REP. ANDAYA. But is it not...

SEC. DIOKNO. That is just an information.

REP. ANDAYA. Why do you think we constituted into a Committee of the Whole?

SEC. DIOKNO. For me to defend the budget, Your Honor.

REP. ANDAYA. Because you could not explain to them what was going on. You know, because they could not understand what was going on. It is the same thing that is happening now.

SEC. DIOKNO. No, no, because...

REP. ANDAYA. You really want to go through that route? I remember I asked you before, flat out, when you assumed as DBM Secretary. Do you remember that during the time of President Ramos, he imposed a budgetary reserve of 25 percent? Do you remember that?

SEC. DIOKNO. I remember that.

REP. ANDAYA. Yes, and the first question I asked you, “How much money is in the reserve control account.” What was the answer you gave me straight to my face?

SEC. DIOKNO. I do not remember.

REP. ANDAYA. You do not remember, but I do remember.

SEC. DIOKNO. That was 20 years ago, Your Honor.

REP. ANDAYA. Yes, I remember. You said, “Nothing.” It is zero when in reality, there were billions. Would you confirm that? You put it in an account called “Reserve Control Account.”

SEC. DIOKNO. It is the Treasury that knows ... how much reserve we have.

REP. ANDAYA. No, but you put it in an account called “Reserve Control Account.” Am I correct?

SEC. DIOKNO. We had such an account at that time, Your Honor.

REP. ANDAYA. So, you had it? But you said none.

SEC. DIOKNO. Reserve Control Account

REP. ANDAYA. You said none when we were asking you flat out then.

SEC. DIOKNO. May I answer your earlier question on the...

REP. ANDAYA. So, we are going back again?

SEC. DIOKNO. ... fact of the deficit.

THE DEPUTY SPEAKER (Rep. Escudero). May I remind the good Gentlemen to talk one at a time.

REP. ANDAYA. No, no, no. I think that answer was already clear.

SEC. DIOKNO. No, Your Honor.

REP. ANDAYA. The answer was clear already. Let us move on to the next question. It means to say, Mme. Speaker, if you are holding back that you have overspent this year, this totally screws up your budget assumptions for next year because you will be paying off debts for this year next year. So, next year, the cash program will be totally off and therefore, this renders the Cash-Based Budget system useless. Am I correct?

SEC. DIOKNO. That is not true, Your Honor. What will happen, because there is a move now by Congress to extend the life of the 2018 budget,...

REP. ANDAYA. No, no, no.

SEC. DIOKNO. ...what will happen is any amount—and we are going to extend only the Capital Outlays.

REP. ANDAYA. We? Who are “we”?

SEC. DIOKNO. Any amount that will be extended to 2019 will have to bump some of the 2019 appropriations.

REP. ANDAYA. Ngayon, “we” na tayo?

SEC. DIOKNO. Yes.

REP. ANDAYA. The first time we proposed that, you did not agree. Now, you...

SEC. DIOKNO. You have to bump off.

REP. ANDAYA. It is “us” now— asking for our help to help you.

SEC. DIOKNO. No, no.

REP. ANDAYA. That is your proposal, say, one year and a half or one year?

SEC. DIOKNO. That is the...

REP. ANDAYA. One year and a half or one year?

SEC. DIOKNO. One year and a half.

REP. ANDAYA. No, it says one year. Do not give me wrong answers, please. It insults the intelligence of everyone here. It says one year.

SEC. DIOKNO. What are we talking about?

REP. ANDAYA. So, you forgot. Let us move on to another question.

THE DEPUTY SPEAKER (Rep. Escudero). May I remind the two Gentleman to please talk one at a time and to address the Chair.

Thank you.

REP. ANDAYA. Apparently, he forgot the question. Let us move on.

The next point, who has control over savings?

SEC. DIOKNO. Savings are declared by the individual agencies, Your Honor.

REP. ANDAYA. Yes.

SEC. DIOKNO. Then they come to us and say that they want to use the savings.

REP. ANDAYA. Yes, but the question is, who controls it? Who is the person that controls it?

SEC. DIOKNO. They ask us. If they want to augment an item, they go to the Office of the President.

REP. ANDAYA. No, no, no. Who controls the savings, not the one who receives the savings. Who controls where it goes?

SEC. DIOKNO. The DBM.

REP. ANDAYA. Yes. It is so hard to get an answer. Now, do Members of Congress get a report on where

and when these projects are released? As you have said now, we can do anything with the budget.

SEC. DIOKNO. With the OP's approval, Your Honor.

REP. ANDAYA. No, wait—no, no, no.

SEC. DIOKNO. The question is, the use of savings...

REP. ANDAYA. I am not asking ...

SEC. DIOKNO. ...requires the OP's approval, Your Honor.

REP. ANDAYA. You really want to go that route?

SEC. DIOKNO. Yes, sure.

REP. ANDAYA. Okay. The question is, first, who decides where it goes?

SEC. DIOKNO. Well, it is the Office of the President, Your Honor.

REP. ANDAYA. The Office of the President.

SEC. DIOKNO. We augment an ...

REP. ANDAYA. No, no. I am just asking ...

SEC. DIOKNO. As a result of the Supreme Court decision, we augment only items in the budget.

REP. ANDAYA. Okay.

SEC. DIOKNO. We cannot augment a nonexistent item.

REP. ANDAYA. I am not asking about the augmentation. I am asking, who signs for the release of savings? Therefore, that person controls savings.

SEC. DIOKNO. I doubt the proper procedure, Your Honor,...

REP. ANDAYA. I am not asking for the procedure, Mme. Speaker, but I am asking for the person.

SEC. DIOKNO. No, no. I send a memo to the President for the use of savings.

REP. ANDAYA. We understand that, Mme. Speaker. I am asking for the person who signs it.

SEC. DIOKNO. I sign the ...

REP. ANDAYA. Then, you sign it.

SEC. DIOKNO. Okay. I send a request to the President.

REP. ANDAYA. You sign it.

SEC. DIOKNO. When the President approves it, then I sign it again.

REP. ANDAYA. Okay.

SEC. DIOKNO. It is the President ...

REP. ANDAYA. We will get there. You keep on dropping the name of the President. We will get there. How many times have you declared savings over the year 2018?

SEC. DIOKNO. I have no idea.

REP. ANDAYA. You have no idea?

SEC. DIOKNO. In fact, I asked for an extension of this invitation, but you did not give it.

REP. ANDAYA. You do not want to answer the question. You are free to...

SEC. DIOKNO. Because I want to have a complete list.

REP. ANDAYA. No, you can decline if you want. It is not our problem.

SEC. DIOKNO. By the way, on the fund status,...

REP. ANDAYA. There is no question yet, Mme. Speaker.

SEC. DIOKNO. ...we submit a quarterly report.

REP. ANDAYA. No.

SEC. DIOKNO. You know exactly how many times we have used savings.

REP. ANDAYA. Since you have submitted to me, why can you not tell me now how many times have you declared savings?

SEC. DIOKNO. Because I have not collated all of them, Your Honor, ...

- REP. ANDAYA. Let me refresh your memory then.
- SEC. DIOKNO. ... because of time constraint.
- REP. ANDAYA. Since you do not know, may I refresh your memory.
- SEC. DIOKNO. Okay.
- REP. ANDAYA. I talked to Secretary Cabral yesterday and she said, "No less than five times." You do not know?
- SEC. DIOKNO. Maybe.
- REP. ANDAYA. Maybe?
- SEC. DIOKNO. Yes.
- REP. ANDAYA. Six times?
- SEC. DIOKNO. No. I am aware of ...
- REP. ANDAYA. Six times?
- SEC. DIOKNO. ...three times, Your Honor.
- REP. ANDAYA. Three times?
- SEC. DIOKNO. Three times.
- REP. ANDAYA. She said five.
- SEC. DIOKNO. Who is this?
- REP. ANDAYA. The Assistant Secretary of the Department of Public Works and Highways.
- SEC. DIOKNO. Maybe so.
- REP. ANDAYA. All right. Now, would have an idea on how much this is?
- SEC. DIOKNO. As I said, Your Honor, I did not have the time to collate all these.
- REP. ANDAYA. Yes, so, I will give you an amount.
- SEC. DIOKNO. I will submit it to you in writing in a week's time, Your Honor.
- REP. ANDAYA. No need for it. I know it. Shall we say around P50 billion?
- SEC. DIOKNO. As I said, I will submit a written report in a week's time, Your Honor.
- REP. ANDAYA. Okay. It is P50 billion.
- SEC. DIOKNO. Okay.
- REP. ANDAYA. The P50 billion savings from the Department of Public Works and Highways, part of it plows back to the said Department. Am I correct?
- SEC. DIOKNO. That is correct.
- REP. ANDAYA. That is correct. Is the Public Works Department consulted when savings is plowed back to them, considering that they are the ones who do the vetting of the projects and they know the priorities?
- SEC. DIOKNO. They are consulted, Your Honor.
- REP. ANDAYA. No, they are not.
- SEC. DIOKNO. No, they are consulted.
- REP. ANDAYA. They are not.
- SEC. DIOKNO. We have ...
- REP. ANDAYA. Do you want me to read the transcript? Secretary Cabral says that it just plows back to them without being consulted.
- SEC. DIOKNO. Secretary Cabral...
- REP. ANDAYA. Usec Cabral.
- SEC. DIOKNO. ...does not speak for the Department.
- REP. ANDAYA. Well, she did for that particular...
- SEC. DIOKNO. All right. Yes, it is Secretary Mark Villar who speaks for...
- REP. ANDAYA. Yes, and Secretary Mark Villar agreed to the statement.
- SEC. DIOKNO. Okay.
- REP. ANDAYA. All right. So, they have no idea on what is coming back to them.
- SEC. DIOKNO. Yes.
- REP. ANDAYA. Now, the question is, who placed the DPWH now in choosing which projects should be released from savings? Who is now the pseudo-DPWH Secretary?

SEC. DIOKNO. Well, as I said, we made the request to use the savings to the Office of the President, then it goes back to the DPWH.

REP. ANDAYA. No. The question is, who decides which of these projects will be released?

SEC. DIOKNO. It comes from many sources, Your Honor.

REP. ANDAYA. No, I am not asking for the source. I am asking who decides what projects will be released?

SEC. DIOKNO. It is the Office of the President, Your Honor.

REP. ANDAYA. Really?

SEC. DIOKNO. Yes.

REP. ANDAYA. You really want to go that route?

SEC. DIOKNO. Yes.

REP. ANDAYA. Okay. When does the President specifically know each and every project...

SEC. DIOKNO. He does not.

REP. ANDAYA. ...that is released from savings?

SEC. DIOKNO. Your Honor, he does not.

REP. ANDAYA. When would he know? That is the question.

SEC. DIOKNO. He does not specifically know, but he has his own Executive Secretary,...

REP. ANDAYA. Iyan, so, he does not know.

SEC. DIOKNO. ... the Office of the Secretary.

REP. ANDAYA. So, stop name-dropping the Office of the President.

SEC. DIOKNO. I have no idea what is going on in that office, right.

REP. ANDAYA. So, you do not know now?

SEC. DIOKNO. You have the PMS. You have the Office of the Executive Secretary. You have the Office of the Cabinet Secretary. They come to us and they put them together.

REP. ANDAYA. Which is it? Do you know or do you not know?

SEC. DIOKNO. We put them together.

REP. ANDAYA. So, you do not know?

SEC. DIOKNO. We know that it comes from the Office of the President.

REP. ANDAYA. No. You keep on name-dropping the Office of the President. I ask you now, when does the President, the head of the Office of the President, know each and every detail of the releases from savings?

SEC. DIOKNO. He does not.

REP. ANDAYA. When?

SEC. DIOKNO. He does not know every detail,...

REP. ANDAYA. He does not know?

SEC. DIOKNO. ... but it comes from the Office of the President.

REP. ANDAYA. He does not know.

SEC. DIOKNO. But it comes from the Office of the President.

REP. ANDAYA. Who is the head of the Office of the President?

SEC. DIOKNO. The Office of the Executive Secretary, Your Honor.

REP. ANDAYA. So, you are telling me now it is the Office of the Executive Secretary.

SEC. DIOKNO. No.

REP. ANDAYA. Executive Secretary Medialdea now is the one releasing these projects?

SEC. DIOKNO. No, there are requests coming...

REP. ANDAYA. See.

SEC. DIOKNO. ...from the Office of the President.

REP. ANDAYA. There are requests coming from the Office of the President, so, it places public works now? Is that what you are trying to tell me?

SEC. DIOKNO. The President's budget is his budget.

REP. ANDAYA. Oh, here we go again with that. You really want to go that route again?

SEC. DIOKNO. The President's budget is his budget.

REP. ANDAYA. You want to go to that route?

SEC. DIOKNO. Sure.

REP. ANDAYA. Okay, let us talk about the President's budget. You know, I personally talked to him about that P51 billion.

SEC. DIOKNO. What P51 billion?

REP. ANDAYA. Your insertion.

SEC. DIOKNO. I have no insertion, Your Honor.

REP. ANDAYA. That was what Secretary Villar told me. I thought you said Secretary Villar is the authority in the Public Works Department. He told me that he did not know any of the P51-billion worth of projects inserted in the Department of Public Works and Highways budget. He asked for 488, you gave him a ceiling of 488, and lo and behold, there was an additional P51 billion, which no one now claims. The said Department did not ask for it, and the DBM submitted that presidential budget to us; then, it could only have come plainly from you.

SEC. DIOKNO. May I answer, Your Honor?

REP. ANDAYA. Not yet. I am not yet finished.

SEC. DIOKNO. Okay.

REP. ANDAYA. Just to lay the predicate, since it is the President's budget, the President told me that he had nothing to do with it and that I should ask you. Then he asked who the big recipients in the budget were and I showed him. Do you know what he told me? "Do your job." Now, I am doing my job. So, what is this P51 billion insertion of yours all about?

SEC. DIOKNO. May I answer the question now?

REP. ANDAYA. Yes, please.

SEC. DIOKNO. The total proposal of the DPWH for the 2019 budget is P652 billion.

REP. ANDAYA. Yes.

SEC. DIOKNO. We approved the first tranche, P123.9 billion, and the second tranche, another P356 billion, for a total of P480.2 billion. Out of a request of P652 billion, we approved P480.2 billion. Now, because we want the infra budget or the infra to be higher, and we have fiscal space, we decided to augment or to add to the P480.2 billion, another P75 billion, and not P51 billion.

REP. ANDAYA. How much, P71 billion?

SEC. DIOKNO. It is P75 billion...

REP. ANDAYA. So, the insertions are worth P75 billion, okay.

SEC. DIOKNO. ... for a total of P555 billion.

REP. ANDAYA. Better.

SEC. DIOKNO. You cannot call that insertion because that is part of the process,...

REP. ANDAYA. Oh, it is the President's budget.

SEC. DIOKNO. ... because it is part of ...

REP. ANDAYA. The President's budget.

SEC. DIOKNO. ... the budget preparation process. There is no insertion.

REP. ANDAYA. The President's budget.

SEC. DIOKNO. That is correct.

REP. ANDAYA. That is correct, yes, but he does not know anything about it.

SEC. DIOKNO. Well, we submitted ...

REP. ANDAYA. So, where is the President's budget?

SEC. DIOKNO. ...the budget to the President, he approved the budget, and we submitted it here.

REP. ANDAYA. He approved the budget as you gave it to him.

SEC. DIOKNO. That is correct.

REP. ANDAYA. So, you are the President?

SEC. DIOKNO. No, we submitted the budget to the President.

REP. ANDAYA. How come he does not know anything about it?

SEC. DIOKNO. I think he knows about it.

REP. ANDAYA. So, he is lying to me, he is a liar.

SEC. DIOKNO. He knows what it is all about.

REP. ANDAYA. Oh, really. He just assumes he knows.

SEC. DIOKNO. His staff does not go through it line by line ...

REP. ANDAYA. So, he does not know?

SEC. DIOKNO. ... as any President does.

REP. ANDAYA. So, he does not know? But you know the details?

SEC. DIOKNO. That is the DPWH budget.

REP. ANDAYA. Now, hindi na naman.

SEC. DIOKNO. Okay. That is the DPWH budget.

REP. ANDAYA. Okay. So, in this whole tell-a-tale that we are having, it is clear now that the insertion is not P51 billion but P75 billion. Thank you very much for admitting the P75 billion, which the Department of Public Works and Highways does not have an idea where it came from. All right, I think your silence is yes. You have not only managed to overspend by around P100 billion, but it seems like you really do not care because as of December, you were still releasing projects, am I correct?

SEC. DIOKNO. We are still releasing ...

REP. ANDAYA. Yes, you are still releasing which again screws up your Cash-Based Budgeting system. Am I correct?

SEC. DIOKNO. We have to make payments, so, we have to release money.

REP. ANDAYA. I am not talking about payments.

SEC. DIOKNO. No, we are releasing the SARO and the NCA.

REP. ANDAYA. Yes.

SEC. DIOKNO. We do not disburse, it is the Treasury that is disbursing.

REP. ANDAYA. Yes, but you are releasing the SAROs now, December ha, as we speak, and in billions of pesos worth of infrastructure projects.

SEC. DIOKNO. Yes, that is correct.

REP. ANDAYA. That is correct, which no one knows where it is going.

SEC. DIOKNO. It is stated there.

REP. ANDAYA. Where is it?

SEC. DIOKNO. Where it is going.

REP. ANDAYA. Where?

SEC. DIOKNO. It is in the release document, Your Honor.

REP. ANDAYA. Where?

SEC. DIOKNO. It is in the release document.

REP. ANDAYA. The release document says various infrastructure projects. Where?

SEC. DIOKNO. The Department of Public Works and Highways.

REP. ANDAYA. Again, we throw it to the Department of Public Works and Highways. Who signs the SARO?

SEC. DIOKNO. I do.

REP. ANDAYA. Yes, but you do not know where it is going. Thank you very much.

One thing that struck me in your conversation with Congressman Suarez was, and this I admire you for, your so-called “what you see is what you get” catch phrase. Is it not true, Mme. Speaker, that you are the only Budget Secretary who was able to operate on one fiscal year, using three budgets all at the same time?

SEC. DIOKNO. That is—many...

REP. ANDAYA. Do you remember?

SEC. DIOKNO. Many Presidents have done that...

REP. ANDAYA. No.

SEC. DIOKNO. ... because it is a continuing process.

REP. ANDAYA. You are the only one who was able to do it in three years. I have done it in two years. Secretary Boncodin has done it in two years, but no one was able to do it using three budgets. Would you like me to refresh your memory and show you the resolution which you asked for? Am I correct?

SEC. DIOKNO. Please show.

REP. ANDAYA. So, what we see is not the entire picture. We only see one year, but we do not see the two years prior. So, where is the "what you see, is what you get" portion?

SEC. DIOKNO. It is the release of the current year's appropriations automatically.

REP. ANDAYA. Parang savings pala, ano?

SEC. DIOKNO. It is the release of the current appropriations.

REP. ANDAYA. I agree. It is the release of the current year appropriations, pero iyong bilyon-bilyon na savings from two previous years, no one sees it. Is that correct?

SEC. DIOKNO. No, everybody sees it.

REP. ANDAYA. Who sees it?

SEC. DIOKNO. The Commission on Audit, the line departments.

REP. ANDAYA. How do they see it? How does a regular person see it?

SEC. DIOKNO. For every release document, ...

REP. ANDAYA. Where?

SEC. DIOKNO. ...a copy is provided.

REP. ANDAYA. Where?

SEC. DIOKNO. The Commission on Audit ...

REP. ANDAYA. Where?

SEC. DIOKNO. ... is provided a copy.

REP. ANDAYA. Where?

SEC. DIOKNO. It is with the Commission on Audit. It is with the department.

REP. ANDAYA. Where?

SEC. DIOKNO. It is with the DBM. It is with the Office of the President.

REP. ANDAYA. When I asked you, where the Reserve Control Account was and how much it was, that was in one of those years, and you said "None." So, who will see it when you deny it?

SEC. DIOKNO. No, I did not deny that there is something, Your Honor.

REP. ANDAYA. You denied it.

SEC. DIOKNO. That there is an RCA.

REP. ANDAYA. Yet, you denied it.

SEC. DIOKNO. No, there was an account...

REP. ANDAYA. That is why I was inspired to study the budget...

SEC. DIOKNO. ...because I remember during that, Your Honor,...

REP. ANDAYA. ...because you lied flat out to my face...

SEC. DIOKNO. Your Honor, I remember that during the time of...

REP. ANDAYA. ...and that has inspired me. Thank you very much for inspiring me, Mme. Speaker. Thank you very much. Your answers are very, very telling. Thank you very much, and your opening speech about respect for Congress, it came three months late.

THE DEPUTY SPEAKER (Rep. Escudero). The Majority Leader is recognized.

SUSPENSION OF SESSION

REP. DEFENSOR. I move for a suspension of the session, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). The session is suspended.

It was 6:40 p.m.

RESUMPTION OF SESSION

At 6:41 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Escudero). The session is resumed.

The Majority Leader is recognized.

REP. DEFENSOR. Mme. Speaker, I would like to reiterate my motion that we recognize the Hon. Antonio “Tony” M. Bravo, PhD to interpellate.

THE DEPUTY SPEAKER (Rep. Escudero). The Hon. Tony Bravo is recognized.

REP. BRAVO (A.). Thank you, Mme. Speaker. Good afternoon to everyone. Will the good Secretary of the DBM yield to some questions from this Representation?

SEC. DIOKNO. Willingly, Your Honor.

REP. BRAVO (A.). Thank you. Mme. Speaker, I would like to take off from the issue on savings that was asked by the Majority Leader, and based on savings and augmentation, Mme. Speaker, it is an important budget issue, considering that these savings of departments and agencies run to more than half a billion pesos annually. So, there are questions that are hanging because we have not seen reports on relative savings, there are questions being posed on how savings is generated, how much has been generated and how was it used.

Prior to 2017, Mme. Speaker, the savings of the departments and agencies, as well as savings from Special Purpose Fund and the Automatic Appropriations, was beautifully reported and reflected in the chapter on Overall Savings in the National Expenditure Program. Since 2018, there has been no report on the savings and overall savings by the national government. Inquiries during budget deliberations had been met with promises or compliance of reports to be submitted, misdirection or even a flat-out denial of the existence of savings and it happened here in the Plenary that in one of my questions, one of the agencies said, “There is no savings.” So, we need to understand the utilization of savings because this is a huge fund, Mme. Speaker, Mr. Secretary.

To recall, again, to this honorable Body, in 2016, there was Unused Appropriations of P596,652,000,021. Mr. Secretary, Mme. Speaker, how much of this was declared as savings of the national government in 2016?

SEC. DIOKNO. Your Honor, there is a definition of savings here. Savings refer to portions or balances of any unreleased appropriations in the GAA which have not been obligated as a result of the following: a) completion, final discontinuance or abandonment of a program, activity or project for which the appropriation

is authorized; and b) implementation of measures resulting in improved systems and efficiencies and thus, enabled an agency to meet and deliver the required or planned targets, programs and services approved in the GAA.

REP. BRAVO (A.). I know the definition, Mme. Speaker.

SEC. DIOKNO. So, the budget has to be released first. If it is unreleased, you cannot have savings out of unreleased appropriations, Your Honor.

REP. BRAVO (A.). I agree with the definition, Mme. Speaker, distinguished Sponsor. My question is, how much was the overall savings generated in 2016 based on your definition?

SEC. DIOKNO. In 2016, a total of one billion pesos, yes.

REP. BRAVO (A.). In 2016?

SEC. DIOKNO. In 2016, yes, Your Honor.

REP. BRAVO (A.). A total of?

SEC. DIOKNO. It was P1,087,000,606.

REP. BRAVO (A.). Was that the general savings, the overall savings ...

SEC. DIOKNO. That was the overall ...

REP. BRAVO (A.). ... of the national government?

SEC. DIOKNO. That was the overall savings, Your Honor.

REP. BRAVO (A.). I will take note of that, one billion pesos.

SEC. DIOKNO. As I said, you can only have savings from the released appropriations.

REP. BRAVO (A.). I will take note of that, one billion pesos.

SEC. DIOKNO. One billion pesos.

REP. BRAVO (A.). So, that is one point?

SEC. DIOKNO. It was P1.1 billion.

REP. BRAVO (A.). So, P1.1 billion. Okay. In

2016, how much was disbursed by the DBM relative to augmentation?

SEC. DIOKNO. It was P1.1 billion, Your Honor.

REP. BRAVO (A.). So, P1.1 billion was disbursed by the DBM for augmentation. Will you please submit to this Body the SAROs issued in 2016?

SEC. DIOKNO. We will do that, Your Honor.

REP. BRAVO (A.). Yes, all of the SAROs that were issued for augmentation, okay. Let me proceed to 2017. How much was the total or overall savings generated by the national government in 2017, again, anchored on the same definition?

SEC. DIOKNO. The total savings in 2017, was P10 billion, but the same amount was used to augment the Contingent Fund, Your Honor.

REP. BRAVO (A.). On the same matter, can you please submit to this Body the SAROs on the disbursement, to include all SAROs that were used for augmentation?

SEC. DIOKNO. Yes, Your Honor.

REP. BRAVO (A.). Thank you. Let me proceed to 2018. How much savings was generated in 2018?

SEC. DIOKNO. For 2018, as of November 30, the total savings was P2.897 billion, but we used that to augment the NDRRMC, Your Honor.

REP. BRAVO (A.). The P2.8 billion?

SEC. DIOKNO. Yes, the P2.897 billion.

REP. BRAVO (A.). So, how can we reconcile the statement of the DPWH that it has already generated P44 billion, Mme. Speaker?

SEC. DIOKNO. Much of their savings, they used it themselves, Your Honor. It was used to augment their existing projects, Your Honor.

REP. BRAVO (A.). I have here a copy, Mme. Speaker, distinguished Secretary, a letter coming from no other than the Secretary, dated April 6, 2018, and it says:

Dear Secretary Diokno:

Pursuant to Section 68 of the General Provisions on Republic Act No. 10964 or the Fiscal Year 2018 General Appropriations Act,

we are respectfully submitting for withdrawal the unobligated allotments/balances of the Central Office, UPMO, regional and district implemented projects nationwide in the amount of P3,734,760,345.04 x x x.

This seems not to coincide with ...

SEC. DIOKNO. No. To be accurate, Your Honor, he, in fact, generated such savings of P3.7 billion, but he used up the same amount to augment existing programs within his department, Your Honor.

REP. BRAVO (A.). This was released ...

SEC. DIOKNO. May 18, 2018, right? The OP approval was May 18, 2018 on the use of savings.

REP. BRAVO (A.). You mentioned a while ago that you control the release of savings. Am I correct?

SEC. DIOKNO. As I said, but we have to go through the process. It is really the Office of the President that approves the use of savings.

REP. BRAVO (A.). And your office had released several SAROs that augmented deficient appropriations in 2018. Am I correct?

SEC. DIOKNO. That is correct, Your Honor.

REP. BRAVO (A.). And the releases happen in the months of October until December. Am I correct?

SEC. DIOKNO. Yes, I see here, May 18—these were the dates of the approval of the Office of the President: May 18, August 23 and October 31, Your Honor.

REP. BRAVO (A.). And there were still releases of funds to augment deficient appropriations for the month as of December 5.

SEC. DIOKNO. It was possible, Your Honor, yes.

REP. BRAVO (A.). For 2018.

SEC. DIOKNO. For 2018.

REP. BRAVO (A.). So, just one week ago. Am I correct?

SEC. DIOKNO. Yes, Your Honor.

REP. BRAVO (A.). Please submit to this Body the documents that are attached to the release of the SARO

because you just mentioned a while ago, Mr. Secretary, Mme. Speaker, that in the augmentation or use of savings, there are procedures that need to be complied with and there are documents that need to be attached to the processes.

SEC. DIOKNO. That is correct. You can only augment an existing item in the budget, Your Honor.

REP. BRAVO (A.). Yes.

SEC. DIOKNO. Okay. That is the DAP rule.

REP. BRAVO (A.). There are documents that need to be attached to such use before the amount could be released. Am I correct?

SEC. DIOKNO. That is correct, Your Honor.

REP. BRAVO (A.). So, we need that document, Mme. Speaker, Mr. Secretary, and you assured us that you are going to submit the same.

SEC. DIOKNO. Yes, Your Honor. By the way, the DBM regularly submits a report on a quarterly basis and this is contained therein. Okay. We submit it to both Houses of Congress; the DBM, of course; and the Commission on Audit. The report includes information on releases; savings, if any; and the amounts for the items augmented. So, there is a report, Your Honor.

REP. BRAVO (A.). So, I would like to request for a copy of the report because I really wonder, Mme. Speaker, Mr. Secretary, because years 2016 and 2017 ended already and yet, there was no reflection in terms of the report in the National Expenditure Program on the appropriations and obligations on the savings that was generated. You can see the report as reflected in the National Expenditure Program under the appropriations and obligations, if that is in any report, that is why ...

SEC. DIOKNO. The report, Your Honor, was submitted to the Office of the Speaker, and then, I guess, he sent it to the Committee on Appropriations.

REP. BRAVO (A.). This is only the first time, Mr. Secretary, Mme. Speaker, that in a particular year of expenditure ...

SEC. DIOKNO. But, you know, that is required under the General Appropriations Act, to report out all the requirements.

REP. BRAVO (A.). Yes and that is why it is a requirement but I have not seen it in the report. It is only for year 2016. In 2017, during your time as Budget

Secretary of this new administration or the Duterte administration, since 2002 up to 2015, there were reports reflected in the National Expenditure Program for only this year, that is why I am curious on what is happening.

SEC. DIOKNO. I will send you the reports, Your Honor.

REP. BRAVO (A.). So, we are assured that a complete report will be submitted, to include supporting documents that, indeed, the use of savings was authorized because the DBM cannot just use the savings without authority coming from the President. Am I correct?

SEC. DIOKNO. We regularly submit a report, Your Honor, in accordance with the General Provisions.

REP. BRAVO (A.). What I am asking is, the regularity and the use of savings, and the DBM cannot just use savings, whether it is declared as savings of any agency, without authority from the President.

SEC. DIOKNO. For example, I have here a copy of the report we submitted to Speaker Pantaleon Alvarez, dated July 12, 2018, Your Honor, on a quarterly basis.

REP. BRAVO (A.). Then why is it that there was no report reflected in the National Expenditure Program relative to the appropriations and obligations on the savings? So, was it intentionally done or was it inadvertently omitted?

SEC. DIOKNO. We submitted ...

REP. BRAVO (A.). It is not the Speaker who will report. It should be the DBM.

SEC. DIOKNO. We submit to you a quarterly report, and that is also contained in the BESF, Budget of Expenditures and Sources of Financing, the use of savings and how much we have saved for a particular calendar year, Your Honor.

REP. BRAVO (A.). Yes, but I have not seen in the report an overall savings, in particular, for years 2016 and 2017. That is why I am stressing that.

SEC. DIOKNO. Okay.

REP. BRAVO (A.). So, we will be expecting a comprehensive report on the matter, Mme. Speaker, distinguished Secretary.

SEC. DIOKNO. Yes, Your Honor.

REP. BRAVO (A.). There are still Members who would want to ask questions, Mme. Speaker. I wish to proceed to the next topic, but since the Chair is giving me a signal that it is time, I will yield to the next interpellator. But I would like to request the good Secretary that, aside from those reports relative to savings, to look into the implementation of agencies relative to the centrally managed items and lump sums that are still in existence.

Thank you, Mme. Speaker. Thank you po, Mr. Secretary.

THE DEPUTY SPEAKER (Rep. Escudero). The Majority Leader is recognized.

REP. DEFENSOR. Mme. Speaker, may we now recognize the Hon. Carlos Isagani T. Zarate.

THE DEPUTY SPEAKER (Rep. Escudero). The Honorable Zarate is recognized and I give him 10 minutes to interpellate.

REP. DEFENSOR. If the Gentleman—may we know if...

THE DEPUTY SPEAKER (Rep. Escudero). Majority Leader, I think Congressman Zarate is—okay.

REP. DEFENSOR. He is now here, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). The Honorable Zarate is now recognized. You have 10 minutes to interpellate.

REP. ZARATE. Thank you, Mme. Speaker. Good evening, Mr. Secretary.

SEC. DIOKNO. Good evening, Your Honor.

REP. ZARATE. My question will also be a follow-up on the questions earlier, but I will be discussing more the issue of lump sums still in our budget. Mme. Speaker, by way of a background, lump-sum appropriations, in budget parlance, can really readily be identified when the item has no specific area as to where a particular project will be implemented, like the particular region, province or district, or even the city or municipality or barangay. While our General Appropriations Act is now being considered as the allotment order, lump sum appropriations are not covered by this policy. Section 3 in both the 2018 General Provisions and the proposed General Provisions for the 2019 GAA provides the following provision:

Sec. 3. The GAA as the Allotment Order. The GAA, upon its effectivity, shall be considered the allotment authorizing agencies to obligate in accordance with its provisions, except for the following:

(a) Appropriations that by virtue of law, general or special provisions, and rules and regulations have conditions or requirements before their release;

(b) Lump-sum appropriations in the agency budget and special purpose funds that have no details necessary for release; and

(c) Those requiring a Special Budget under the general and special provisions of this Act. In the case of automatic appropriations, the allotment order shall be issued by the DBM upon compliance with the conditions provided by law. The DBM shall identify the items of appropriations in the GAA which are not covered by the above allotment order and submit a copy thereof to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance.

In relation to this provision, Mme. Speaker, Section 66 of the 2018 General Appropriations Act, General Provisions, states:

Release of lump-sum appropriations shall be made upon compliance with the requirements under the applicable general and/or special provisions and submission by the agency concerned of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, copy furnished the House Committee on Appropriations and the Senate Committee on Finance. The Special Budget shall include the complete details of the programs, activities and projects covering lump-sum appropriations with the corresponding cost up to the lowest level i.e., provincial, city or municipal level, as the case may be.

The special budget shall include the complete details of the programs, activities and projects covering lump-sum appropriations with the corresponding cost up to the lowest level, meaning provincial, city, municipal level, as the case may be. My first question now, Mme. Speaker, Mr. Secretary, is, how much is the total amount of lump-sum appropriations in the regular budgets of line departments and agencies under our 2019 National Expenditure Program?

SEC. DIOKNO. I am not aware of—there are Special Purpose Funds which include the Budgetary

Support to Government Corporations, Contingent, Miscellaneous Personnel Benefits Fund, et cetera, that is about P491.5 billion, Your Honor.

REP. ZARATE. So, P491.5 billion.

SEC. DIOKNO. It does not include, for example, the Internal Revenue Allotment which, as you know, is automatically appropriated, which is about P522.8 billion.

REP. ZARATE. Yes. So, aside from the Internal Revenue Allotment and other automatic appropriations, we have P491.5 billion in lump sums in the 2019 budget.

SEC. DIOKNO. Okay, so if you include the Special Purpose Funds, which you mentioned, it is P491.5 billion, and then if you include the automatic appropriations, that is about P980.8 billion, okay. That includes the IRA and, of course, the interest payments, the net lending, et cetera.

REP. ZARATE. Thank you, Mr. Secretary, Mme. Speaker. How about the total amount allotted to those classified as centrally managed items or CMIs, Mr. Secretary, Mme. Speaker? How much is the total amount of this particular fund?

SEC. DIOKNO. We do not have that here right now but I will provide you, Your Honor, in writing, if you do not mind.

REP. ZARATE. Please do so.

SEC. DIOKNO. Okay.

REP. ZARATE. Next, so, you mentioned earlier that the SPF alone is P491.5 billion.

SEC. DIOKNO. That is correct, Your Honor.

REP. ZARATE. Now, for the lump-sum appropriations under the SPF, did you consider, Mr. Secretary, Mme. Speaker, the actual obligations of these items in the previous years in relation to the amounts allocated to these items for Fiscal Year 2019?

SEC. DIOKNO. They are mostly disbursed, Your Honor. There is a very high utilization rate.

REP. ZARATE. There is a very high utilization rate?

SEC. DIOKNO. Yes, utilization rate. For example, this Miscellaneous Personnel Benefits Fund is for

positions created and is not transferred to departments. So, more or less, this is highly utilized, Your Honor. The IRA, the allocation to local government units, that is usually used up. The Contingent Fund is usually used up. The NDRRMC, sometimes, in fact oftentimes, we have to augment the NDRRMC because of a series of typhoons, Your Honor.

REP. ZARATE. Thank you, Mr. Secretary. So, for example, the MPBF, do you have the exact percentage of utilization of the MPBF?

SEC. DIOKNO. Right now, it is 82.9 percent utilized—percent of releases over our program—and that is about P99 billion, Your Honor.

REP. ZARATE. So, this is for 2018.

SEC. DIOKNO. That is correct, Your Honor.

REP. ZARATE. Yes, correct, and because it has 82.9 percent utilization, for 2019, how much is our MPBF?

SEC. DIOKNO. The total amount for Miscellaneous Personnel Benefits Fund is P99.5 billion, as I mentioned earlier. The balance, to date, is about P17 billion, Your Honor. For 2019, we proposed a much lower amount of P51.6 billion, Your Honor.

REP. ZARATE. So, P51.6 billion. How is that when you said that the utilization rate of the MPBF is as high as 82 percent of the P99.5 billion and for next year, you will only allocate P51.6 billion?

SEC. DIOKNO. We have already transferred the amounts to the respective departments like DepEd, Department of Health, because much of this amount is for the salary adjustment, Your Honor.

REP. ZARATE. Okay. Thank you, Mr. Secretary. My next question—you will remember, of course, that in 2013, the Supreme Court pointed out in its PDAF ruling that an item of appropriation must be an item characterized by a singular correspondent, meaning, an allocation of a specified singular amount for a specified singular purpose. That is what the Supreme Court said. As the head of the DBM, the leading agency in the crafting of our national budget, how would you interpret this particular ruling of the Supreme Court in that PDAF case?

SEC. DIOKNO. As I said, these budgets—2017, 2018, 2019—are all compliant with the Supreme Court ruling, Your Honor.

REP. ZARATE. Which means?

SEC. DIOKNO. Which means, you will not find any appropriations here that will violate the definition as stated by the Supreme Court.

REP. ZARATE. Thank you, Mr. Secretary. So, in relation to that definition/ruling of the Supreme Court, would you enlighten us again, Mr. Secretary, on your definition of lump sum appropriations, being the head of the DBM?

SEC. DIOKNO. Lump-sum appropriations, Your Honor, are for purposes of addressing some contingencies that we still do not know in the course of the fiscal year. Let us say we are talking of next year, we do not know exactly how many typhoons, earthquakes, et cetera, will hit us. So, that is the nature of the Contingency Fund. The Miscellaneous Personnel Benefits Fund is a contingency for the number of positions to be created. The Pension and Gratuity Fund, we get this from those who signified their intention to retire next year. Some of them do not, some of them retire. So, this is just an estimate and some of this allocation to local government units is by law. For example, the special shares of LGUs in the proceeds of national taxes, that is defined by law.

REP. ZARATE. Okay. Are you saying, Mr. Secretary, Mme. Speaker, that lump sums before the PDAF ruling in 2013 no longer exist in the present budget?

SEC. DIOKNO. That is correct, Your Honor.

REP. ZARATE. Thank you, Mr. Secretary. Section 66 of the General Provisions of the 2018 GAA requires the issuance of a Special Budget for the release of lump-sum appropriations. My question now, Mr. Secretary, is, how do you define Special Budget, because it is required under the Special Provisions. Also, why is there a need for this Special Budget for the release of lump-sum appropriations?

SEC. DIOKNO. The Special Budget would show exactly how the amount being requested will be used. Sometimes, we even require a feasibility study, detailed engineering, and so on and so forth. So, we do not just release money without knowing exactly how it will be utilized.

REP. ZARATE. In fact, from the same provision of Section 66, the following can be found:

The Special Budget shall include the complete details of the programs, activities and projects covering the lump sum appropriations with the corresponding cost up to the lowest level, meaning, province, city, municipal, as the case may be.

So, in interpreting this particular provision, am I right, Mr. Secretary, to assume that projects with description like “Concreting of Local Road in Pangil, Laguna,” which can be found on page 1,643 in the details of the DPWH budget, is not a line item but a lump-sum appropriation? Can you confirm that, Mr. Secretary?

SEC. DIOKNO. If it is a line item in the DPWH budget, then it is not a lump-sum appropriation, Your Honor.

REP. ZARATE. Well, ...

SEC. DIOKNO. If it is a line item in the DPWH budget—if it is part of the lump sums that we are talking about, then we require a specific description and not only description, but also detailed information about the cost, et cetera.

REP. ZARATE. Thank you, Mr. Secretary. So, can you confirm whether or not this particular entry, “Concreting of Local Road in Pangil, Laguna,” which is without the details as to how or what particular area, is a line item or this is a lump-sum appropriation?

SEC. DIOKNO. I assume, Your Honor, that the DPWH would have the details when they included that item in their budget.

REP. ZARATE. That is why I am asking, Mr. Secretary, because it is now part of the budget. How is this being interpreted by your Department when there is a particular amount with a description like “concreting of local road in Laguna” without really specifying which part of Laguna? As required in Section 66, it must contain all the details, et cetera. Now, in relation to that, there is also an item ...

SEC. DIOKNO. Usually, Your Honor, when they come to us, they would have the detailed information about a particular project. So, we do not want to make this budget documents lengthy, too lengthy, so we allow that. But those are line items and they are supported by documents submitted by DPWH.

REP. ZARATE. Thank you, Mr. Secretary. Our understanding is, when we say “line item,” it should be very specific. I will cite another item in page 938. Again, this can be found in the details of the DPWH Program for the 2018 GAA. It says, “EDSA Rehabilitation/Improvement Including Other Major Roads in Metro Manila”. Can you consider that as a line item or a lump-sum appropriation, Mr. Secretary?

SEC. DIOKNO. That is a line item if it is under the budget of the DPWH, and we asked them to give us supporting documents, Your Honor.

REP. ZARATE. Are you saying that despite the caption or description “EDSA Rehabilitation/Improvement Including Other Major Roads in Metro Manila” with an amount, that this item is being specified as submitted by the DPWH?

SEC. DIOKNO. If it is not supported with documents, then that is a lump sum, but if it is supported...

REP. ZARATE. And you call this a lump sum, or this is a line item?

SEC. DIOKNO. It is a line item under the DPWH as long as they support it with detailed information...

REP. ZARATE. Thank you, Mr. Secretary.

THE DEPUTY SPEAKER (Rep. Escudero). Honorable Zarate, can you please wrap up.

REP. ZARATE. Yes, okay. May I inquire now, Mr. Secretary, are there lump sum items in the 2018 GAA and the proposed 2019 National Expenditure Program with the caption “For Comprehensive Releases”?

SEC. DIOKNO. No, Your Honor, there are no such things.

REP. ZARATE. Are you sure of that? There are no lump sum items that are labeled “For Comprehensive Releases,” for example, the 4Ps of the DSWD?

SEC. DIOKNO. Everything, Your Honor, that is not included in the Special Purpose Funds, they are comprehensively released.

REP. ZARATE. So, they are labeled “Comprehensive Releases” with a corresponding lump sum amount?

SEC. DIOKNO. Yes, Your Honor.

REP. ZARATE. Thank you.

SEC. DIOKNO. As I said, the General Appropriations Act itself is the release document.

REP. ZARATE. Okay. I have still other questions, but can I just go to this last item, Mme. Speaker. Under Table B-8 of the Regional Allocation in the NEP by Departments/Special Purpose Funds for Calendar Year

2018, the distribution of the government expenditure by region is reflected and under that report, one will find the inequitable distribution of funds by region, as I was reviewing that. Do you share the same observation, Mr. Secretary, that the distribution of funds is inequitable if you look at it from the National Capital Region down to the ARMM?

SEC. DIOKNO. Well, you cannot just look at it in one year and say that it is inequitable because you have to have a long, long view, Mme. Speaker, Your Honor. Because if in the past that particular region has already received so much assistance, then it makes sense that, maybe, for this year, it should have less. Also, we have 75 major projects, Mme. Speaker, Your Honor, that cut across regions. For example, the South Long Haul Project is about 625 kilometers of rail tracks. So how do you distribute that? Okay.

REP. ZARATE. At any rate, if you look at the summary of regional locations from 2016 to 2018, this administration has been advocating, for example, to devolve/equalize the budget, for almost two budgets now, as proposed by this administration. Ang nakikita pa rin natin ay hindi totoo na iyong budget natin ay, para sa lahat ng rehiyon, at least, equitably distributed. For example, in 2018, kung titingnan ho natin iyong budget natin, napakalaki pero 57.5 percent nito ay nasa national offices, nasa central office at nasa NCR. While CARAGA, for example, only gets 1.7 percent; ARMM, 1.3 percent; and Region IV-B, 1.9 percent. So, taliwas ito doon sa sinasabi nating reporma na ang ating budget ay kailangang ireporma din natin, that it will reflect na hindi lang ang nasa National Capital Region o nasa kalakhang Maynila ang pinaglalaanan ng budget dahil mas malala ang kahirapan natin sa rehiyon.

Thank you for entertaining my questions. If there is a second round, we will just appear on the second round.

At this juncture, Deputy Speaker Escudero relinquished the Chair to Deputy Speaker Sharon S. Garin

SEC. DIOKNO. We will just give you a table, Mme. Speaker, Your Honor, that shows the regional budgets, and there is also the non-regional budget for various years, from 2007 to 2018 so you get a long-term perspective on the allocation of resources by region.

REP. ZARATE. Thank you, Mme. Speaker, Mr. Secretary.

THE DEPUTY SPEAKER (Rep. Garin, S.). Thank you, the Honorable Zarate.

The Majority Leader is recognized.

REP. DEFENSOR. Mme. Speaker, I move that we recognize the Hon. Bernadette “BH” Herrera-Dy.

THE DEPUTY SPEAKER (Rep. Garin, S.). The Honorable Herrera-Dy is recognized. Please proceed.

REP. HERRERA-DY. Thank you, Mme. Speaker. Good evening Secretary. I just have a very few clarificatory questions.

The National Budget Circular No. 573, entitled: “Guidelines on the Release of Funds for Fiscal Year 2018,” issued on January 3, 2018, serves as the implementing guidelines of R.A No. 10624 or our 2018 GAA, passed by Congress on December 12 and signed by the President on December 19. However, the provisions on modification and augmentation have confused departments and agencies with the end result of—I feel that the DBM is controlling the use of savings that is worth hundreds of billions of pesos. It is so confusing, in fact, that it has led to a point where USec Cabral of the DPWH has sought clarification on the modification of the DBM, saying that if MBM No. 573 is to be implemented, it is expected that 16 percent or more than 3000 line items cannot be implemented.

The DBM replied by stating—doon lang po ako nagulat, doon sa reply ng DBM because it stated that instead of issuing clear guidelines, the DBM said modifications of allotment can be allowed, subject to further discussions with the DBM. So, I would like to know why is it subject to further discussions with the DBM. Are there no clear and set guidelines regarding augmentation kung bakit po doon sa sagot ninyo sa DPWH, you said the modification of allotment can be allowed, subject to further discussions with the DBM?

SEC. DIOKNO. Well, on the augmentation, let me explain that. If you have savings, you are allowed to augment an existing item. But if you say, for example, “completion of road in Barangay A” and you want to do it in Barangay B, that is not allowed because Congress specifically appropriated that money for Barangay A.

We cannot change what Congress has done, okay. Those are the rules. So, sometimes, if it is just typo error, that is allowed, but the serious transfer of appropriation from one town to another, that cannot be allowed, Your Honor.

REP. HERRERA-DY. Yes. My question is, how come it says, “Modification of allotment can be allowed subject to further discussion with the DBM”? Iyon po ang question ko, why is it subject to further discussion? If it is no, then it is no. If it is allowed, then it is allowed. So, iyon lang naman po iyong tinatanong ko, kasi tinatanong ng DPWH paano kapag typographical errors? Paano kapag change in station limits? Paano

kapag change in location if the LGU is not existing within the same barangay, municipality or city? The answer of the DBM is “Modifications of allotment can be allowed subject to further discussion with the DBM.”

SEC. DIOKNO. So, that is why, Your Honor, I wrote Secretary Villar specifically making clear what is allowed, what is not allowed.

REP. HERRERA-DY. Kaya lang may “subject to” kasi, iyon lang po ang pinagtataka ko, kasi if it is not allowed, then you can say it is not allowed.

SEC. DIOKNO. Sure.

REP. HERRERA-DY. If it is allowed, these are the parameters why that is allowed. Why do they have to discuss it further with the DBM? Is there an elbow room?

SEC. DIOKNO. What exactly, for example, what specific project do you have in mind?

REP. HERRERA-DY. Hindi ko po alam kasi ipinakita ko lang po, doon sa reply ninyo, sinasabing—kasi, I understand if you say it is not allowed, then clear iyon, hindi allowed.

SEC. DIOKNO. That is correct.

REP. HERRERA-DY. When you say it is allowed, but you have to discuss it with the DBM, then that leaves subjectivity on the matter. Kaya po sila nalilito kasi, bakit may allowable ba up to what point?

SEC. DIOKNO. For most of the cases, Your Honor, it is clear. It is only for the particular case where they have to, maybe, clarify the issues that are unclear. So, we will try to change this to make it clear.

REP. HERRERA-DY. Yes, I hope it can be cleared because marami pong departments are really confused on this, because kapag sinabing subject to further clarification that leads to a lot of questions.

SEC. DIOKNO. Yes.

REP. HERRERA-DY. Sana po ay maayos po natin ito.

SEC. DIOKNO. Sure.

REP. HERRERA-DY. Now to my next question. Recently, the DBM posted in its website the updated list of SAROs. Medyo makapal po ito, 1,500 pages. To my

surprise, the DBM released augmentation to the DPWH, doon po sa nakita mo, amounting to more than P5 billion. So, iyon na po ang na-release na augmentation sa DPWH. Yesterday, pinatawag po namin si Usec Cabral sa Committee at sabi po niya, katulad noong sinasabi ni Majority Leader kanina, wala po siyang alam doon sa mga augmentation because bumababa na lang sa kanya iyong SARO. Kaya iyon po ang gusto kong linawin, and I would like to ask this because more than P5 billion ang nakita kong releases. Like, for example, noong December 5, P2.7 billion was released to the Office of the Secretary of DPWH and it said, “release of funds to augment deficient appropriations for various projects.” Ano pong ibig sabihin noon, Mr. Secretary?

SEC. DIOKNO. It is up to Secretary Villar to augment. As you know, under the DAP ruling, you cannot augment a non-existing item in the budget. So, he has to look for items where he needs more resources.

REP. HERRERA-DY. So, we release this without them requesting it from your office?

SEC. DIOKNO. Yes.

REP. HERRERA-DY. Kasi ang sabi ni Undersecretary Cabral, hindi naman po nila alam iyong bumababang SARO sa kanila, kaya gusto ko pong malaman para malaman ko na ni-release ninyo po iyong SARO sa kanila pero upon whose request?

SEC. DIOKNO. They also have a request. I can read the letter here from Mark Villar on the augmentation. . . .

REP. HERRERA-DY. Opo.

SEC. DIOKNO. It says: “May I hereby request for the release of funds in the total amount of P730 million for the construction/rehabilitation of various infra projects indicated in the attached Annex A.” So, this came from Secretary Villar himself.

REP. HERRERA-DY. So, ito pong 5 billion, is it safe to say—para alam ko po kasi, siyempre, I am just following what Usec Cabral stated yesterday that they do not know the SARO that goes down. Marami po kaming naka-witness noon sa sinabi niya. So, iyong more than 5 billion po na augmentation, these are all for the requests of the DPWH?

SEC. DIOKNO. These are the requests and this is the Annex A with signature of Usec Cabral. Okay.

REP. HERRERA-DY. Okay. So, puwede po bang humingi ako ng kopya.

SEC. DIOKNO. Sure.

REP. HERRERA-DY. So that when we call them again—because before any SARO to be released, gusto natin siyempre na makakita ng nire-require ninyo iyong program of works, validation, et cetera.

SEC. DIOKNO. That is correct.

REP. HERRERA-DY. So, kumpleto po lahat ito. May paper trail po lahat itong SARO releases.

SEC. DIOKNO. Yes, Ma’am.

REP. HERRERA-DY. I hope I can request for a copy of the paper trail of the SARO releases on the augmentation so that we can just show Usec Cabral na alam naman po pala nila at sila naman po pala iyong nag-request noon.

SEC. DIOKNO. May signature po siya dito.

REP. HERRERA-DY. May signature po siya. So, iyon po ang magandang nasabi ninyo po sa amin ngayon dahil iba po iyong sagot niya sa amin kahapon. So, do you require their endorsement before you process any request for augmentation?

SEC. DIOKNO. Yes. We do not know what projects they want to do out of their savings, so, we ask for their list and then we forward it to the Office of the President and then it goes back to them, Your Honor.

REP. HERRERA-DY. Doon po sa nakita ko, how come there are no augmentation requests by other agencies, only the DPWH, except, of course, for the PS and RLID?

SEC. DIOKNO. The old practice, Your Honor, is that they pool them together and then, out of that pool, they fund the projects. Okay. This is where we identify where money will be coming from and then, we ask them on where they want to use the money.

REP. HERRERA-DY. May ibang agencies din po ba na nag-request ng augmentation?

SEC. DIOKNO. Mayroon din po.

REP. HERRERA-DY. Because I did not see it in the list of SAROs that you gave, but you had released the amounts for augmentation to them already?

SEC. DIOKNO. The biggest department with savings is the Department of Public Works.

REP. HERRERA-DY. That is the DPWH.

SEC. DIOKNO. Yes, Ma'am.

REP. HERRERA-DY. Then, gusto ko lang din pong linawin because you answered a while ago that the savings will be reflected in the BESF, pero wala naman po yata doon iyong reflection ng savings sa BESF. Kasi makikita po iyan sa National Expenditure Program. Hanggang 2017 lang, wala pa po iyong 2018.

SEC. DIOKNO. Nasa NEP po, not the BESF.

REP. HERRERA-DY. NEP for the 2017, right? Iyong 2018, siguro magre-request na lang po ako tungkol doon sa detalyeng savings natin for 2018.

SEC. DIOKNO. Sige po.

REP. HERRERA-DY. I just wanted to correct that it is not in the BESF, we cannot find it there. Iyon lamang po, Mme. Speaker. Marami pong salamat. I will just look forward to the submission of the documents from the good Secretary.

Thank you.

REP. DEFENSOR. Mme. Speaker, next to interpellate is the Hon. Makmod D. Mending Jr. May we recognize the Honorable Mending to interpellate, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Garin, S.). The Honorable Mending is recognized. Please proceed.

REP. MENDING. *Assalamu alaikum* and good evening, Mme. Speaker. Good Secretary, Sir, magandang gabi po.

SEC. DIOKNO. Good evening po.

REP. MENDING. To the family of DBM, good evening po. Galing po kasi ako sa Marawi kahapon kaya iyong una kong tanong, the NEP submitted to Congress is the President's budget. Tama po?

SEC. DIOKNO. That is correct, Your Honor.

REP. MENDING. Ang naka-earmark po sa NDRRM Fund for Marawi rehabilitation is P3.5 billion. Ito po ba ay indicative of the priority of the President?

SEC. DIOKNO. No, Your Honor. In addition to that—is this for 2019 or 2018?

REP. MENDING. For 2019 po.

SEC. DIOKNO. There are more funds in the 2018 budget, and we recently had a pledging session where I think we raised something like P35 billion out of possible P70 billion, Your Honor.

REP. MENDING. Thank you, Mme. Speaker. May we know in what agencies are the funds intended for the rehabilitation of Marawi embedded?

SEC. DIOKNO. Usually, it is in Public Works, National Housing Authority, and the HUDCC, Your Honor.

REP. MENDING. I am talking about the proposed 2019 budget, Mme. Speaker, because, sa pagsuyod ko ng budget na iyon, wala po akong nakita. May we confirm, Mme. Speaker, from the good Secretary, saan pong ahensiya nakalagay ito, magkano po, at ano ang proyekto para sa rehabilitation ng Marawi?

SEC. DIOKNO. For 2018, under the NDRRM allocation, we have a regular P7.6 billion, then another P2 billion for what we call parametric insurance, and then another P10 billion just really for Marawi rehabilitation.

REP. MENDING. Yes, Mme. Speaker, iyong 2018, currently, P10 billion.

SEC. DIOKNO. So, that is a total of P19.6 billion. Now, for 2019...

REP. MENDING. Iyong 2019 po na proposal of the President's budget.

SEC. DIOKNO. Itong 2019, we have P16.5 billion for Marawi and then another P3.5 billion again for Marawi, or a total of P20 billion. In addition, we have a Quick Response Fund of about P6.45 billion, Your Honor.

REP. MENDING. May we know, iyong P16 billion, saan pong ahensiya nakalagay ang pondo na iyon?

SEC. DIOKNO. Nasa NDRRM po.

REP. MENDING. My reading of the NDRRM is that the earmarked is only P3.5 billion for Marawi rehabilitation under the NEP and adopted in the GAB. May we confirm from the good Secretary, Mme. Speaker?

SEC. DIOKNO. I was informed that we have set aside P16.5 billion, if it is really necessary, on top of the P3.5 billion, so, for a total of P20 billion.

REP. MENDING. Yes. Mme. Speaker, Secretary, gusto ko pong malaman nasaan iyong P16.5 billion? Nakasulat ba ito sa GAB ngayon?

SEC. DIOKNO. Nasa NDRRM po.

REP. MENDING. Nasa NDRRM. For the NDRRM Fund, how much is proposed for 2019?

SEC. DIOKNO. It is a total of P20 billion, Your Honor.

REP. MENDING. It is P20 billion? So, P3.5 billion is earmarked for Marawi rehabilitation? May QRF po ba diyan?

SEC. DIOKNO. Iyong QRF is separate.

REP. MENDING. Nasa mga agencies.

SEC. DIOKNO. You have P6.4 billion as QRF.

REP. MENDING. Sa mga agencies.

SEC. DIOKNO. Yes.

REP. MENDING. So, 3.5 plus 6.4, that makes P9.9 billion. You have a balance of P11 billion. Where is that P16 billion, Mme. Speaker?

SEC. DIOKNO. The P20 billion is P16.5 plus P3.5, that is in the NDRRM proper.

REP. MENDING. Yes.

SEC. DIOKNO. Then, you have a QRF of P6.45 billion.

REP. MENDING. So, meaning to say balanse iyong P16.5 billion na walang earmarking?

SEC. DIOKNO. Wala pang commitment siyempre iyon.

REP. MENDING. Yes. So, available ito, if and when necessary, for Marawi rehabilitation.

SEC. DIOKNO. That is correct.

REP. MENDING. It can be earmarked for Marawi rehab.

SEC. DIOKNO. It can be. Plus, you know, we have also foreign loans, and we can actually use those in the event that there is really a need.

REP. MENDING. Yes, my point, Mme. Speaker, is

this: are we saying that mas gugustuhin pa natin iyong foreign funding sa rehabilitation para sa mga kapatid natin sa Marawi kaysa iyong guarantee ng General Appropriations Act, Mme. Speaker? Is it the policy of this administration?

SEC. DIOKNO. It cannot be done within one year anyway, okay. We are on Cash-Based Budgeting. We do not want to over-budget and then, it will not be used for 2019, Your Honor.

REP. MENDING. Yes. Again, my question is, is it the administration's policy to use foreign funding for the rehabilitation of Marawi rather than local funds, in the General Appropriations Act, Mme. Speaker? Policy question lang po, Mr. Secretary.

SEC. DIOKNO. On the policy question, we are committed to raise money for Marawi, right? As I said, there will be P35 billion already pledged, and then the Secretary of Finance is committed to raise the money himself—the Marawi bonds for Marawi.

REP. MENDING. Thank you, Mme. Speaker, Secretary. Would you be familiar with what happened to the Yolanda pledges? Were they fulfilled or not?

SEC. DIOKNO. Well, you cannot compare Yolanda with Marawi. President Duterte is not President Aquino, okay.

REP. MENDING. All right. Would you be familiar with Yolanda and what happened to the pledges? Do you have data?

SEC. DIOKNO. I was not with the government at that time, Your Honor.

REP. MENDING. You have no historical data in the DBM? You are not informed about it?

SEC. DIOKNO. I was informed that it was posted on the website, Your Honor.

REP. MENDING. All right. Thank you, Mme. Speaker. Ang next question ko is, para po matuto tayo, ano po iyong unappropriated surplus of the General Fund?

SEC. DIOKNO. I was told that it is not a real account. It is an account where you put all the reversions, Your Honor.

REP. MENDING. You put all the what?

SEC. DIOKNO. The reversions, the money that was not spent will revert to that fund.

REP. MENDING. Do you have historical data with you for the past two years only, let us say, for 2016 and 2017? How much was the unappropriated surplus of the General Fund for 2016 and 2017?

SEC. DIOKNO. The Bureau of the Treasury, Your Honor, has the total amount. We will give you a copy of that in writing.

REP. MENDING. Thank you. How was this unappropriated surplus of the General Fund utilized?

SEC. DIOKNO. It was not utilized, Your Honor. It is, as I said, ...

REP. MENDING. Because it goes to a different account, then, how do we draw from that?

SEC. DIOKNO. As I said, it is already a reversion. So, you do not draw from it, Your Honor.

REP. MENDING. So, you can utilize it for what purpose?

SEC. DIOKNO. You cannot utilize it, Your Honor.

REP. MENDING. You cannot use it anymore?

SEC. DIOKNO. You cannot use it anymore.

REP. MENDING. But the Treasury knows how much is the total.

SEC. DIOKNO. Yes, and we will ask them to provide you a copy, Your Honor.

REP. MENDING. Okay. So, in the definition of savings, can it be posted again? I asked this before, about the abandonment of a programmed activity or a project. In this administration, has the power of abandonment of appropriation for a programmed activity or project been used? Has it been exercised, the power of abandonment?

SEC. DIOKNO. Yes, there are some projects that had been abandoned, Your Honor.

REP. MENDING. May we know what projects were abandoned?

SEC. DIOKNO. We will ask the agencies to come up with the list of the projects they had abandoned, Your Honor.

REP. MENDING. Thank you, Mme. Speaker,

good Secretary. May we know the limitation once a programmed activity or project is abandoned, what would be the effect?

SEC. DIOKNO. Well, I think the rule is, you can no longer ask money for that particular project for the next two fiscal years.

REP. MENDING. Precisely, I am asking that, Mme. Speaker, good Secretary, to be able to determine if that rule was followed.

SEC. DIOKNO. So, in case final discontinuance or abandonment is used as basis for the declaration of savings, such discontinued or abandoned program, activity or project shall no longer be proposed for funding in the next two fiscal years.

REP. MENDING. Yes, Mme. Speaker, gusto po nating malaman kung ano iyong na-abandon na so that we would be able to know if the same programmed activity or project has been funded in the NEP of 2019 or has been indicated in the GAB. That is why I am asking for the list.

SEC. DIOKNO. We will give you the list, Your Honor. We do not have it right now.

REP. MENDING. Okay. Thank you. Mme. Speaker, would the Secretary, please, distinguish for us “impoundment of appropriations” from “abandonment of a programmed activity or project”?

SEC. DIOKNO. Impoundment is when a decision is made not to release the money because of some, maybe, unmanageable public sector deficit.

REP. MENDING. So, a decision not to release.

SEC. DIOKNO. Yes.

REP. MENDING. Would that be the same with abandonment?

SEC. DIOKNO. No, that is different. In abandonment, the money has already been released and then, the agency has abandoned the project.

REP. MENDING. You abandoned the implementation.

SEC. DIOKNO. Yes.

THE DEPUTY SPEAKER (Rep. Garin, S.) Before you proceed, let me remind you, Honorable Mending,

that there is a 10-minute rule and if he can, hopefully, wrap up. Thank you.

REP. MENDING. Thank you, Mme. Speaker. Iyon lang po ang gusto kong maintindihan, iyong distinction ng impoundment at saka abandonment.

In impoundment, there is a joint resolution coming from both Houses agreeing to the impoundment. Whereas, in abandonment, that is the power of the President or those authorized. Would that be correct, Mr. Secretary?

SEC. DIOKNO. That is correct, Your Honor.

REP. MENDING. Thank you, Mme. Speaker. Good evening.

THE DEPUTY SPEAKER (Rep. Garin (S.)). Thank you, Honorable Mending.

The Majority Leader is recognized.

REP. ROBES. Mme. Speaker, the next Member to interpellate is the Hon. Prospero A. Pichay Jr. from the First District of Surigao del Sur.

THE DEPUTY SPEAKER (Rep. Garin (S.)). The Honorable Pichay is recognized. Please proceed, Sir.

REP. PICHAY. Thank you, Mme. Speaker. I would not have asked questions, but you know, I did not like the answers when the Minority Floor Leader asked the questions. I would like to ask whether the policy of not releasing the money intended for road maintenance is a written policy? As you have said it is the policy of the administration not to release because there was a plan to abolish, is it a written policy?

SEC. DIOKNO. No, it was not written. It was a result of various top-level meetings in the Palace, Your Honor.

REP. PICHAY. So, there was no written policy?

SEC. DIOKNO. None, Your Honor.

REP. PICHAY. Are you aware that the MVUC is a law?

SEC. DIOKNO. We know that, Your Honor.

REP. PICHAY. You know that. So, an unwritten policy can amend the law? In other words, you can violate the law because there is an unwritten policy?

SEC. DIOKNO. The policy is not to release. That is the policy of the President.

REP. PICHAY. My question is, can a policy amend the law? The law states—I think I have a copy of the law—let me read Section 7 of Republic Act No. 8794. I think the author of this Bill is our Minority Floor Leader. Section 7 states, “Disposition of Monies Collected. All monies collected under this Act shall be earmarked solely and used exclusively (1) for road maintenance and the improvement of road drainage, (2) for the installation of adequate and efficient traffic lights and road safety devices, and (3) for the air pollution control.”

Now, can a policy amend the law? Please answer, with sincerity because if you do not give me the right answer, then, all you had said here tonight, will be deemed as not true.

SEC. DIOKNO. Your Honor, we have anticipated the abolition of the Road Board. We have anticipated that.

REP. PICHAY. You cannot anticipate an abolition.

SEC. DIOKNO. It had been passed by the House.

REP. PICHAY. Since it was not abolished...

SEC. DIOKNO. It had been passed by the...

REP. PICHAY. Then it is your duty—I am still speaking. Since it was not abolished, then, it is your duty to release. Only after it had been abolished, then you do not release the fund because the law dictates that you have to release this. So, it is still the policy that will count? Let me ask you because then, you will be liable in anti-graft.

SEC. DIOKNO. I have been instructed not to release, Your Honor.

REP. PICHAY. Who instructed?

SEC. DIOKNO. The group.

REP. PICHAY. The group?

SEC. DIOKNO. The MVU...

REP. PICHAY. So, “the group” can now overrule the law?

SEC. DIOKNO. The group that is supposed to administer the fund, Your Honor.

REP. PICHAY. Can you name names so that we can invite them here in the House.

SEC. DIOKNO. We have Secretary Dominguez, myself, Secretary Tugade, Secretary Villar and the head of ...

REP. PICHAY. So, that group can now amend the law passed by Congress?

SEC. DIOKNO. I do not think so, Your Honor.

REP. PICHAY. If you do not think so, then why did you not release the fund? Because it is mandated by law that you have to release it.

SEC. DIOKNO. There was no instruction for me to release the fund, Your Honor.

REP. PICHAY. The law is the instruction.

SEC. DIOKNO. In many of the laws, Your Honor, it may or may not be released. It is just a manner of programming, Your Honor.

REP. PICHAY. In other words, you are not going to follow the law because four people instructed you not to release?

SEC. DIOKNO. Yes.

REP. PICHAY. I do not want to belabor the issue but the fact that Congress passed the law, and then that law is not being followed...

SEC. DIOKNO. Your Honor, if I remember, you passed a law abolishing it. The Senate also passed that law.

REP. PICHAY. We have not passed a law abolishing it. There were bills ...

SEC. DIOKNO. You have ...

REP. PICHAY. ... that were actually proposed...

SEC. DIOKNO. ... but the Senate also ...

REP. PICHAY. ... but there was no law passed to abolish it.

SEC. DIOKNO. The Senate also ratified.

REP. PICHAY. Let me ask you now.

SEC. DIOKNO. Okay.

REP. PICHAY. Has the MVUC been abolished?

SEC. DIOKNO. No, not yet.

REP. PICHAY. So, if it has not been abolished, why did you not release the fund?

SEC. DIOKNO. Because I have no ...

REP. PICHAY. The mandate of the law is that you have to release the fund exclusively for the purposes that I mentioned.

SEC. DIOKNO. I have no such instruction from the top, Your Honor.

REP. PICHAY. The instruction comes from the law. Submit to us the written instruction.

SEC. DIOKNO. Okay.

REP. PICHAY. Because from that written instruction, then we will continue our Question Hour.

Now, another question. I move to another question. I understand that around P7.5 billion has been allocated for the ASEAN Games.

SEC. DIOKNO. ASEAN Games, yes, Your Honor.

REP. PICHAY. Saan po nakalagay ang P7.5 billion na iyan?

SEC. DIOKNO. Right now, it is with the Department of Foreign Affairs, Your Honor.

REP. PICHAY. Is the Department of Foreign Affairs mandated to conduct tournaments or competitions?

SEC. DIOKNO. I understand that the Senate is going to transfer it to the Philippine Sports Commission, Your Honor.

REP. PICHAY. So, how did it come to pass that the money intended for sports will be allocated in the Department of Foreign Affairs?

SEC. DIOKNO. It was requested by then Senate—the Foreign Affairs Secretary who was on top of the ASEAN Games.

REP. PICHAY. In other words, let us say, the Department of Foreign Affairs will request that P10 billion be allocated for infrastructure in the Department of Foreign Affairs, are you going to follow that?

SEC. DIOKNO. For what purpose, Your Honor?

REP. PICHAY. Well, for the purpose of building.

SEC. DIOKNO. For the purpose of building, we will allow it if it is for the building of the ...

REP. PICHAY. Because ...

SEC. DIOKNO. ... Department of Foreign Affairs.

At this juncture, Deputy Speaker Garin (S.) relinquished the Chair to Deputy Speaker Evelina G. Escudero.

REP. PICHAY. The Department of Foreign Affairs has no mandate. There is an agency that has the mandate to promote sports and to spend money for various international events which is the PSC. So, in the first place, why did you not put it in the PSC? Ano bang milagro iyan?

SEC. DIOKNO. Well, we have a precedent on that. Before, we placed it under the Office of the President—the APEC and the ASEAN.

REP. PICHAY. Again, again.

SEC. DIOKNO. Remember that we hosted both the ASEAN and the APEC. We put the budget for those under the Office of the President.

REP. PICHAY. Well, that should be understood because we are the hosts of that event, and the President was very much involved in that. But this is sports, you know, this is not about diplomatic relationship. This is about sports, and there is an agency tasked to do these things which is the PSC. Ang tanong ko lang, bakit inilagay ninyo diyan sa Department of Foreign Affairs when it should have been placed under the PSC, which agency is mandated to do these things?

SEC. DIOKNO. I understand that at that time, the Department of Foreign Affairs Secretary was the Chairman of the ASEAN Committee.

REP. PICHAY. Even if you are the Chairman.

SEC. DIOKNO. Now that he is no longer there, it will be transferred to the Philippine Sports Commission.

REP. PICHAY. Are you aware that the new Secretary of the Department of Foreign Affairs does not want that money there because if they are going to spend it, how are they going to liquidate it? It is not related to their job.

SEC. DIOKNO. That is why it is going to be transferred to the Philippine Sports Commission.

REP. PICHAY. Then why did you put it there? You are supposed to be the Secretary of DBM.

SEC. DIOKNO. So that they...

REP. PICHAY. You should have told them, I cannot put it there because you do not have the mandate, so, I would rather put it under the PSC.

SEC. DIOKNO. It was ...

REP. PICHAY. Anyway, Mme. Speaker, I do not need the answer. I do not want to belabor the issue. That is all.

Thank you very much, and good evening everyone.

THE DEPUTY SPEAKER (Rep. Escudero). The Majority Leader is recognized.

REP. ROBES. Mme. Speaker, the next person to interpellate is from the Minority, Rep. Salvador B. Belaro Jr. of 1-ANG EDUKASYON.

THE DEPUTY SPEAKER (Rep. Escudero). The Honorable Belaro is recognized.

REP. BELARO. Mme. Speaker, my dear colleagues, instead of an interpellation, may I just make a manifestation.

THE DEPUTY SPEAKER (Rep. Escudero). Go ahead.

REP. BELARO. My dear colleagues, Mme. Speaker, all along we have been taught that the power of Congress is to make laws and in Constitutional Law, the power to make laws is fortified by the ability to finance such laws. Hence, it is called the power of the purse. Now, all these discussions in Congress have shown us that, indeed, we have effectively abdicated the power of the purse. It began with the exposés of the good Majority Leader on this single contractor handling billions of pesos of projects and misaligned perceptions as to the role of Congress in the budgetary process.

The present state of affairs, ladies and gentlemen, my dear colleagues, is that there is confusion as to which o saan po nakalagay ang power of the purse? Well, to be fair to the good Secretary, it is understandable because of the recent development in jurisprudence. For instance, in the case of *Belgica vs. Ochoa*, the infamous pork barrel case, the court had outlined rules that made the rules more confusing. In the same manner, the rule on DAP, in *Arroyo vs. Aquino*, it further outlined rules that made us more confused. Hindi lang po ako bilang first-termer,

kung hindi po ang milyon-milyong mga Pilipino ay naguguluhan po kung ano ba talaga ang proper role ng Kongreso sa usaping ito. Isa lang po ang kasagutan diyan. We have to uphold the rule of law and ano po ang rule of law? The rule of law implies that we have to return to the basics and the basics is the principle of separation of powers, a principle enshrined as early as the case of *Angara vs. Electoral Commission* and the rule is here, ladies and gentlemen. May I just remind the Body should there be a rule, the standard is this one: There should be a faithful implementation of the role of the Executive implementing the project. The key word is “faithful implementation of the Executive power.”

Ngayon po, tanungin natin, ang batas po ay nakalagay sa GAA. Nakalagay doon, explicitly, kung ano po ang provisions na dapat gawin ng DBM. Let me outline them. The Rules on Priority in the Use of Savings is laid out in Section 69. May mga requirement po ang savings bago ito ma-obtain. Ang tanong ko po sa good Secretary, has the Department been faithful in implementing the provisions, the terms and conditions of this provision? The Rules on Augmentation is laid out in Section 70. Bago po magkaroon ng augmentation, mayroon po itong mga preconditions. Again, the question: Was the Department of Budget and Management faithful in implementing it, at may corollary pong tanong doon, faithful to whom? Faithful to the mandate? Kanina po naririnig ko—faithful to the President. Was the President the deciding factor in determining who should dispense the budget? May confusion po tayo doon. Malaking-malaking confusion. Section 95 on Financial Reports. Nakalagay po doon—quarterly reporting to the House of Representatives. The Rule on Lump-Sum Appropriations. Section 66, nakalagay din po doon iyong rules. Has the Department of Budget and Management been faithful to its provisions? Ito po, sinabi kanina ni Deputy Speaker Pichay, the Rule on Impoundment, Section 63. Ang nakalagay po doon, there should be special authority from Congress to move the Road Board Funds, but this has not been complied. Ito pa hong isa, Section 64 in relation to Section 83, the prohibition against retention and reduction of funds, and reversion of unexpected balances of appropriations. In short, hindi po gagalaw ang pondo kung walang mandato ang Kongreso.

Ang tanong ko, has there been a faithful compliance with the provisions of the GAA. Ito po siguro ay i-pursue ko na lang sa Committee on Public Accounts. Pero ito pong mga nangyayari ngayon, isa lang pong pagpapatunay na ito is just the tip of the iceberg. They are just lucky right now, my dear colleagues, that we have a Speaker who is a former President of the land, the highest executive of the country, and we are also fortunate that we have a

Majority Leader who is a former Department of Budget Secretary and, of course, our Minority Leader who initiated this Question Hour.

Ito pong usaping ito is larger than life. Hindi lang po ito question of power of the purse. Let me narrate to you what happened to my Committee hearing this afternoon. Ako po ay nag-attend sa Bicol Recovery and Economic Development Special Committee hearing at ang isa pong usapin doon ay kinakastigo iyong Department of Social Welfare and Development kasi hindi po sila nagre-report sa projects. This, ladies and gentlemen, is our present state of affairs. Hindi na po tayo iginagalang ng mga departamento kasi alam po nila na wala sa atin ang power of the purse. Ito po ang realization na dapat nating gawin. Let us do it not only for our constituency, but also for the country. Let us regain the power of the purse because it would make us better constituents and better lawmakers, na kapag sinabi po natin na tayo ay mag-a-appropriate ng pondo, ito po ay mangyayari because we, indeed, have the power.

Marami pong salamat.

THE DEPUTY SPEAKER (Rep. Escudero). Thank you.

The Majority Leader is recognized.

REP. ROBES. Mme. Speaker, I would like to call for his interpellation, Rep. Maximo B. Rodriguez Jr.

THE DEPUTY SPEAKER (Rep. Escudero). Representative Rodriguez (M.) is recognized.

REP. RODRIGUEZ (M.). Thank you, Mme. Speaker.

Secretary Diokno, thank you for being here. Good evening.

I would like to go to the train of thought of the Representative from Surigao, the Honorable Pichay. In many of our meetings in the Mindanao Affairs Committee, we talked about the Road Board and the release of the funds. It was mentioned here a while ago that even if it is a law and there was this law that abolishes it, no—not yet a law but a bill, he forgot to mention that that Bill had been rescinded already. I want to present to you the official Journal of the House of Representatives dated September 12. Here, it says, “Rescindment of the approval of House Bill No. 7436.” That is the law that wishes to abolish the Road Board and it says, “With leave of the House, on motion of Majority Leader Rolando G. Andaya Jr., the Body rescinded the approval of House Bill No. 7436 which was previously approved on Third Reading by the Body and was then under the Bicameral Conference Committee, to the effect that the House will no longer pursue its passage.” So, this

is a reminder to us, Mr. Secretary, that there is no law, there is no bill that stands for its abolition. The law is still the Road Board Law, the MVUC. So, I came here because, during our meeting in the Mindanao Affairs Committee composed of 60 Congressmen, I was tasked to talk to you about this Resolution which we filed already in the House, House Resolution No. 2362, which wishes to have this Resolution approved, informing the Department of Budget and Management that the House of Representatives has rescinded its approval of House Bill No. 7436, entitled: AN ACT ABOLISHING THE ROAD BOARD AND PROVIDING FOR THE DISTRIBUTION AND MANAGEMENT OF THE MOTOR VEHICLE USER'S CHARGE COLLECTIONS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 8794, ENTITLED "AN ACT IMPOSING A MOTOR VEHICLE USER'S CHARGE ON OWNERS OF ALL TYPES OF MOTOR VEHICLES AND FOR OTHER PURPOSES AND RELEASE THE FUNDS FOR PROJECT IMPLEMENTATION."

This, in effect, is the whole picture of the Road Board funds.

I wish to encourage the Secretary to please reconsider the decision which is erroneous, the decision of the policy-makers in the Cabinet, whoever they may be, that, as of now, the Bill abolishing the Road Board had been rescinded. That was dated September 12 this year—and the Committee on Mindanao Affairs, which I chair, has already filed this Resolution in the House and it will be taken up in the Plenary soon, probably tomorrow. We would just like to appeal to the Secretary that all of our Congressmen have not received or have not availed of the benefits given from the fund itself to repair our roads, street lights, pedestrian overpasses, and others.

Me, as a Mindanaoan, I would really appeal to the Secretary, to your good sense of patriotism, that we in Mindanao need the funds, we need them to be released, we need to have the projects implemented in our area. You know, I have been an avid supporter of the advocacy for the increase of Mindanao funds. So, that is my appeal, Mr. Secretary, and if this has to be sent to the principal Cabinet, then we will send this Resolution so that you can change your mind—and even to the President. Because, for all we know, you did not know that this Bill abolishing the Road Board has been rescinded. Even the Cabinet, for that matter, did not know that this Bill has been rescinded. You see, they are hoping that this will be approved, or they have to approve the Bill itself, but no more, there is no bill to approve and the law on the motor vehicle tax is still there.

SEC. DIOKNO. We will convene the Road Board, Your Honor, and we will bring this up.

REP. RODRIGUEZ (M.). Yes. I already sent you an advance copy of the Resolution.

SEC. DIOKNO. Yes, Your Honor.

REP. RODRIGUEZ (M.). I hope you will find time to show this to them. In fact, the House Journal, I will be giving this to Usec Jumilla, Usec Bravo. I have talked to them earlier—only that I have to tell this now in open plenary because my Committee members in the House will be asking me what transpired in this meeting.

Thank you very much, Mr. Secretary.

SEC. DIOKNO. Thank you very much, Your Honor.

THE DEPUTY SPEAKER (Rep. Escudero). The Majority Leader is recognized.

REP. ROBES. Mme. Speaker, the last person to interpellate is the Hon. Arnolfo "Arnie" A. Teves Jr. from the Third District of Negros Oriental.

THE DEPUTY SPEAKER (Rep. Escudero). The Honorable Teves is recognized.

REP. TEVES. Thank you, Mme. Speaker. Good evening everybody.

Gusto ko lang itanong, Mme. Speaker, kung ano iyong wisdom ng across-the-board budget cut. Halos lahat ng departamento, halos lahat ng distrito, na-cut iyong budget. Kumbaga, yes, they slashed the budget. Gusto ko lang malaman, ano ang wisdom dito.

SEC. DIOKNO. Your Honor, there is no wisdom in across-the-board budget cut. It is a lazy way of reducing the budget. You have to choose the priorities, Your Honor.

REP. TEVES. So ngayon pa lang nakita natin na gumawa tayo ng hakbang na walang wisdom. Kung intindihin ko iyon, walang wisdom, sa akin, kabobohan ito or hindi pinag-isipan.

Unang-una, hindi ko maintindihan because mayroong ibang distrito na kulang pa iyong budget nila dahil mabilis magtrabaho. Hindi naman natin dini-deny na mayroong ibang distrito din na hindi kayang i-absorb at iyong ibang ahensiya hindi kayang i-absorb iyong budget nila. So, how can we increase their absorptive capacity if we cut the budgets of those who can afford to spend? Iyon lang sana ang isa rin na tanong ko, how can we increase the absorptive capacity kung iyong kayang mag-absorb ng budget ay kina-cut rin, katulad nang hindi maka-absorb ng budget?

SEC. DIOKNO. Your Honor, when we do budgeting at our level, we only look at the department level, we do not go to the regional level. So, if there are disparities within or among regions, I think you can raise that question to the respective Department Secretaries, Your Honor.

REP. TEVES. Ni-raise na namin ito, Mme. Speaker, sa Secretaries. Ang sagot nila, ang tinuturo nila ay ang DBM. Ang sa akin pa, kung nag-across-the-board budget cut kayo, matanong ko lang, do we support the President's Build, Build, Build program?

SEC. DIOKNO. Yes, we do, Your Honor.

REP. TEVES. Ngayon, hindi ko na maintindihan kung papaano ka gagawa ng Build, Build, Build kung ang budget mo slash, slash, slash, hindi ba? It is way beyond logic, Mme. Speaker.

SEC. DIOKNO. Now, I get the tenor of your question. The reduction in the budget for 2019 is because it is Cash-Based Budgeting, Your Honor, from Obligation-Based, two-year Obligation-Based Budgeting. So, that is the reason for the reduction in the budgets of the respective departments.

REP. TEVES. Whatever the reason is, Mme. Speaker, ang sa akin lang, papaano ka mag-build, hindi ko alam sa tagalog ito, sa bisaya, magtukod 'no. How can you build when you do not have the budget? Because the budget, whether cash or inutang mo, budget pa rin iyon, makaka-build ka. Pero kung tinanggal mo iyong budget, definitely, you will build less. Anyway, naniniwala ba kayo na kung hindi gumastos iyong gobyerno, it contributes to unemployment?

SEC. DIOKNO. Yes, Your Honor.

REP. TEVES. Do you consider yourself as part of the economic team of the President?

SEC. DIOKNO. Yes, Your Honor.

REP. TEVES. Do you think we have a good economy?

SEC. DIOKNO. Yes, Your Honor. Next year, the economy will grow by 7 percent, a lower inflation between 2 to 4 percent, Your Honor, and we will have much higher foreign direct investments.

REP. TEVES. Ngayon, hindi ko na alam kung sino iyong tama, iyong mas maraming taumbayan o iyong Budget Secretary natin. Ang daming nanonood sa TV ngayon, gusto ko matanong sa inyo, "kumusta iyong buhay ninyo?"

I would like to ask the Budget Secretary, "Do you think the Filipinos today are living—mas maganda ba iyong buhay nila ngayon, or mas hirap sila from now compared to last year? Mas nahihirapan ba sila ngayon, or mas magaan iyong buhay nila?"

SEC. DIOKNO. I think they are living much better now than before, Your Honor.

REP. TEVES. I disagree, Mme. Speaker. Bago ako naging Congressman, naging isa akong barangay captain. Hanggang ngayon, I am very much attached to the ground. My son is the ABC President of our province, he is in contact with the barangay captains in our area at sa ibang barangay captains at ABC Presidents ng Pilipinas. Kung mali ako, magre-resign ako. Ang tanong ko, willing ba kayong mag-resign kung kayo iyong mali? Tanungin natin ang taumbayan kung mas magaan ba buhay nila ngayon as compared sa dati. Ang kasama ko dito sa Manila—wala iyong pamilya ko dito— ang driver ko, bodyguard ko, helper ko. Tinatanong ko sila, kinukumusta ko ang buhay nila, at ang sabi nila, "Pahirap ng pahirap ng pahirap." Hindi natin ma-deny ang bilingin ay pamahal ng pamahal ng pamahal. I think even our workers here in Congress agree with me that life is getting harder and harder everyday. To me, a good economy is an economy felt by the people na gumaan iyong buhay nila.

Ngayon, Mme. Speaker, I would like to make a manifestation na kung ganito iyong magpapatakbo ng ating ekonomiya at hindi nila nakikita na nahihirapan na pala ang taumbayan, wala tayong mapapala at mas lalo tayong mahihirapan. Sana marinig ito ng ating Presidente, na akala ng ating Budget Secretary na gumaganda iyong buhay ng Pilipino pero sa katotohanan ay hindi naman. I am sure of that because, again, I am in contact with the masses. Baka kayo, hindi.

Iyon ho, Mme. Speaker, ang daming issues na, ano. Ang daming issues—mayroon pa kaninang admission of violations of the law, at kahit inabot pa tayo dito ng bukas ay wala tayong mapapala. So I move, Mme. Speaker, that we refer all these issues to the Committee on Good Government and Public Accountability, and also to the Committee on Public Accounts for further discussion, deliberations and investigation.

Iso move. That is all for tonight. Thank you very much.

THE DEPUTY SPEAKER (Rep. Escudero). The Majority Leader is recognized.

REP. MARCOLETA. Mme. Speaker, I move to recognize the Minority Leader for his one-minute manifestation.

THE DEPUTY SPEAKER (Rep. Escudero). The Minority Leader, the Hon. Danilo E. Suarez, is recognized.

REP. SUAREZ. Thank you, Mme. Speaker, just a very short manifestation. The good Secretary mentioned that he does not have clearance from the President to release the Road Board Fund. Do you have to seek clearance from him?

SEC. DIOKNO. There was a policy decision not to release, Your Honor, so, unless I am instructed otherwise, I will not release.

REP. SUAREZ. Now, what I have here, Mr. Secretary, is a letter signed by you addressed to the Chairman of the Road Board, bearing in mind that what is being requested here is very close to the chest and the heart of the Members of the House because this partially addresses our requests on the repair of our national roads. Now, your reply is that you are waiting for the copy of the Resolution that the Road Board will not be abolished.

The said Resolution on the Road Board of the Philippines was signed by Secretary Tugade, Secretary Necesario, Secretary Villar, Secretary Joven—you were the only one who did not sign. Did this pass your office for your signature and you just simply said that I am not going to sign this?

SEC. DIOKNO. Yes, I have seen that and I just returned the ...

REP. SUAREZ. No, I have it with me, requesting four billion pesos. Another one is requesting for P631 million. The other one is for P4.812 billion and the Special Road Safety Fund, P150 million, Your Honor. Now, glaring in this listing on asphalt overlay with reflectorized thermoplastic, we have Metro Manila, Ifugao, Ilocos Norte, Isabela, Pangasinan, Bataan, Nueva Vizcaya, Bulacan, Pampanga, Batangas, Cavite, Laguna, but my district is not here, only the First District. Never mind, this represents vindication to the motorists.

Alam po ba ninyo kung bakit namin ginawa ang MVUC? Iyon pong bayad sa plaka, kinuha natin on an increasing basis of—nilagyan po natin ng staggered increase ang schedule, at sinasabi natin sa motorists, gaganda naman ang kalsadang dadaanan ninyo. But bearing in mind, Mr. Secretary, during that time, hirap pa ho tayo sa pera. As a matter of fact, I have to admit that I was asked, when I was the Chairman of Committee on Ways and Means, to pass this through the recommendation of the World Bank–IMF. Kaya for this whole year, wala ho kayong nire-release ni isa. Why? Magtatapos na ho tayo ng 2018.

SEC. DIOKNO. The motor vehicles tax is a good tax, Your Honor, I agree, but to be administered by a

small group, unelected, that is what is objectionable, Your Honor.

REP. SUAREZ. Small group?

SEC. DIOKNO. Yes.

REP. SUAREZ. They are your colleagues in the Cabinet.

SEC. DIOKNO. I know, even myself, I do not want to be a mini- Congress. I do not want that role. It should be assigned to Congress, Your Honor.

REP. SUAREZ. Did you make your comments formally?

SEC. DIOKNO. Yes, they were understood by my colleagues.

REP. SUAREZ. You addressed them to Secretary Tugade, Secretary Necesario, Secretary Villar, Secretary Dominguez...

SEC. DIOKNO. Yes, that ...

REP. SUAREZ. ...na hindi pa nire-release ito?

SEC. DIOKNO. The power to allocate important tax, which is a good tax, Your Honor, should be given back to Congress. That is our position.

REP. SUAREZ. Your Honor, we crafted four different support funds in these trust funds. As a matter of fact, I intentionally put it in a trust fund para hindi ho ninyo mapakialaman. I mean, hindi ka pa ho naman Cabinet Secretary noon sa DBM, but that was the purpose of this Representation. Nevertheless, Mme. Speaker, this issue, maybe, can be taken up in a different venue. I heard you when you said that there was no approval from the President, and with my limited knowledge of what really transpired in the conversation between the Chairman of the Board and no less than the President, there was an approval in an instruction given to one of the higher officials of the Palace to inform you to release the Road Board Fund. I will have that verified.

Thank you, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). The Majority Leader is recognized.

SUSPENSION OF THE QUESTION HOUR

REP. MARCOLETA. Mme. Speaker, I move that we suspend the Question Hour.

THE DEPUTY SPEAKER (Rep. Escudero). The Question Hour is suspended.

The Majority Leader is recognized.

REP. MARCOLETA. Mme. Speaker, I move that we take note of the submitted written explanation of Hon. Gary C. Alejano with respect to his “No” vote on Resolution of Both Houses No. 15, a copy of which will be given to the Office of the Secretary General.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.*

The copy of the explanation of Rep. Gary Alejano will be given to the Secretary General.

The Majority Leader is recognized.

RATIFICATION OF CONF. COMM. RPT.
ON H.B. NO. 6938 AND S.B. NO. 1971

REP. MARCOLETA. Mme. Speaker, we are in receipt of the Conference Committee Report reconciling the disagreeing provisions of House Bill No. 6938 and Senate Bill No. 1971.

May I ask that the Secretary General be directed to read only the titles of the measures.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.*

The Secretary General is directed to read only the titles of the measures.

With the permission of the Body, and since copies of the Conference Committee Report have been previously distributed, the Secretary General read only the titles of the measures without prejudice to inserting the text of the report in the Congressional Record.

THE SECRETARY GENERAL. House Bill No. 6938, entitled: AN ACT PROVIDING FOR THE SPECIAL PROTECTION OF CHILD PASSENGERS IN MOTOR VEHICLES; and Senate Bill No. 1971, entitled: AN ACT PROVIDING FOR THE SPECIAL PROTECTION OF CHILD PASSENGERS IN MOTOR VEHICLES AND PROVIDING APPROPRIATIONS THEREOF.

REP. MARCOLETA. Mme. Speaker, in accordance with our rules, I move that we ratify the said Conference Committee Report.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Conference Committee Report is ratified.
The Majority Leader is recognized.

RATIFICATION OF CONF. COMM. RPT.
ON H.B. NO. 8302

REP. MARCOLETA. Mme. Speaker, we are in receipt of the Conference Committee Report on the disagreeing votes on House Bill No. 8302.

May I ask that the Secretary General be directed to read only the titles of the measure.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.*

The Secretary General is directed to read only the title of the measure.

With the permission of the Body, and since copies of the Conference Committee Report have been previously distributed, the Secretary General read only the title of the measure without prejudice to inserting the text of the report in the Congressional Record.

THE SECRETARY GENERAL. House Bill No. 8302, entitled: AN ACT GRANTING MORE ELECTRIC AND POWER CORPORATION A FRANCHISE TO ESTABLISH, OPERATE, AND MAINTAIN, FOR COMMERCIAL PURPOSES AND IN THE PUBLIC INTEREST, A DISTRIBUTION SYSTEM FOR THE CONVEYANCE OF ELECTRIC POWER TO THE END USERS IN THE CITY OF ILOILO, PROVINCE OF ILOILO.

REP. MARCOLETA. Mme. Speaker, in accordance with our rules, I move that we ratify the said Conference Committee Report.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Conference Committee Report is ratified.

The Majority Leader is recognized.

APPROVAL OF THE JOURNAL

REP. MARCOLETA. Mme. Speaker, I move that we approve Journal No. 39, dated December 10, 2018.

THE DEPUTY SPEAKER (Rep. Escudero). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

* See MEASURES CONSIDERED (printed separately)

Journal No. 39 for Monday, December 10, 2018, is approved.

The Majority Leader is recognized.

SUSPENSION OF SESSION

REP. MARCOLETA. I move to suspend the session, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). The session is suspended.

It was 8:19 p.m.

RESUMPTION OF SESSION

At 8:20 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Escudero). The session is resumed.

The Majority Leader is recognized.

ADJOURNMENT OF SESSION

REP. MARCOLETA. Mme. Speaker, I move that we adjourn the session until tomorrow at 9:00 a.m.

THE DEPUTY SPEAKER (Rep. Escudero). The session is adjourned until tomorrow at nine o'clock in the morning.

REP. MARCOLETA. Rather, until three o'clock tomorrow afternoon, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Escudero). The session is adjourned until three o'clock tomorrow afternoon.

It was 8:21 p.m.