



Congressional Record

PLENARY PROCEEDINGS OF THE 18th CONGRESS, FIRST REGULAR SESSION
House of Representatives

Vol. 2

Tuesday, September 3, 2019

No. 15

CALL TO ORDER

At 5:00 p.m., Deputy Speaker Johnny Ty Pimentel called the session to order.

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

PRAYER

THE DEPUTY SPEAKER (Rep. Pimentel). Everyone will please rise for a moment of silent prayer.

Everybody rose for the silent prayer.

NATIONAL ANTHEM

THE DEPUTY SPEAKER (Rep. Pimentel). Please remain standing for the singing of the National Anthem.

Everybody remained standing for the singing of the Philippine National Anthem.

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

REP. AGLIPAY. Good afternoon, Mr. Speaker. I move that we defer the calling of the roll.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). Is there any objection? (*Silence*) The Chair hears none; the calling of the roll is hereby deferred.

The Majority Leader is recognized.

REP. AGLIPAY. Mr. Speaker, I move that we defer the approval of the Journal.

THE DEPUTY SPEAKER (Rep. Pimentel). Is there any objection? (*Silence*) The Chair hears none; the approval of the Journal is hereby deferred.

The Majority Leader is recognized.

REP. AGLIPAY. Mr. Speaker, I move that we

proceed to the Reference of Business, and request that the Secretary General be directed to read the same.

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

The Secretary General is hereby directed to read the Reference of Business.

REFERENCE OF BUSINESS

The Secretary General read the following House Bills and Resolutions on First Reading and Communications, and the Deputy Speaker made the corresponding references:

BILLS ON FIRST READING

House Bill No. 4162, entitled:

“ANACTRENEWINGFORANOTHERTWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO ROMEO CABRESTANTE SERVANDO UNDER REPUBLIC ACT NO. 8202, TITLED ‘AN ACT GRANTING ROMEO CABRESTANTE SERVANDO, A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS IN THE PROVINCE OF PALAWAN’ ”

By Representatives Abueg-Zaldivar and Acosta
TO THE COMMITTEE ON LEGISLATIVE FRANCHISES

House Bill No. 4163, entitled:

“AN ACT TO ENSURE THE SAFETY OF PASSENGERS BY MANDATING ALL PUBLIC TRANSPORTATION DRIVERS WHO HAVE BEEN APPREHENDED TO BRING THEM TO A SAFE PLACE WITH EASY ACCESS TO PUBLIC TRANSPORTATION BEFORE THE VEHICLE IS IMPOUNDED AND PROVIDING PENALTY FOR VIOLATION THEREOF”

By Representative Bautista
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 4164, entitled:

“ANACTRECLASSIFYINGASAGRICULTURAL
A PARCEL OF LAND OF THE PUBLIC
DOMAIN SITUATED AT LOURDES,
ALUBIJID, MISAMIS ORIENTAL, ISLAND
OF MINDANAO, AND EMBRACED IN
PRESIDENTIAL PROCLAMATION NO.
739, DATED NOVEMBER 26, 2004, FOR
THE SCIENCE AND TECHNOLOGY
(S-AND-T) PARK SITE PURPOSES
OF THE UNIVERSITY OF SCIENCE
AND TECHNOLOGY OF SOUTHERN
PHILIPPINES (USTP)”

By Representative Rodriguez
TO THE COMMITTEE ON NATURAL
RESOURCES

House Bill No. 4165, entitled:

“AN ACT CREATING THE DEPARTMENT
OF OVERSEAS FILIPINO WORKERS,
DEFINING ITS POWERS AND FUNCTIONS,
APPROPRIATING FUNDS THEREFOR,
AND FOR OTHER PURPOSES”

By Representative Lim
TO THE COMMITTEE ON GOVERNMENT
REORGANIZATION AND THE COMMITTEE
ON OVERSEAS WORKERS AFFAIRS

House Bill No. 4166, entitled:

“AN ACT DESIGNATING THE 3RD SUNDAY
OF NOVEMBER EVERY YEAR AS THE
NATIONAL DAY OF REMEMBRANCE FOR
ROAD CRASH VICTIMS, SURVIVORS,
AND THEIR FAMILIES, ENSURING ITS
MEANINGFUL OBSERVANCE”

By Representative Sarmiento
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 4167, entitled:

“ANACTPROVIDINGFOR THE DEFINITION OF
PUBLIC UTILITY, FURTHER AMENDING
FOR THE PURPOSE COMMONWEALTH
ACT NO. 146, OTHERWISE KNOWN
AS THE ‘PUBLIC SERVICE ACT’, AS
AMENDED”

By Representatives Suansing (Estrellita) and
Suansing (Horacio)
TO THE COMMITTEE ON ECONOMIC
AFFAIRS

House Bill No. 4168, entitled:

“AN ACT SEPARATING THE DEPARTMENT
OF ENVIRONMENT AND NATURAL

RESOURCES INTO THE DEPARTMENT OF
ENVIRONMENT AND THE DEPARTMENT
OF WATER AND NATURAL RESOURCES
REDEFINING ITS POWERS, FUNCTIONS,
APPROPRIATING FUNDS THEREFOR
AND FOR OTHER PURPOSES”

By Representative Pichay
TO THE COMMITTEE ON GOVERNMENT
REORGANIZATION AND THE COMMITTEE
ON NATURAL RESOURCES

House Bill No. 4169, entitled:

“AN ACT AMENDING REPUBLIC ACT
NUMBER 7157, OTHERWISE KNOWN AS
THE PHILIPPINE FOREIGN SERVICE ACT
OF 1991, TO INCREASE EDUCATIONAL
ALLOWANCE FOR FOREIGN SERVICE
PERSONNEL, APPROPRIATING
FUNDS THEREFOR, AND FOR OTHER
PURPOSES”

By Representative Haresco
TO THE COMMITTEE ON FOREIGN
AFFAIRS

House Bill No. 4170, entitled:

“AN ACT APPROPRIATING THE SUM OF
ONE BILLION ONE HUNDRED SIXTY-
ONE MILLION SEVEN HUNDRED TEN
THOUSAND PESOS (P1,161,710,000.00) AS
SUPPLEMENTAL APPROPRIATIONS FOR
FISCAL YEAR 2019, AND FOR OTHER
PURPOSES”

By Representative Haresco
TO THE COMMITTEE ON APPROPRIATIONS

House Bill No. 4171, entitled:

“AN ACT DECLARING THE NORTHWEST
PANAY PENINSULA, LOCATED IN THE
MUNICIPALITIES OF NABAS, MALAY AND
BURUANGA, PROVINCE OF AKLAN, AND
IN THE MUNICIPALITIES OF LIBERTAD
AND PANDAN, PROVINCE OF ANTIQUE,
AS A PROTECTED AREA UNDER THE
CATEGORY OF NATURAL PARK,
PROVIDING FOR ITS MANAGEMENT,
AND FOR OTHER PURPOSES”

By Representative Haresco
TO THE COMMITTEE ON NATURAL
RESOURCES

House Bill No. 4172, entitled:

“AN ACT MANDATING THE LAND BANK OF
THE PHILIPPINES TO PRIORITIZE THE
AGRICULTURAL AND FISHERIES SECTOR
IN THE GRANT OF LOANS, AMENDING
FOR THE PURPOSE REPUBLIC ACT

NUMBER 3844, AS AMENDED, AND FOR OTHER PURPOSES”

By Representative Haresco
TO THE COMMITTEE ON BANKS AND FINANCIAL INTERMEDIARIES

House Bill No. 4173, entitled:

“AN ACT CREATING THE DEPARTMENT FOR FILIPINOS OVERSEAS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Haresco
TO THE COMMITTEE ON GOVERNMENT REORGANIZATION AND THE COMMITTEE ON OVERSEAS WORKERS AFFAIRS

House Bill No. 4174, entitled:

“AN ACT EXPANDING THE COVERAGE OF MICRO ENTERPRISES AS BENEFICIARIES OF THE MAGNA CARTA FOR MICRO, SMALL AND MEDIUM ENTERPRISES, AMENDING FOR THE PURPOSE REPUBLIC ACT NUMBER 6977, AS AMENDED, AND FOR OTHER PURPOSES”

By Representative Haresco
TO THE COMMITTEE ON MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT

House Bill No. 4175, entitled:

“AN ACT CREATING THE BORACAY ISLAND COUNCIL, AND FOR OTHER PURPOSES”

By Representative Haresco
TO THE COMMITTEE ON NATURAL RESOURCES

House Bill No. 4176, entitled:

“AN ACT ESTABLISHING THE AKLAN AIRPORT AUTHORITY TO ADMINISTER AND OPERATE THE KALIBO INTERNATIONAL AIRPORT AND THE CATICLAN AIRPORT, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Haresco
TO THE COMMITTEE ON GOVERNMENT ENTERPRISES AND PRIVATIZATION AND THE COMMITTEE ON TRANSPORTATION

House Bill No. 4177, entitled:

“AN ACT AMENDING SECTION 5 OF REPUBLIC ACT NUMBER 8799, OTHERWISE KNOWN AS THE SECURITIES REGULATION CODE, HARMONIZING THE SAME WITH SECTION 29 OF REPUBLIC ACT NUMBER 8791, OTHERWISE KNOWN AS THE GENERAL BANKING LAW OF 2000, AND

FOR OTHER PURPOSES”

By Representative Haresco
TO THE COMMITTEE ON BANKS AND FINANCIAL INTERMEDIARIES

House Bill No. 4178, entitled:

“AN ACT REORGANIZING THE BUREAU OF IMMIGRATION, CREATING THE IMMIGRATION ACT OF THE PHILIPPINES, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Haresco
TO THE COMMITTEE ON JUSTICE

House Bill No. 4179, entitled:

“AN ACT PROVIDING INCENTIVES FOR THE MANUFACTURE, ASSEMBLY, CONVERSION AND IMPORTATION OF ELECTRONIC, HYBRID AND OTHER ALTERNATIVE FUEL VEHICLES, AND FOR OTHER PURPOSES”

By Representative Cabochan
TO THE COMMITTEE ON ECOLOGY

House Bill No. 4180, entitled:

“AN ACT TO PROVIDE TIME OFF WITH PAY FOR EMPLOYEES WHO DONATE ORGAN, BONE MARROW, BLOOD, OR BLOOD PLATELETS”

By Representative Cabochan
TO THE COMMITTEE ON CIVIL SERVICE AND PROFESSIONAL REGULATION

House Bill No. 4181, entitled:

“AN ACT ESTABLISHING A POLICY MECHANISM FOR THE SUSTAINABLE DEVELOPMENT AND USE OF THE ISLAND OF BORACAY, MUNICIPALITY OF MALAY, PROVINCE OF AKLAN, DEFINING FOR THE PURPOSE THE MODE OF ACQUISITION FOR PARCELS OF LAND WITHIN THE ISLAND CLASSIFIED AS AGRICULTURAL LAND OPEN TO DISPOSITION UNDER PROCLAMATION NO. 1064 AND PROVIDING ENVIRONMENTAL SAFEGUARDS THEREFOR”

By Representative Cabochan
TO THE COMMITTEE ON NATURAL RESOURCES

House Bill No. 4182, entitled:

“AN ACT ESTABLISHING AN EDUCATION PRINTING OFFICE”

By Representative Cabochan
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 4183, entitled:

“AN ACT REQUIRING MANDATORY COMPUTER EDUCATION IN ALL PUBLIC AND PRIVATE HIGH SCHOOLS AND FOR OTHER RELATED PURPOSES”

By Representative Cabochan
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 4184, entitled:

“AN ACT ESTABLISHING THE PHILIPPINE SCIENCE NATIONAL HIGH SCHOOL LANA O DEL SUR CAMPUS, AND APPROPRIATING FUNDS THEREFOR”

By Representative Balindong
TO THE COMMITTEE ON SCIENCE AND TECHNOLOGY

House Bill No. 4185, entitled:

“AN ACT RENAMING LA MESA ECO PARK TO GINA LOPEZ ECO PARK”

By Representative Castelo
TO THE COMMITTEE ON NATURAL RESOURCES

House Bill No. 4186, entitled:

“AN ACT PROVIDING FOR AN ACROSS THE BOARD INCREASE OF FIFTEEN THOUSAND PESOS (P15,000.00) TO THE BASIC SALARY OF ALL ELEMENTARY AND SECONDARY PUBLIC SCHOOL TEACHERS AND APPROPRIATING FUNDS THEREFOR”

By Representative Olivarez
TO THE COMMITTEE ON APPROPRIATIONS

House Bill No. 4187, entitled:

“AN ACT EXEMPTING PERSONS WITH DISABILITY (PWD) FROM THE PAYMENT OF PARKING FEES IN ALL COMMERCIAL ESTABLISHMENTS AND GOVERNMENT BUILDINGS THAT CHARGE PARKING FEES, THEREBY AMENDING SECTION 32 OF REPUBLIC ACT NO. 7277, AS AMENDED BY REPUBLIC ACT NO. 10754, ALSO KNOWN AS THE ‘MAGNA CARTA FOR DISABLED PERSONS’”

By Representative Olivarez
TO THE COMMITTEE ON SOCIAL SERVICES

House Bill No. 4188, entitled:

“AN ACT ESTABLISHING A FIELD OFFICE OF THE COMMISSION ON HIGHER EDUCATION (CHED) IN THE PROVINCE OF MISAMIS OCCIDENTAL, AND APPROPRIATING FUNDS THEREFOR”

By Representative Ty

TO THE COMMITTEE ON HIGHER AND TECHNICAL EDUCATION

House Bill No. 4189, entitled:

“AN ACT CREATING THE DEPARTMENT OF OVERSEAS FILIPINO WORKERS, DEFINING ITS POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Olivarez
TO THE COMMITTEE ON GOVERNMENT REORGANIZATION AND THE COMMITTEE ON OVERSEAS WORKERS AFFAIRS

House Bill No. 4190, entitled:

“AN ACT CREATING FOUR (4) ADDITIONAL BRANCHES OF THE REGIONAL TRIAL COURT TO BE STATIONED IN THE CITY OF ORMOC, PROVINCE OF LEYTE AND SIX (6) ADDITIONAL BRANCHES OF THE MUNICIPAL TRIAL COURT, ONE BRANCH TO BE STATIONED IN EACH OF THE MUNICIPALITIES OF PALOMPON, KANANGA, ISABEL, MERIDA, ALBUERA AND MATAG-OB, IN THE PROVINCE OF LEYTE, EIGHTH JUDICIAL REGION, AMENDING FOR THE PURPOSE SECTION 14, PARAGRAPH (I) AND SECTION 30 OF BATAS PAMBANSA BLG. 129, OTHERWISE KNOWN AS ‘THE JUDICIARY REORGANIZATION ACT OF 1980’, AS AMENDED, AND APPROPRIATING FUNDS THEREFOR”

By Representative Torres-Gomez
TO THE COMMITTEE ON JUSTICE

House Bill No. 4191, entitled:

“AN ACT INCREASING THE AUTHORIZED CAMPAIGN EXPENDITURES OF CANDIDATES AND POLITICAL PARTIES AND DEFINING AN INDEPENDENT CANDIDATE FOR THIS PURPOSE, AMENDING SECTION 13 OF REPUBLIC ACT NO. 7166, ENTITLED, ‘AN ACT PROVIDING FOR SYNCHRONIZED NATIONAL AND LOCAL ELECTIONS AND FOR ELECTORAL REFORMS, AUTHORIZING APPROPRIATIONS THEREFOR, AND FOR OTHER PURPOSES’”

By Representative Villanueva (Noel)
TO THE COMMITTEE ON SUFFRAGE AND ELECTORAL REFORMS

House Bill No. 4192, entitled:

“AN ACT INSTITUTIONALIZING MALASAKIT

CENTERS TO COMPLEMENT THE IMPLEMENTATION OF REPUBLIC ACT NO. 11223 OTHERWISE KNOWN AS THE 'UNIVERSAL HEALTH CARE ACT' BY REQUIRING PHILHEALTH TO ESTABLISH, OPERATE AND MAINTAIN MALASAKIT CENTERS IN ALL DOH, LGU, SUC, AND DND HOSPITALS IN THE COUNTRY, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES"

By Representative Gonzalez
TO THE COMMITTEE ON HEALTH

House Bill No. 4193, entitled:

"AN ACT ESTABLISHING THE MAGNA CARTA FOR BARANGAYS"

By Representative Abellanosa
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 4194, entitled:

"AN ACT PROVIDING FOR THE ESTABLISHMENT OF THE ARCHIPELAGIC SEA LANES IN THE PHILIPPINE ARCHIPELAGIC WATERS, PRESCRIBING THE RIGHTS AND OBLIGATIONS OF FOREIGN SHIPS AND AIRCRAFT EXERCISING THE RIGHT OF ARCHIPELAGIC SEA LANES PASSAGE"

By Representative Hofer
TO THE COMMITTEE ON FOREIGN AFFAIRS

House Bill No. 4195, entitled:

"AN ACT DECLARING AND DEFINING THE MARITIME ZONES UNDER THE JURISDICTION OF THE REPUBLIC OF THE PHILIPPINES"

By Representative Hofer
TO THE COMMITTEE ON FOREIGN AFFAIRS

House Bill No. 4196, entitled:

"AN ACT STRENGTHENING THE UTILIZATION OF INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) IN ALL PUBLIC ELEMENTARY SCHOOLS AND HIGH SCHOOLS, PROVIDING FUNDS THEREFOR AND FOR OTHER PURPOSES"

By Representative Yap (Victor)
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 4197, entitled:

"AN ACT PROVIDING FOR A MAGNA

CARTA FOR TRICYCLE DRIVERS AND OPERATORS, INSTITUTIONALIZING MECHANISMS FOR ITS IMPLEMENTATION AND FOR OTHER PURPOSES"

By Representative Yap (Victor)
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 4198, entitled:

"AN ACT INSTITUTIONALIZING THE CONVERGENCE STRATEGY FOR SUSTAINABLE RURAL DEVELOPMENT AND PROVIDING THE IMPLEMENTING MECHANISMS THEREFOR"

By Representative Yap (Victor)
TO THE COMMITTEE ON RURAL DEVELOPMENT

House Bill No. 4199, entitled:

"AN ACT PROVIDING FOR THE ESTABLISHMENT OF A TIMBANGAN NG BAYAN CENTER IN ALL MARKETS NATIONWIDE, AMENDING FOR THE PURPOSE CHAPTER II OF REPUBLIC ACT NO. 7394, OTHERWISE KNOWN AS THE 'CONSUMER ACT OF THE PHILIPPINES' "

By Representative Romualdo
TO THE COMMITTEE ON TRADE AND INDUSTRY

House Bill No. 4200, entitled:

"AN ACT DECLARING THE MUNICIPALITIES OF STO. DOMINGO, STA. CATALINA, BANTAY, SAN ILDEFONSO, SAN VICENTE, SINAIT, CABUGAO, SAN JUAN, MAGSINGAL AND CAOAYAN, PROVINCE OF ILOCOS SUR AS TOURIST DESTINATIONS, PROVIDING FOR THEIR DEVELOPMENT AND APPROPRIATING FUNDS THEREFOR"

By Representative Savellano
TO THE COMMITTEE ON TOURISM

House Bill No. 4201, entitled:

"AN ACT CREATING THE PHILIPPINE CANCER CENTER, PROVIDING FUNDS THEREFOR AND FOR OTHER PURPOSES"

By Representative Vargas
TO THE COMMITTEE ON GOVERNMENT REORGANIZATION AND THE COMMITTEE ON HEALTH

House Bill No. 4202, entitled:

"AN ACT ENCOURAGING YOUTH SECTOR PARTICIPATION IN THE AGRICULTURAL SECTOR, ESTABLISHING FOR THE

PURPOSE A ‘TULONG KABATAAN SA AGRIKULTURA PROGRAM’ AND A ‘TULONG KABATAAN SA AGRIKULTURA TRUST FUND’, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Vargas
TO THE COMMITTEE ON AGRICULTURE AND FOOD

House Bill No. 4203, entitled:

“AN ACT PROVIDING FOR A MAGNA CARTA OF WORKERS IN INFORMAL ECONOMY INSTITUTIONALIZING MECHANISMS FOR IMPLEMENTATION THEREOF AND FOR OTHER PURPOSES”

By Representative Vargas
TO THE COMMITTEE ON LABOR AND EMPLOYMENT

House Bill No. 4204, entitled:

“AN ACT INCREASING THE PENALTY IMPOSED AGAINST POLLUTIONS OF NAVIGABLE WATERS BY AMENDING SECTION 7 PRESIDENTIAL DECREE NO. 979 PROVIDING FOR THE REVISION OF PRESIDENTIAL DECREE NO. 600 GOVERNING MARINE POLLUTION”

By Representative Vargas
TO THE COMMITTEE ON ECOLOGY

House Bill No. 4205, entitled:

“AN ACT CREATING A MEDICAL SCHOLARSHIP AND RETURN SERVICE PROGRAM FOR THE RECRUITMENT OF QUALIFIED FILIPINOS WHO WILL SERVE AS PRIMARY CARE WORKERS IN PRIORITY BARANGAYS, MUNICIPALITIES, AND CITIES, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Vargas
TO THE COMMITTEE ON HIGHER AND TECHNICAL EDUCATION

House Bill No. 4206, entitled:

“AN ACT ENSURING THE AVAILABILITY, ADEQUACY, ACCESSIBILITY AND SAFETY OF FOOD TO EVERY FILIPINO”

By Representative Vargas
TO THE SPECIAL COMMITTEE ON FOOD SECURITY

House Bill No. 4207, entitled:

“AN ACT INSTITUTING POLICIES FOR THE PROTECTION AND WELFARE OF

CAREGIVERS IN THE PRACTICE OF THEIR PROFESSION”

By Representative Vargas
TO THE COMMITTEE ON HEALTH

House Bill No. 4208, entitled:

“AN ACT TO PROVIDE GUIDELINES FOR THE INSTALLATION OF THE CLOSED-CIRCUIT TELEVISION VIDEO (CCTV) AND THE PROCEDURE FOR ACCESS TO THE IMAGES”

By Representative Vargas
TO THE COMMITTEE ON PUBLIC ORDER AND SAFETY

House Bill No. 4209, entitled:

“AN ACT PROMOTING SUSTAINABLE AND ALTERNATIVE MODES OF TRANSPORTATION AND OTHER MOBILITY OPTIONS TO IMPROVE AIR QUALITY, INCREASE EFFICIENCY, REDUCE ROAD CONGESTION, AND CONTRIBUTE TO POSITIVE HEALTH IMPACTS IN OUR SOCIETY”

By Representative Vargas
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 4210, entitled:

“AN ACT PROMOTING THE ESTABLISHMENT OF PUBLIC MATH AND SCIENCE HIGH SCHOOLS IN PREVIOUSLY UNDERSERVED AREAS, AND APPROPRIATING FUNDS THEREFORE”

By Representative Vargas
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 4211, entitled:

“AN ACT ESTABLISHING A NATIONAL HIGH SCHOOL IN BARANGAY NAGKAISANG NAYON, QUEZON CITY, METRO MANILA TO BE KNOWN AS NAGKAISANG NAYON NATIONAL HIGH SCHOOL AND APPROPRIATING FUNDS THEREFOR”

By Representative Vargas
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 4212, entitled:

“AN ACT ESTABLISHING TRICYCLE DRIVER TRAINING AND MOTORIST AWARENESS PROGRAMS”

By Representative Vargas
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 4213, entitled:

“AN ACT PROVIDING FOR THE CONSTRUCTION OF A SUPER HEALTH CENTER AND LYING-IN CLINIC IN BARANGAY NOVALICHES PROPER, QUEZON CITY AND APPROPRIATING FUNDS THEREFOR”

By Representative Vargas
TO THE COMMITTEE ON HEALTH

House Bill No. 4214, entitled:

“AN ACT INSTITUTING INCLUSIVE AND THE ESTABLISHMENT OF INCLUSIVE EDUCATION LEARNING RESOURCE CENTERS FOR CHILDREN AND YOUTH WITH SPECIAL NEEDS IN ALL PUBLIC SCHOOLS DIVISIONS, PROVIDING FOR STANDARDS AND GUIDELINES, AND APPROPRIATING FUNDS THEREFOR”

By Representative Vargas
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 4215, entitled:

“AN ACT REGULATING THE USE OF GOVERNMENT AMBULANCES, PROVIDING PENALTIES THEREFORE, AND FOR OTHER PURPOSES”

By Representative Vargas
TO THE COMMITTEE ON HEALTH

House Bill No. 4216, entitled:

“AN ACT PROHIBITING DISCRIMINATION ON THE BASIS OF ETHNICITY, RACE, RELIGION OR BELIEF, SEX OR GENDER OR SEXUAL ORIENTATION, LANGUAGE, DISABILITY, EDUCATIONAL ATTAINMENT, AND OTHER FORMS OF DISCRIMINATION, PROVIDING PENALTIES THEREFOR, AND FOR OTHER PURPOSES”

By Representative Vargas
TO THE COMMITTEE ON HUMAN RIGHTS

House Bill No. 4217, entitled:

“AN ACT AMENDING SECTIONS 15 AND 16 OF REPUBLIC ACT 10071 OTHERWISE KNOWN AS THE ‘NATIONAL PROSECUTION SERVICE ACT OF 2010,’ APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES”

By Representative Velasco
TO THE COMMITTEE ON JUSTICE

House Bill No. 4218, entitled:

“AN ACT PROVIDING FOR A NATIONAL

PROGRAM TO SUPPORT AND CARE FOR THE ABANDONED, NEGLECTED, AND VOLUNTARY COMMITTED CHILDREN, CREATING A SPECIAL TRUST FUND, AND FOR OTHER PURPOSES”

By Representative Sy-Alvarado
TO THE COMMITTEE ON WELFARE OF CHILDREN

House Bill No. 4219, entitled:

“AN ACT PROVIDING FOR THE ESTABLISHMENT OF A SPORTS COMPLEX IN THE CITY OF TAYABAS, PROVINCE OF QUEZON”

By Representatives Villaraza-Suarez, Suarez (David), Suarez (Aleta), Enverga and Tan (Angelina)
TO THE COMMITTEE ON YOUTH AND SPORTS DEVELOPMENT

House Bill No. 4220, entitled:

“AN ACT CREATING A DISTRICT ENGINEERING OFFICE OF THE DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS IN THE SECOND (2ND) LEGISLATIVE DISTRICT OF THE PROVINCE OF AKLAN, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Haresco
TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

RESOLUTIONS

House Resolution No. 260, entitled:

“RESOLUTION URGING THE HOUSE OF REPRESENTATIVES TO EXERCISE ITS OVERSIGHT FUNCTION AND TO CONDUCT AN INVESTIGATION IN AID OF LEGISLATION ON THE IMPLEMENTATION OF RA NO. 10592”

By Representative Garbin
TO THE COMMITTEE ON RULES

House Resolution No. 261, entitled:

“A RESOLUTION DIRECTING THE HOUSE OF REPRESENTATIVES TO ADOPT AN INSTITUTIONAL POLICY DISALLOWING THE USE OF DISPOSABLE PLASTIC WATER BOTTLES”

By Representative Pacquiao (Alberto)
TO THE COMMITTEE ON ECOLOGY

House Resolution No. 262, entitled:

“A RESOLUTION URGING THE HOUSE

COMMITTEE ON SUFFRAGE AND ELECTORAL REFORMS TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE ALLEGATIONS OF ELECTORAL FRAUD, SPECIFICALLY, THE USE OF FALSE ADDRESSES OF REGISTERED VOTERS”

By Representative Sarmiento
TO THE COMMITTEE ON RULES

CREATED AGENCY INTO FULFILLING ITS MANDATE AS PROVIDED UNDER REPUBLIC ACT NO. 11201, OTHERWISE KNOWN AS THE ‘DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT ACT’ ”

By Representative Deloso-Montalla
TO THE COMMITTEE ON HOUSING AND URBAN DEVELOPMENT

House Resolution No. 263, entitled:

“A RESOLUTION DIRECTING THE APPROPRIATE HOUSE COMMITTEE TO CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION ON THE DELAYED CONTRACTS AND PROJECTS OF THE NATIONAL IRRIGATION ADMINISTRATION (NIA) AND TO DEMAND THE AGENCY TO EFFECTIVELY PURSUE THE RECOMMENDATIONS MADE BY THE COMMISSION ON AUDIT (COA) TO ADDRESS ITS INEFFICIENCIES”

By Representative Herrera-Dy
TO THE COMMITTEE ON RULES

House Resolution No. 267, entitled:

“RESOLUTION DIRECTING THE COMMITTEE ON NATURAL RESOURCES TO CONDUCT AN INVESTIGATION IN AID OF LEGISLATION, THE INCIDENT OF THE DREDGING BEING CARRIED OUT BY PACIFIC OFFSHORE EXPLORATION INC. (POEI), WHETHER OR NOT THE SAME IS MINING OR DREDGING OF CAGAYAN RIVER, THE POTENTIAL OF MAGNETITE MINING IN OUR ECONOMIC PROGRESS WITHOUT COMPROMISING OUR RESPONSIBILITY TO PROTECT OUR RICH NATURAL RESOURCES, DETERMINE IF THERE CAN BE A BALANCE BETWEEN THESE TWO SEEMINGLY CONFLICTING OBJECTIVES AND A REVIEW OF THE EXISTING LAWS RELEVANT THERETO”

By Representative Barzaga
TO THE COMMITTEE ON RULES

House Resolution No. 264, entitled:

“A RESOLUTION HONORING AND COMMENDING THE METROBANK FOUNDATION OUTSTANDING FILIPINOS OF 2019”

By Representative Bravo
TO THE COMMITTEE ON RULES

House Resolution No. 268, entitled:

“A RESOLUTION COMMENDING MR. JERARD JACINTO FOR HIS EXEMPLARY PERFORMANCE IN THE SEVENTH (7TH) FINA WORLD JUNIORS SWIMMING CHAMPIONSHIPS HELD IN BUDAPEST, HUNGARY”

By Representative Crisologo
TO THE COMMITTEE ON YOUTH AND SPORTS DEVELOPMENT

House Resolution No. 265, entitled:

“A RESOLUTION EXPRESSING THE PROFOUND SYMPATHY AND CONDOLENCES OF THE HOUSE OF REPRESENTATIVES OF THE PHILIPPINES ON THE DEATH OF HON. JULIAN BACUS DAAN, INCUMBENT CITY COUNCILOR OF TALISAY, CEBU, FORMER MEMBER OF THE SANGGUNIANG PANLALAWIGAN OF THE PROVINCE OF CEBU AND AN ICON IN THE PRESERVATION AND PROMOTION OF VISAYAN CULTURE AND ARTS”

By Representative Lagon
TO THE COMMITTEE ON RULES

House Resolution No. 269, entitled:

“A RESOLUTION URGING THE PROPER COMMITTEE OF THE HOUSE OF REPRESENTATIVES TO CONDUCT AN INVESTIGATION IN AID OF LEGISLATION ON THE CONTROVERSIAL AND GROSSLY DISADVANTAGEOUS SALE OF UCPB PROPERTY BY ITS PRESIDENT HIGINIO MACADAEG JR.”

By Representatives Romero and Pineda
TO THE COMMITTEE ON RULES

House Resolution No. 266, entitled:

“RESOLUTION URGING PRESIDENT RODRIGO ROA DUTERTE TO IMMEDIATELY APPOINT A SECRETARY TO THE DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT WHO CAN SHEPHERD THE NEWLY-

House Resolution No. 270, entitled:

“RESOLUTION CALLING FOR INQUIRY IN

AID OF LEGISLATION OF THE QUEZON CITY MALL INCIDENT INVOLVING A TRANSGENDER, WITH PARTICULAR ATTENTION TO GET THE SIDE OF THE JANITRESS, THE SECURITY GUARD, AND MALL MANAGEMENT CONCERNED AS WELL”

By Representatives Villanueva (Eduardo) and Rivera
TO THE COMMITTEE ON RULES

House Resolution No. 271, entitled:

“RESOLUTION URGING THE HOUSE OF REPRESENTATIVES TO CONDUCT AN INVESTIGATION INTO THE PROCUREMENT OF AT LEAST TWENTY-FIVE PERCENT (25%) OF THE ANNUAL SCHOOL DESKS AND ARM CHAIRS REQUIREMENT OF ALL PUBLIC ELEMENTARY AND SECONDARY SCHOOLS NATIONWIDE AS PROVIDED FOR IN EXECUTIVE ORDER NO. 879”

By Representative Savellano
TO THE COMMITTEE ON RULES

House Resolution No. 272, entitled:

“RESOLUTION DIRECTING THE COMMITTEE ON TOURISM TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE IMPLEMENTATION OF SCUBA DIVING SAFETY RULES AND REGULATIONS”

By Representative Biazon
TO THE COMMITTEE ON RULES

House Resolution No. 273, entitled:

“RESOLUTION COMMENDING THE PHILIPPINE NATIONAL VOLUNTEER SERVICE COORDINATING AGENCY (PNVSCA) FOR ITS VALUABLE CONTRIBUTION TO NATIONAL DEVELOPMENT AND CONGRATULATING THE AGENCY ON ITS 55TH ANNIVERSARY”

By Representative Robes
TO THE COMMITTEE ON PEOPLE’S PARTICIPATION

House Resolution No. 274, entitled:

“RESOLUTION URGING THE HOUSE OF REPRESENTATIVES, THROUGH THE COMMITTEE ON HUMAN RIGHTS, TO CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION, ON THE KILLING OF LUMAD LEADER, BAI LEAH TUMBALANG, IN VALENCIA CITY, BUKIDNON AND THE PERSISTENCE OF KILLINGS IN BUKIDNON”

By Representatives Cullamat, Zarate and Gaito
TO THE COMMITTEE ON RULES

House Resolution No. 275, entitled:

“RESOLUTION URGING THE HOUSE COMMITTEE ON INFORMATION AND COMMUNICATIONS TECHNOLOGY TO INVITE TELECOMMUNICATION FIRMS AND OTHER INTERNET SERVICE PROVIDERS TO SHED LIGHT ON THEIR SLOW AND EXPENSIVE INTERNET SERVICE”

By Representative Marquez
TO THE COMMITTEE ON RULES

House Resolution No. 276, entitled:

“A RESOLUTION COMMENDING SIXTO O. BRILLANTE, JR. FOR HIS HONESTY AND INTEGRITY AFTER RETURNING FOUR HUNDRED THIRTY THOUSAND PESOS TO ITS RIGHTFUL OWNER AT THE NINOY AQUINO INTERNATIONAL AIRPORT”

By Representative Bernos
TO THE COMMITTEE ON RULES

House Resolution No. 277, entitled:

“RESOLUTION DIRECTING THE HOUSE OF REPRESENTATIVES COMMITTEES ON BASIC EDUCATION AND CULTURE, AND HIGHER AND TECHNICAL EDUCATION TO LOOK INTO THE IMPLEMENTATION OF REPUBLIC ACT NO. 8047 AND OTHER RELATED LAWS ESPECIALLY ON THE PRODUCTION, PUBLICATION AND DISTRIBUTION OF BOOKS AND TEXTBOOKS WITH THE END IN VIEW OF ENACTING LEGISLATIVE MEASURES TO IMPROVE AND ENHANCE THE NATIONAL BOOK POLICY AND NATIONAL BOOK DEVELOPMENT PLAN OF THE COUNTRY”

By Representative Escudero
TO THE COMMITTEE ON RULES

House Resolution No. 278, entitled:

“A RESOLUTION FOR THE HOUSE COMMITTEE ON HEALTH TO CONDUCT CURSORY CHECK, IN AID OF LEGISLATION, ON THE REAL CURRENT STATUS OF STEM CELL THERAPY IN THE PHILIPPINES, IF THERE ARE ALREADY EVIDENCE AND DATA TO PROVE THAT SUCH TREATMENTS WORK ON A PER DISEASE BASIS, ATTENDANT ETHICAL ISSUES SURROUNDING THIS REGENERATIVE MEDICINE (IF ANY), AND WHETHER CERTAIN REGULATIONS

HAVE TO BE PRESCRIBED AGAINST STEM CELL BANK AND PROCEDURES AND/OR CLINICAL APPLICATIONS”

By Representative Castelo
TO THE COMMITTEE ON RULES

Resolution of Both Houses No. 3, entitled:

“RESOLUTION OF BOTH HOUSES PROPOSING AMENDMENTS TO CERTAIN ECONOMIC PROVISIONS OF THE 1987 CONSTITUTION OF THE REPUBLIC OF THE PHILIPPINES”

By Representative Haresco
TO THE COMMITTEE ON CONSTITUTIONAL AMENDMENTS

House Joint Resolution No. 11, entitled:

“JOINT RESOLUTION EXPANDING THE MANDATE OF THE LEGISLATIVE OVERSIGHT COMMITTEE TO MONITOR AND OVERSEE THE IMPLEMENTATION OF THE VISITING FORCES AGREEMENT WITH THE UNITED STATES OF AMERICA TO INCLUDE OTHER DEFENSE AND STATUS OF FORCES AGREEMENTS WITH OTHER COUNTRIES CONCURRED WITH BY THE SENATE, AMENDING FOR THE PURPOSE JOINT RESOLUTION NO. 02”

By Representative Hofer
TO THE COMMITTEE ON FOREIGN AFFAIRS

House Joint Resolution No. 12, entitled:

“JOINT RESOLUTION DECLARING SEPTEMBER 12, 2019 AS THE CENTENNIAL ANNIVERSARY OF PHILIPPINE CINEMA”

By Representative Fernandez
TO THE COMMITTEE ON PUBLIC INFORMATION

COMMUNICATIONS

Letter dated July 23, 2019 of Jaime H. Morente, Commissioner, Bureau of Immigration, Department of Justice, submitting the Bureau’s Agency Action Plan and Status of Implementation (AAPSI) on Audit Observations and Recommendations reflected in the COA Annual Audit Report, FY 2018.
TO THE COMMITTEE ON JUSTICE

Letter dated 25 July 2019 of Benjamin E. Diokno, Governor, Bangko Sentral ng Pilipinas, submitting their Report to Congress on Public Sector Foreign Loans approved by the Bangko Sentral ng Pilipinas (BSP) in the Second Quarter of 2019.

TO THE COMMITTEE ON BANKS AND FINANCIAL INTERMEDIARIES

Letter dated 25 July 2019 of Humerlito A. Dolor, Provincial Governor, Province of Oriental Mindoro, submitting their Physical and Financial Reports of Operations for the Quarter Ending June 30, 2019, on the Local Government Support Fund – Conditional Matching Grant to Provinces (CMGP) for Road Repair, Rehabilitation and Improvement.
TO THE COMMITTEE ON APPROPRIATIONS

Report on Fund Utilization and Status of Program/Project Implementation for the Quarter ended June 2019 of the Municipality of Corella, Province of Bohol on the Local Government Support Fund attested by D. Hilario D. Tocmo, Municipal Mayor.
TO THE COMMITTEE ON APPROPRIATIONS

Report on Fund Utilization and Status of Program/Project Implementation for the 2nd Quarter ending June 30, 2019 of the Municipality of Balilihan, Province of Bohol on the Local Government Support Fund attested by Maria Puresa V. Chatto, Municipal Mayor.
TO THE COMMITTEE ON APPROPRIATIONS

Letter dated July 30, 2019 of Emmanuel C. De Guzman, President, Polytechnic University of the Philippines, submitting the Status Report regarding Tulong Dunong Program (TDP) and Expanded Students’ Grants-in-Aid Program for Poverty Alleviation (ESGP-PA), Fund Utilization and List of Beneficiaries for 2nd Quarter FY2019.
TO THE COMMITTEE ON APPROPRIATIONS

Letter dated July 30, 2019 of Jaime H. Morente, Commissioner, Bureau of Immigration, Department of Justice, submitting the Bureau’s Collection Report of the Express Lane Fee for the 2nd Quarter of CY 2019.
TO THE COMMITTEE ON JUSTICE

Letter dated August 1, 2019 of RADM Roberto Q. Estioko AFP (Ret), President, National Defense College of the Philippines, Department of National Defense, submitting their Agency Action Plan and Status of Implementation (AAPSI) on the Audit Observations and Recommendations for the Calendar Year 2018 as of 30 April 2019.
TO THE COMMITTEE ON NATIONAL DEFENSE AND SECURITY

Letter dated August 9, 2019 of Dr. Annabelle V. Briones, Director, Industrial Technology Development Institute, submitting their Agency Action Plan

and Status of Implementation (AAPSI) of the Observations and Recommendations for Calendar Year 2018 and downwards.

TO THE COMMITTEE ON HIGHER AND TECHNICAL EDUCATION

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

ROLL CALL

REP. SINGSON-MEEHAN. Mr. Speaker, I move that we call the roll of Members.

I so move, Mr. Speaker.

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

The Secretary General will please call the roll.

*The Secretary General called the roll, and the result is reflected in Journal No. 15, dated September 3, 2019.**

THE SECRETARY GENERAL. Mr. Speaker, the roll call shows that 235 Members responded to the call.

THE DEPUTY SPEAKER (Rep. Pimentel). With 235 Members responding to the call, the Chair declares the presence of a quorum.

The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, we would like to acknowledge the presence of the guests of Rep. Marlyn "Len" B. Alonte from the Lone District of Biñan City, Laguna, the Business Administration students from Trimex Colleges, Biñan City: Kaymark Reyes, Jeff Faraon, Marissa Portas, Anna Kristina Coligado, Criselda San Juan, Catherine Dumpa, Michelle Lawagon, Angelica Chaves, Kennixa Burlat, Angela Apolonio, Mellicent Tena, Rina Basca, and Princess Aguilar. They are the guests of the Hon. Marlyn "Len" Alonte of the Lone District of Biñan.

THE DEPUTY SPEAKER (Rep. Pimentel). To the guests of Representative Alonte, please rise. (*Applause*) Welcome to the House of Representatives.

The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, we would also like to acknowledge the presence of the guests of the Hon. Kristine Alexie B. Tutor of the Third District of Bohol and they are the members of the RoBOHOLic Team from the Province of Bohol.

THE DEPUTY SPEAKER (Rep. Pimentel). To the guests of Representative Tutor, please rise. (*Applause*) You are welcome to the House of Representatives.

The Majority Leader is recognized.

APPROVAL OF THE JOURNAL

REP. SINGSON-MEEHAN. Mr. Speaker, I move that we approve Journal No. 14 dated September 2, 2019.

I so move, Mr. Speaker.

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

The Majority Leader is recognized.

REP. SINGSON-MEEHAN. Mr. Speaker, under the Calendar of Business for the Day, I move that we consider ...

REP. BONDOC. Pardon us, Mr. Speaker. I move that we recognize the Lady from the Party-List AAMBIS-OWA who wishes to rise on a matter of collective and personal privilege. I move that we recognize the Hon. Sharon S. Garin.

I so move, Mr. Speaker.

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

Rep. Sharon Garin is hereby recognized.

QUESTION OF PRIVILEGE OF REP. GARIN (S.)

REP. GARIN (S.). Thank you, Mr. Speaker.

Mr. Speaker, before I commence, I would like to request that we acknowledge the presence of the wife of the late Rep. Rodel Batocabe, Gertrude "Gertie" Batocabe, and their sons, Justin and Kiel. Can you please stand up? (*Applause*)

My dear colleagues, it had been nine months since our colleague, Cong. Rodel Batocabe, was brutally assassinated. He was brutally murdered in broad daylight in his hometown Daraga, right in front of the senior citizens he visited that day, his body riddled with bullets on the day of his wedding anniversary. He was brutally murdered while he was an incumbent and a brilliant Member of this august Body. He was brutally murdered, and he was a husband, a father of two, a public servant, a pioneer and leader of the Party-List Coalition. He was murdered, and he was our colleague and our friend.

It had been nine months since this loss. Now, an unjust decision has opened the wounds that have been

* See ANNEX (printed separately)

slowly healing. His murderer now walks free—he is free to continue his reign of terror in Rodel’s hometown of Daraga, free to tamper the physical evidence, and free to intimidate witnesses. He roams, while our beloved friend lies in the dust, his spirit restless and his family in fear.

Much like during his life, in death, Rodel was a unifying factor in Congress. Despite it being two days before Christmas day, many Members of the House of Representatives went to pay their last respects to Rodel in Daraga. In a matter of days, the Members of the Seventeenth Congress, headed by then Speaker Gloria Macapagal Arroyo and together with Cong. Albee Benitez, were able to raise a record amount to assist his family and post rewards to aid the capture of his perpetrators. This Congress, together with the AKO BICOL Reps. Pido Garbin, Zaldy and Christopher Co, amassed enough resources to seek justice, be it through media, legal process or public support. No less than the President of the Republic of the Philippines publicly condemned such brutality and injustice. President Duterte even personally met Mrs. Gertie Batocabe and her sons to express his support and sympathy. All these led to the capture of six co-conspirators who confessed in front of the entire world and the recovery of guns and vehicles used in the crime. The evidence was staggering, and one can even argue that there was enough to convict them with proof beyond reasonable doubt. However, since it was only a bail proceeding, what was required was only the existence of evidence, as well as its reasonable connection with the suspect and the crime.

Now come this inexplicable decision that erroneously stated that the evidence was incomplete and weak. The decision places an undue burden on the police and other investigative institutions. If half a dozen witnesses and a complete inventory of guns and vehicles do not cut it, how can any criminal be successfully prosecuted? The decision for the accused to be released on bail is a mockery of justice as murder is essentially a non-bailable crime. It is an insult to the efforts of the authorities and the Members of Congress when the judge, in her intransigence to stick to the letter of the law, failed to uphold its spirit. She had executed our shot at justice. The decision set free a man who had the ability to evade arrest for five days, a man with considerable means and who has a reputation for violence. Who will now, in their right minds, speak out and stand witness to confront this man’s evil?

Some of the accused-turned-witnesses had recanted or are about to recant. This sets a dangerous precedent, Mr. Speaker. What would stop persons from availing of an informer’s reward, suddenly recant and then cave in to intimidation or be bought by a higher sum by other parties? Why did these persons in police custody recant? How was the reward given? Is there a possibility

of retrieving these wasted sums since the purpose for which they were given is now unfulfilled? The Batocabe family and their legal team will be hard-pressed to bring witnesses to the stand. From a legal aspect, this decision is a trump card as it grants them the ability to question all decisions until they reach the Supreme Court. They can always maintain as a defense that, at one point in the trial, evidence was found to be lacking. Without an iota of doubt, the cycle will continue and justice will be delayed.

Rodel died while in service to his fellow Darageños. Congressman Batocabe died while he was an outstanding Member of this Congress, of the House of Representatives, our House. Congressman Batocabe was one of us. What happened to Congressman Batocabe was an assault to his family, to AKO BICOL Party-List, to the Party-List Coalition, and to this institution, the House of Representatives. So, my appeal to my fellow Members of this august Body, do not let this fight for justice, for us and for our institution, go in vain. We must again renew our quest to give justice to our fallen comrade. I exhort all the Members of this august Body to condemn this unjust decision. I call for an examination of our laws to provide a more just and speedy system of justice. I call for vigilance from the police to ensure the safety of the Batocabe family, the town of Daraga, the witnesses, and the remaining conspirators in custody.

I am a Party-List Representative, and I believe many of my fellow Party-List Representatives cannot allow this incomprehensible injustice to besmirch the memory of Congressman Batocabe, the former President of the Party-List Coalition in the Seventeenth Congress. Rodel was my friend, and so was he to many Members of the Seventeenth and Eighteenth Congresses. I miss him, and so do many of the Members of this Congress. But these sentiments, my dear colleagues will be for naught if we let this pass. Let us fight for justice for Congressman Batocabe, and let this not happen to our friend and to any other Filipino, whether Congressman or not.

Thank you and good evening. *(Applause)*

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

REP. BARZAGA. Mr. Speaker.

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

REP. LACSON-NOEL. Mr. Speaker, I move to recognize the Hon. Jose L. Atienza Jr. who wishes to interpellate the Hon. Sharon Garin.

THE DEPUTY SPEAKER (Rep. Pimentel). The Hon. Jose “Lito” L. Atienza Jr. is hereby recognized.

REP. ATIENZA. Thank you, Mr. Speaker. Salamat po, Mme. Majority Leader.

With the kind concurrence of the Lady who is bringing forth before us a very, very serious matter, kung puwede namang makipag-usap sa kanya ng kaunti pa?

REP. GARIN (S.). Yes, Mr. Speaker, gladly so.

REP. ATIENZA. Can I ask some questions on the subject matter that you have brought before us?

REP. GARIN (S.). Yes, Mr. Speaker.

REP. ATIENZA. Could you allow a few questions to elaborate on the very serious matter that you have brought before us?

REP. GARIN (S.). Yes, yes, Mr. Speaker.

REP. ATIENZA. Nasabi ninyo na masakit na katotohanan na ang katarungan ay hindi naibibigay ng tama para sa ating bansa. Iyon po ang inyong mensahe, hindi po ba?

REP. GARIN (S.). Yes, Mr. Speaker.

REP. ATIENZA. I agree with you because Congressman Batocabe was not only a personal friend, he was a colleague and he impressed me as one of the hardest working Congressmen, and...

REP. GARIN (S.). I agree, Mr. Speaker.

REP. ATIENZA. ...for him to be killed in this manner, what they did to him is totally abhorrent to any decent and freedom-loving Filipino. Dahil po sa sinabi ninyo, dapat ay mayroon tayong gawing aksyon, hindi po ba?

One of the main problems of our country now is the distorted, disjointed wheels of justice. Siguro naman alam natin iyong nangyayari sa Muntinlupa. Nabalitaan po ba ninyo ang iskandalo roon na nangyari sa nakaraang dalawang linggo? Are you aware of what happened in Muntinlupa, the mismanagement of the institution of justice thereat?

REP. GARIN (S.). Yes, Mr. Speaker.

REP. ATIENZA. Kaya hindi tayo nagtataka na iyong pagkapatay kay Congressman Batocabe, sa mata ng ilan, sa hustisya in the justice department—I am not talking about the Department of Justice, but the justice sector—ay nangyayari ang ganyan. Nabibigyan ng laya, naaabswelto ang isang kriminal, hindi po ba?

REP. GARIN (S.). Yes, Mr. Speaker.

REP. ATIENZA. It only shows that in our country, it is not the penalty that is a deterrent to the commission of a crime—kapag malakas kayo, mayaman kayo, makakawala kayo.

REP. GARIN (S.). It is poverty.

REP. ATIENZA. Iyong mga pinakawalan sa Muntinlupa, sila po ay mga malalakas, mayayaman at makapangyarihan kaya napapawalang-bisa ang kanilang sentensiya. So, this is the best time, Mr. Speaker, for Congress to act and react to what happened to our colleague, Congressman Batocabe.

Ano po ba ang plano ng ating kagalang-galang na Kongresista dito sa pangyayaring ito? Mayroon po ba kayong imumungkahi, mayroon po ba kayong course of action that we can take? Remember, we are totally independent of the other departments—we are the law-making body of the Philippines and so, we can act on our own on this particular issue. We do not need to wait for anyone for us to do something about it.

REP. GARIN (S.). Mr. Speaker, I think the House can do so much in order to gain justice and attention to the problem at hand as well. But I would like to refer, if Congressman Atienza would permit because the legal process is being handled by the family together with Cong. Alfredo “Pido” A. Garbin Jr., and so, I would like to offer the microphone to Congressman Garbin so he can explain better the process that we have been taking.

THE DEPUTY SPEAKER (Rep. Pimentel). Representative Garbin is recognized.

REP. GARBIN. Thank you, Mr. Speaker. As what was shown in the Sanchez case wherein there was a public outcry, public uproar that deterred the release of a convicted rapist and murderer, in the same way we should also show public outcry on the decision of the RTC judge to grant bail to the mastermind of the Batocabe killing. Aside from that, the family and their lawyers are exerting all legal remedies such as filing a motion for reconsideration coupled with a motion for inhibition, so that we could avoid a miscarriage of justice in the murder of the late Cong. Rodel Batocabe.

REP. ATIENZA. Mr. Speaker, at this point, I am a bit perplexed. The beauty of Cong. Sharon Garin has been now overshadowed by the good-looking Gentleman facing us. So, let me ask him the question therefore, what can we, as the Congress of the Philippines, constructively do to help improve the delivery of justice

in the country? Remember, we will never progress as a nation if justice is not meted out fairly. We are even talking about the death penalty as if it is the solution to the distortion of justice in the country. No, it will never solve the problem, Mr. Speaker. The death penalty is not the solution. It is the total reform of the criminal justice system which is now actually on trial, and we can do something about it.

Ano po ba ang suggestion ng magiting na Kongresista na magaling na abogado rin na hinahangaan natin?

REP. GARBIN. I totally agree with you, Cong. Lito Atienza. Mr. Speaker, the true deterrent to the commission of a crime is the certainty of arrest and prosecution. That is why we rely on our justice system so that whenever we see an arrest and eventually the criminal is prosecuted and brought to justice, then we see the deterrence to the commission of a crime. But if the culture of impunity persists, no amount of penalty, or even death penalty if we espouse it, will deter the commission of a crime. Very important is the reformation of our justice system and when we speak of the justice system, it is not only the prosecution, it is not only the law enforcement, it is also the courts, and even the Bureau of Corrections. So, these are the four pillars of the justice system that must really be reformed.

REP. ATIENZA. The Gentleman stressed that the certainty of arrest and punishment actually is the most effective way to address criminality. It is not the penalty but the certainty of arrest and punishment. The killers of Congressman Batocabe obviously are not being punished according to law. How and why this is happening should be related to the exact situation of justice in the country. So, therefore, magsisisigaw man tayo rito, kung wala tayong gagawing aksyon ay hindi rin natin mabibigyan ng katarungan ang pagkakapaslang kay Congressman Batocabe.

I urge my colleagues, I urge the Gentleman, I urge Cong. Sharon Garin that we, all of us, collectively sponsor a united, unanimous opposition to what is going on. Let us declare exactly how we see justice being distorted in the nation. Those who had been privileged to be released from the Muntinlupa city jail, for what reason we do not know, the killers of Congressman Batocabe are all given freedom again for a reason which we doubt. So why do we not do something about it? This Congress should issue a unanimous resolution condemning what is going on in the country.

Ano nga ba ang nangyayari sa bansa natin? Ang mga kriminal ay nakakawala. Ang mga may sala ay hindi naaakusahan. Hindi na puwedeng makuha ito sa talumpati, Mr. Speaker. We should act very, very decisively to state where we are. Kung kayo ay nasa bahagi ng criminality, tumahimik kayo, pero kung tayo naman ay nagkakaisa para sa katarungan, magsalita

tayo, sumigaw tayo. Ipagsigawan natin sa lahat ng sulok ng ating bansa that we must reform the criminal justice system.

I will join the Gentleman in his sponsorship and I urge him to join me because I would want to sponsor it also. We also challenge all our Members to sign this resolution. Huwag na nating pagdebatihan ito. Alam natin ang nangyayari at hindi lingid sa ating kaalaman ang korapsyon sa delivery of justice. So, therefore, unless we speak against it, we might as well not say a word about it.

Now that you have opened up this subject matter, I am really asking, in fact, demanding that this Congress, the Eighteenth Congress of the Philippines, do something about the distorted delivery of justice in the country. It is happening everywhere. It is happening in the city jail in Muntinlupa. It happened in the case of Congressman Batocabe. Kailan pa tayo gagalaw? Kapag marami pang nabiktima sa kawalang hiyaan ng pagnanakaw?

Obviously, corruption is the root cause of all of these. I await the action of the Gentleman and I will join him all the way.

REP. GARBIN. We will certainly make the measure, Mr. Speaker.

REP. ATIENZA. Will we issue that statement, Mr. Speaker? Shall we have a vote right now? Let us take advantage of the situation. Why do we not all vote today? Do we want a resolution condemning the criminal justice system and the distortion of justice in the country, or would we rather keep quiet?

REP. GARBIN. If it is procedurally in accordance with the rules, then we can do it, but I will abide by the guidance of the Majority Leader on whether we can do it.

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

REP. ATIENZA. Mr. Speaker, we have rules approved by the Body, but the rules can be amended also by this Body. The roll call showed that we have 234 Members present on the floor. This is an overwhelming majority. If we decide to suspend the rules, we can issue that resolution today so that tomorrow, the whole nation will be jolted by the reality that this Congress is acting decisively under the leadership of Cong. Ferdinand Martin G. Romualdez and Cong. Alan Peter “Compañero” S. Cayetano, the Speaker of the House.

THE DEPUTY SPEAKER (Rep. Pimentel). Before we take action on that matter, may we know the content of the resolution?

REP. GARBIN. Mr. Speaker, the proposal is to adopt a resolution condemning the criminality or the corruption in our justice system. We have not drafted a resolution with the said tenor, and Cong. Lito Atienza would like to adopt it now, but as I have said earlier, Mr. Speaker, we do not have a draft copy of the said resolution.

THE DEPUTY SPEAKER (Rep. Pimentel). The Chair believes that ...

REP. BARZAGA. Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). ...it is more appropriate...

REP. BARZAGA. Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). ...if there would be a draft resolution.

REP. BARZAGA. Point of order.

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

REP. BARZAGA. Point of order, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). What is the point of order of the Gentleman from Cavite?

REP. BARZAGA. The parliamentary situation right now is that a question of privilege has been delivered by Cong. Sharon Garin, after which my good friend from BUHAY Party-List has been interpellating Congressman Garbin and therefore, in the process of interpellation, there was no motion to suspend the rules and no motion to have a resolution made. Can we have an oral resolution where the signatories of those who would be in favor of the resolution would just be voting *viva voce*? Is that permissible under our rules of procedure?

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

REP. BONDOC. Mr. Speaker, Your Honor, we appeal to the Honorable Barzaga who is correct in his interpretation of the rules...

REP. BARZAGA. Yes.

REP. BONDOC. ... but this being an emotional matter for House Members because of the loss of the Honorable Batocabe, we beg the indulgence of the Honorable Barzaga to let the discussion continue just

to allow our colleagues to ventilate their feelings about what happened regarding the case of Cong. Batocabe. So, if we could just please allow our colleagues, in honor of the memory of Cong. Rodel, to continue with their discussion, I now move that we relax the rules of the House to be able to give our Members this chance to ventilate. I hope we will get the indulgence of our esteemed colleague, the Honorable Barzaga, Mr. Speaker.

REP. BARZAGA. Mr. Speaker, I also manifested my interpellation or my desire to interpellate Cong. Sharon Garin or Congressman Garbin in connection with their speeches and therefore, we just continue with the interpellation. After the interpellation, if there is a motion coming from our friend from BUHAY Party-List, then that will be the time that the motion should be made as long as it is in accordance with the rules of procedure adopted by the House, and that is my point of order.

REP. ATIENZA. Mr. Speaker.

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

REP. ATIENZA. In the response of the Gentleman who is very well-versed with law, particularly the rules of the House,...

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

REP. BONDOC. Mr. Speaker.

REP. ATIENZA. ...he should know...

REP. BONDOC. I beg both parties...

REP. ATIENZA.... that the rules can be amended on the floor at any time.

REP. BARZAGA. Yes, we know that.

REP. ATIENZA. So I would ask the opinion of the Majority Leader on this matter.

REP. BARZAGA. But is there a motion to amend the rules? That is why we want to have a ruling thereon, a motion from the Majority Leader.

SUSPENSION OF SESSION

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

It was 5:57 p.m.

RESUMPTION OF SESSION

At 5:58 p.m., the session was resumed.

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

The Majority Leader is recognized.

REP. BARZAGA. May I speak regarding my point of order? As provided for under the House Rules, Rule XIV, Suspension of the Rules, Section 111 on Authority to Move, states that "Only the Committee on Rules can move for the suspension of the rules." I would have to admit that my dear friend from BUHAY Party-List is not a member of the Committee on Rules and therefore, he is not authorized to make a motion for the suspension of the rules. Otherwise, if we will not follow our rules, then there will be disorder insofar as our proceedings are concerned. What would be the use of having these rules if we ourselves will not be observing them?

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

REP. BONDOC. Mr. Speaker, the honorable Gentleman from Cavite is correct, which is why I will move for a suspension of the rules. So, I beg the indulgence of the Gentleman from Cavite that the Honorable Atienza be allowed to continue with his interpellation and thereafter, we will entertain the interpellation from the Gentleman from Cavite.

THE DEPUTY SPEAKER (Rep. Pimentel). You will make a motion?

REP. BONDOC. Mr. Speaker, I move that we relax the rules of the House. I reiterate my previous motion so as to give a chance to all our colleagues to ventilate their opinions.

REP. ATIENZA. Mr. Speaker.

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

Let us proceed with the interpellation.

REP. ATIENZA. Mr. Speaker, we move that we suspend the rules.

The rules having been suspended, we now move that we issue a strongly worded resolution...

REP. BARZAGA. Point of order, Mr. Speaker. If there is a motion to suspend the rules, the motion must

be approved by two-thirds of the Members present, there being a quorum.

REP. ATIENZA. Mr. Speaker.

REP. BARZAGA. Will we also be relaxing this rule?

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

REP. ATIENZA. Mr. Speaker, I agree with the Gentleman.

REP. BONDOC. Mr. Speaker.

REP. ATIENZA. So, we throw the motion onto the floor and ask the Presiding Officer ...

THE DEPUTY SPEAKER (Rep. Pimentel). So that we will have an orderly ...

REP. BONDOC. Mr. Speaker, may I ask for a few minutes suspension of the session.

THE DEPUTY SPEAKER (Rep. Pimentel). Representative Atienza, so that we will have an orderly session and plenary deliberation, please speak after you have been recognized.

The Chair now recognizes the Majority Leader.

SUSPENSION OF SESSION

REP. BONDOC. Mr. Speaker, I now move for a few minutes suspension of the session.

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

It was 6:01 p.m.

RESUMPTION OF SESSION

At 6:03 p.m., the session was resumed.

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

The Majority Leader is recognized.

REP. BONDOC. With that, Mr. Speaker, I move that we recognize the Honorable Atienza to continue his interpellation of the Honorable Garbin.

I so move, Mr. Speaker.

REP. ATIENZA. At this point, Mr. Speaker, ...

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

REP. ATIENZA. At this point, Mr. Speaker, I realized that the Gentleman from Cavite would like to interpellate and so, I would like to withdraw my motion to suspend the rules and allow him to conduct his interpellation to his heart's delight. He may be as affected, as we all are affected, by this turn of events in the Batocabe case, kaya sana ay magtanong siya at gamitin niya itong karapatan ng bawat isa sa atin.

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

REP. BONDOC. Mr. Speaker, the withdrawal of the motion of the Honorable Atienza is very well noted and once again, I reiterate that he be recognized so that he may interpellate the Honorable Garbin.

REP. BARZAGA. Mr. Speaker, recognized na ba ako?

REP. BONDOC. Mr. Speaker, I move that we recognize the Hon. Elpidio F. Barzaga Jr. for his interpellation.

THE DEPUTY SPEAKER (Rep. Pimentel). Rep. Pidi Barzaga is recognized.

REP. BARZAGA. Thank you very much, Mr. Speaker. Before I start, I would like to express my deepest courtesy to our colleague coming from the BUHAY Party-List insofar as allowing this Representation to conduct his interpellation and also at the same time, for withdrawing his motion. Thank you very much, Cong. Atienza. At the outset, I would like to emphasize that I really support the speeches of our colleagues—Congressman Garbin delivered his privilege speech yesterday and also the question of privilege delivered by Cong. Sharon Garin today.

The deceased Rodel Batocabe happened to be my colleague in the Fifteenth and the Sixteenth Congresses. He was a fine lawyer, a graduate of the University of the Philippines. When I read in the newspapers that he died on December 22, with political implications as the motive for his death, I was deeply saddened, and I am more saddened right now as I discovered that the accused, who happens to be the suspected mastermind, was given the privilege to post bail. Under the Constitution, a bail is a matter of right insofar as the accused is concerned based on the presumption of innocence. However, there is one exception and the exception itself is provided for under Section 13 of Article III: if the accused is charged with a criminal

offense, the penalty for which happens to be *reclusion perpetua* and the evidence of guilt is strong.

So, I would like to ask my dear colleague, was the accused in this particular case, insofar as the murder of Congressman Batocabe is concerned, charged with a capital offense where the penalty happens to be *reclusion perpetua*?

REP. GARBIN. It is true, Mr. Speaker, that the mastermind Awin Baldo was charged with a double murder case, two murder cases and six attempted murders. Under the Constitution and the Rules of Criminal Procedure, a person charged of a criminal offense punishable by *reclusion perpetua* or life imprisonment shall be denied bail.

REP. BARZAGA. Considering that the accused, Mr. Speaker, is being charged for an offense punishable by *reclusion perpetua*, the accused, as a matter of right, cannot post bail, cannot be permitted to be bailed unless the evidence of guilt is not strong.

REP. GARBIN. I totally agree, Mr. Speaker.

REP. BARZAGA. Considering that the accused in this particular case was given the right to post bail, it creates a legal presumption that the evidence of guilt is not strong. Will that be a correct appreciation?

REP. GARBIN. That is a presumption, Mr. Speaker, but we totally disagree with that presumption.

REP. BARZAGA. From the speeches which I heard from Congressman Garbin and Congresswoman Garin (S.), they do not agree that the evidence of guilt is not strong. Is that a correct impression?

REP. GARBIN. That is correct, Mr. Speaker.

REP. BARZAGA. May we ask why our dear colleague does not agree that the evidence of guilt is not strong, which would have warranted the posting of bail?

REP. GARBIN. Mr. Speaker, I was able to observe how the testimonies of the six witnesses pointing to the mastermind were given and they were given by these six witnesses voluntarily, unrehearsed, and in different locations when they were apprehended. These were examined by the public prosecutor who arrived at a probable cause to charge double murder and six attempted murders. They all corroborate on material points—not only did their testimonies support that former Mayor Awin Baldo was the mastermind, the physical evidence that was gathered—the guns and the motorcycle—that were used in the killing of

Congressman Batocabe were also all present and these were in their possession. So, we cannot understand why, despite all these testimonies presented during the bail hearing, and the physical evidence presented before the appropriate court, the judge turned a blind eye and still ruled that the accused can post bail on the presumption that the evidence of guilt is not strong.

REP. BARZAGA. After hearing the evidence which you have just quoted, what do you think would be the reason why the judge, in spite of the overwhelming evidence, still granted bail to the accused?

REP. GARBIN. I can just surmise, Mr. Speaker, that the judge applied quantum of proof which is proof beyond reasonable doubt in the bail hearing, instead of a strong evidence of guilt, to determine that the accused charged with a double murder case cannot avail of bail, as enshrined in the Rules of Criminal Procedure and in the Constitution.

REP. BARZAGA. Quoting from the interpellation of our dear colleague, Congressman Atienza, he said—and this is an accepted fact—we have a corrupted judiciary, a corrupted judicial system. Would you think that there was corruption insofar as the grant of bail is concerned?

REP. GARBIN. I cannot conclude that this is a result of corruption, but I can certainly conclude that this is an error in the application of the criminal procedure as well as established jurisprudence in bail hearing.

REP. BARZAGA. I would just like to quote the constitutional provision, under the second sentence of Section 11, Article VI, which states that no Member of this House “shall be questioned nor be held liable in any other place for any speech or debate in the Congress or in any committee thereof.” Meaning to say, even if we state allegations pertaining to corruption, there is a constitutional guarantee that we shall not be held liable. Well, in any event, considering that it is only an error in judgment, the remedy would be only legal.

REP. GARBIN. Yes, Mr. Speaker, and we will exhaust all available legal remedies such as the motion for reconsideration coupled with a motion for inhibition because the family of the late Cong. Rodel Batocabe no longer trusts the sitting judge hearing the double murder case and the six frustrated murder cases.

REP. BARZAGA. After the death of Congressman Batocabe, I distinctly remember that even reward money was given to pinpoint those persons who would be liable. I also distinctly remember that the Members of Congress at that time made contributions, and I know

that for a fact because my wife happened to be a sitting Congresswoman at that time.

We know for a fact that litigation in the Philippines is expensive and we know that, insofar as the administration of justice is concerned, it is not enough that charges are filed in court but it is also necessary that the accused who are the real culprits of the crime must be convicted. Also, the story does not end upon their conviction, but it is absolutely necessary that they must serve the punishment. Therefore, in this particular case, I fully support the resolution of this House and at the same time, considering that litigation is expensive, I also urge my dear colleagues to establish a fund to support the legal expenses in order that the quest for justice of the relatives of Congressman Batocabe would be achieved.

REP. GARBIN. I thank Congressman Barzaga for proposing the establishment of a fund that would be in support of the prosecution in the Batocabe murder case.

REP. BARZAGA. Finally, let me make this final statement: Being a politician in this country is really very risky. We have built-in enemies as so many people envy us and perhaps, although it is not a common occurrence, political assassinations are happening. We can blame ourselves because this is the course of action which we took, but I cannot accept the idea that a sitting Congressman could be the subject of murder and justice could not be given to him. If justice could not be given to a high-ranking public official like a Member of Congress, how can we expect our people to believe that an ordinary man would be able to get justice in case he was oppressed?

Maraming salamat sa ating kaibigan na nagbigay ng question of privilege ngayong gabi and I also thank very much Cong. Lito Atienza.

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

REP. BONDOC. Mr. Speaker, I move that we recognize the Hon. Jose L. Atienza Jr. from the Party-List BUHAY who wishes to make a motion.

REP. ATIENZA. Thank you, Mr. Majority Leader.

THE DEPUTY SPEAKER (Rep. Pimentel). Rep. Lito Atienza is recognized.

REP. ATIENZA. Thank you, Mr. Speaker, and I would like to state for the record that Congressman Barzaga stated his sentiments on what is being discussed on the floor today. I respect his opinion. I respect his legal definition. In fact, I respect everything he said and

I hope he also respects the sentiments and the statements of this Representation.

So, we move, Mr. Speaker, to suspend the rules and as I mentioned earlier, to be decided upon by the Body. If the Body decides to suspend the rules, we will proceed with our intention to file a resolution. If they turn it down, then we will have to respect the rules, as stated by Congressman Barzaga.

We move that we suspend the rules, Mr. Speaker.

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

REP. BONDOC. Mr. Speaker, for the purpose of filing the resolution in support of the cause regarding our dear colleague, we second the motion of the Hon. Lito Atienza.

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

REP. ATIENZA. Thank you, Mr. Speaker; and thank you dear colleagues.

Now, we move on to filing a resolution on the floor condemning the hazy decision to release the suspect in the murder of our colleague, Cong. Rodel Batocabe. In the same manner, we can mention already what is going on in the country, and let it be heard and let it be said that this Congress, composed of gentlemen and ladies who are committed to defend justice in every form, that we take note of what is going on in the Muntinlupa jail, in all jails in the country, and the miscarriage of justice going on everyday.

REP. GARBIN. I second the motion, Mr. Speaker.

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

REP. BONDOC. Mr. Speaker, the motion has been seconded.

Another colleague of ours who had been the subject of a similar ambush, the Gentleman from MAGSASAKA Party-List, the Hon. Argel Joseph T. Cabatbat wishes to be recognized so that he can support the motion of the Hon. Lito Atienza. I move for his recognition, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). Representative Cabatbat is hereby recognized.

REP. CABATBAT. Thank you, Mr. Speaker.

Mr. Speaker, I am here to support the motion of the Gentleman from the BUHAY Party-List to denounce the

murder of our colleague because I suffered the same fate last year when I was ambushed last February 13 along EDSA. I managed to kill my assailants by running over the two men riding in tandem. I was intending to run for Congress at that time. When I heard about the murder of Congressman Batocabe, I thought that I should also speak out to denounce such killing because there was a chance that I would also be elected. So, I support the motion of our colleague and also denounce the killing of Congressman Batocabe.

Thank you, Mr. Speaker.

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

REP. ATIENZA. Mr. Speaker.

REP. BONDOC. With that, Mr. Speaker, I move for the recognition again of the Hon. Lito Atienza.

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

REP. ATIENZA. With the kind permission of the Majority Leader, I would like to invite Congressman Garbin, the closest friend of the murdered Rodel Batocabe, to make the resolution so that all the sentiments that we are feeling right now will be translated into a formal document.

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

REP. BONDOC. We support the motion and, in fact, second the motion of the Honorable Atienza, Mr. Speaker.

REP. CABATBAT. I also second the motion, Mr. Speaker.

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

REP. ATIENZA. Thank you, Mr. Speaker. Thank you, Majority Leader.

Congressman Garbin and I will coordinate. Thank you.

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

REP. BONDOC. Mr. Speaker, I move that we refer the privilege speech of the Hon. Sharon Garin, including the interpellations thereon by our colleagues, to the Committee on Rules.

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

The Majority Leader is recognized.

CONSIDERATION OF H.B. NO. 304
ON SECOND READING

REP. SINGSON-NEEHAN. Mr. Speaker, under the Calendar of Business, I move that we consider House Bill No. 304, contained in Committee Report No. 4, as reported out by the Committee on Ways and Means.

May I ask that the Secretary General be directed to read only the title of the measure.

THE DEPUTY SPEAKER (Rep. Pimentel). 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 measure have been previously distributed, the Secretary General read only the title thereof without prejudice to inserting its text in the Congressional Record.

THE SECRETARY GENERAL. House Bill No. 304, entitled: AN ACT AMENDING SECTIONS 22, 24, 25, 27, 28, 29, 30, 32, 34, 37, 38, 39, 42, 51, 52, 54, 56, 57, 73, 108, 121, 122, 123, 174, 176, 179, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 194, 195, 196, 197, 198, AND 199; AND REPEALING SECTIONS 127, 175, 177, 178, 180, 192, AND 193; ALL UNDER REPUBLIC ACT NO. 8424, OTHERWISE KNOWN AS THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED, AND FOR OTHER PURPOSES.

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

PERIOD OF SPONSORSHIP AND DEBATE

REP. SINGSON-NEEHAN. Mr. Speaker, I move that we open the period of sponsorship and debate. Mr. Speaker, may we recognize the distinguished Vice Chairperson of the Committee on Ways and Means, the Hon. Estrellita B. Suansing, to begin sponsorship of the measure.

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

THE DEPUTY SPEAKER (Rep. Pimentel). Rep. Estrellita Suansing is recognized.

SPONSORSHIP SPEECH OF REP. SUANSING (E.).

REP. SUANSING (E.). Thank you, Mr. Speaker.

Mr. Speaker, my colleagues, ladies and gentlemen. The Committee on Ways and Means has the privilege of sponsoring today, the Passive Income and Financial Intermediary Taxation Act, which we call PIFITA. This Bill is the fourth package of President Duterte's Comprehensive Tax Reform Program. It aims to make taxes on passive income and financial intermediaries simpler, fairer, more efficient and regionally more competitive.

Currently, the taxation on passive income and financial intermediaries may be described as complicated in structure and susceptible to arbitrage. This gives rise to issues such as an uneven playing field, inequitable distribution of tax burden, uncompetitive tax system and high administrative and compliance costs. It is very complicated, with 80 combinations of rates and bases applicable to financial intermediation, services and transactions. Tax on income also depends on many factors and conditions which are difficult to ascertain. These may include combinations of types of product, types of lending, issuer, currency, residency, maturity and business status and may involve various special laws. These variations in tax rate and tax base are present even among comparable financial instruments and transactions.

In comparison with our ASEAN neighbors, the passive income tax rates in the Philippines remain among the highest. This is the reason why our capital market remains shallow and uncompetitive, and continues to lag behind our neighbors. Admittedly, our current tax system on the financial sector imposes difficult administration and costly compliance. We are one of the few countries remaining that still levy a tax on initial public offerings or IPOs. It is a deterrent to public listing, resulting in the Philippine Stock Exchange lagging behind its neighbors in terms of market capitalization. The current system also gives rise to an inequitable distribution of the tax burden. Those with the ability to invest in tax-exempt long-term instruments tend to be those with higher incomes, compared to working-class individuals who are only able to place funds in taxable short-term investments or savings accounts with higher tax rates.

Under this Bill, the interests, dividends and capital gains will be levied a unified tax rate of 15 percent. Pre-need, pension and life insurance will be levied a uniform 2 percent. Various nuisance documentary stamp tax rates

* See MEASURES CONSIDERED (printed separately)

will be removed. Ultimately, the poor and middle classes will enjoy a net gain on their savings as the tax rate will go down from 20 percent to 15 percent. Meanwhile, the rich who receive dividends will have to pay more in taxes. This will make the tax system more equitable since currently the rich pay lower passive income taxes compared to the poor. Likewise, the variations in tax rates and unequal tax treatments of equivalent or comparable financial instruments give rise to arbitrage. The different tax treatments among financial institutions offering the same services or products, or between interest and dividends, open a window for leveraging. These disparities in tax treatments distort investment decisions, as tax considerations overshadow other considerations.

An advantage arises in favor of the financial sector favored by the Tax Code. This measure seeks to simplify such complexity, and to provide neutrality in the tax treatments across financial institutions by reducing the number of withholding tax rates and removing special rates and unnecessary exemptions. The stock transaction tax will also be gradually reduced and eventually removed from the current rate of 0.6 percent, the highest in the ASEAN. Hence, this measure will promote capital market development and tax competitiveness in the era of competitive international financial markets. This Bill minimizes barriers to capital market development. Further, documentary stamp taxes or DSTs have been rationalized and generally lowered to lessen the friction cost on transactions. Proposed rates will be at par with the rates imposed in the region to ensure competitiveness of the domestic capital market.

The approval of this Bill provides a window of opportunity to achieve the much-needed reforms in the financial sector. The taxation of the financial system should indeed be viewed as a major component of these reforms, an ingredient that could fuel and direct the movement of capital rightly to where they are most needed so that higher, sustainable and more inclusive growth can be achieved. The financial sector taxation is indeed ripe for reforms. We need to compete better in attracting capital investment which is urgently needed to finance infrastructure, create more and better jobs, and boost inclusive and sustainable growth of the economy.

Again, my gratitude to all my colleagues who chose to co-author this measure. Thank you for joining me in this fight for our nation's progress.

Maraming salamat po.

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

REP. ANDAYA. Mr. Speaker, I move that the other Vice Chairperson of the Committee on Ways and Means, the Hon. Sharon S. Garin of the AAMBIS-OWA Party-List, be recognized to sponsor the measure.

THE DEPUTY SPEAKER (Rep. Pimentel). The Hon. Sharon Garin is recognized.

SPONSORSHIP SPEECH OF REP. GARIN (S.)

REP. GARIN (S). Thank you, Mr. Speaker.

It is with pleasure and honor that I stand again in your presence to implore reinforcement from my dear colleagues on this fourth part of the Comprehensive Tax Reform Program, the Passive Income and Financial Intermediary Taxation Act.

Philippine taxation on financial sectors has many intricacies as there are about 80 tax bases and tax rate combinations applicable to financial income, financial intermediation services and financial transactions. The tax on capital income depends on many factors and conditions which are difficult to ascertain and susceptible to many interpretations. The factors that affect the taxation of capital income varies on the type of product, type of lending, issuer, currency, maturity, taxpayer, residency and business status and involve various special laws, and thus confusing and complicated variations in the tax base and tax rate even among comparable financial instruments and transactions.

Imagine having similar transactions within the same financial institutions or from other institutions will be treated differently in tax? An example of which are exemptions granted on long-term investments, bank deposits, individual trust funds and investment management accounts in favor of resident individuals, but such exemptions are not available to long-term savings offered by life insurance, pre-need and pension plans, investment houses and the like. Investments in equity and some forms of long-term instruments are subject to lower tax rates. Therefore, the working-class individuals who are satisfied in placing their funds in short-term investments or savings deposits, are paying more taxes compared to those who have more money and tend to place their funds in long-term investments but are paying less taxes.

One of the principles to have a sound tax system is administrative feasibility. Despite such knowledge of principle, we remain to have the most challenging, costly tax administration and compliance. Firms have to pay different taxes that are derived from the same tax base. For instance, life insurance companies are subject to premium tax while property insurers, pre-need companies, HMOs, lending investors and money remitters are subject to value-added tax, while banks, quasi-banks and other financial institutions are subject to gross receipt tax. Compared to other ASEAN nations, the Philippine tax rates on capital income, again, remain the highest in the region. This results in shallow, uncompetitive Philippine capital markets, hence, our continued hold-up behind our ASEAN neighbors.

This Representation believes that it is high time for the financial sector's taxation reforms. This measure will attract investments which will create more and better jobs, possibly fund the infrastructure and overall boost the sustainable growth of the economy. Package 4 will simplify the complexity of the financial taxation system. In reducing the number of rates of withholding taxes, removing the distinctions, special rates and unnecessary exemptions, this measure shall give room to neutrality in the tax treatments across financial institutions and financial instruments. This measure shall truly reform the financial sector taxation into a fairer and more efficient way. It shall institutionalize equity to all kinds of investors and savers through a single rate of gross receipt tax on all insurance businesses, and eliminate the distinction between lending and non-lending activities in terms of maturity. The approval of this Bill will enhance and promote capital market development and tax proficiency within the context of financial globalization, increased capital mobility and financial inclusion. The Philippines will then be of equal footing with the ASEAN nations, thus, promoting our domestic capital market competitiveness.

Thank you for your unwavering support. Again, good evening.

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

REP. SINGSON-MEEHAN. Mr. Speaker, I move that the Chairperson of the Committee on Ways and Means, the Hon. Joey Sarte Salceda, be recognized for his sponsorship speech.

THE DEPUTY SPEAKER (Rep. Pimentel). Rep. Joey Sarte Salceda is recognized.

SPONSORSHIP SPEECH OF REP. SALCEDA

REP. SALCEDA. Mr. Speaker, my colleagues, tonight we are sponsoring the Passive Income and Financial Intermediary Taxation Reform Act to rationalize taxation of the financial sector so that we can lift it to the 21st century and make it simpler, fairer, more efficient and regionally competitive. Let me mention some of the highlights of this Bill that was first approved in the Seventeenth Congress.

First, we have a very complicated tax structure, and this causes or produces arbitrage opportunities which are being taken advantage of only by those who are already rich. Thus, we want to redo. This Bill essentially reduces the current number of tax rates and tax bases from 80 down to 36. This will greatly simplify tax administration, reduce the complexity in the taxation of financial instruments and financial intermediaries.

Second, we have the highest passive income tax rates in the region. For instance, this Bill reduces the tax rate on

interest income from 20 percent to 15 percent, contrary to most people's impression. They always think that tax reform means higher taxes, but this one reduces it. The 15 percent is basically in line with the ASEAN average for individuals and simply will put us at a competitive range among our neighbors in the region.

Third, in general, the rich pay lower passive income taxes compared to the poor. Ninety-seven percent of all dividends in this country are actually at the top 2 percent, thus, this Bill seeks that the tax rate on interest income for regular wages is brought down to 15 percent while for long-term assets which the rich usually access, given their liquidity and solvency characteristics, actually have zero taxes.

Foreign currency deposits were first introduced by the Marcos regime, essentially, when the country needed foreign currency; but now, in a liberalized and deregulated global financial structure, the rich can simply shift from one currency to the other and for this, the State, our government, will have to reward them for the risk they are taking. This is bad taxation. The Passive Income and Financial Intermediary Taxation Act aims to generally harmonize all of these rates to a uniform 15 percent and therefore, both the rich and especially the poor will essentially be paying the same 15 percent interest tax on their interest income.

Fourth, the Filipinos are generally underinsured compared to our neighbors. This Bill aims to make insurance products more affordable by lowering the tax on insurance. It will fix the unequal treatment of insurance products with those of similar nature such as life, health, HMO, pre-need and pension, and lower the documentary stamp taxes on non-life insurance. Lower rates will encourage more participation in insurance markets, and help Filipinos cope with the risk of sickness, accidents, calamities and disasters more easily. This law essentially makes the poor who have less in life to essentially at least be at par in law.

Fifth, high rates and a complicated DST or documentary stamp tax add friction cost to transactions. There are so many examples in the current tax system on the financial sector. What will we do?

1. We will express all rates in ad valorem or in percentage form to make them easier to understand and interpret;

2. To improve and equalize the tax treatment of debt and equity, we will harmonize the DST and debt and equity which is currently at 0.75 percent;

3. We will unify all non-life insurance DST rates and lower them gradually from 12.5 to 7.5 percent;

4. To reduce the cost of money transfers which affect the poor, especially those whose families are based in the provinces and would depend on money transfers to sustain their school needs or their lives in the National Capital Region, we will remove the documentary stamp tax on the domestic money transfer.

This is a very progressive feature of the Passive Income and Financial Intermediary Taxation Act;

5. We will also remove all nuisance provisions with low revenue take such as documentary stamp tax on diplomas, even ordinary marriage certificates, proxies and power of attorneys; and lastly,

6. We will reduce the many exemptions and special rates on passive income which contribute to the narrow tax base. Currently, there are 43 of them and this Bill proposes to repeal 33, including 14 which had already expired, leaving only 10.

To close, the Committee on Ways and Means would like to thank our 306 Members in the august Chamber, especially our leadership for their support and inspiration, especially our Speaker, the Hon. Alan Peter “Compañero” S. Cayetano; our Majority Leader, Hon. Ferdinand Martin G. Romualdez; and also our Party Leaders, Rep. Michael John R. Duavit and Rep. Lord Allan Jay Q. Velasco. With this, Mr. Speaker, we seek the support and expeditious action of this Chamber on this most important reform measure that will put the Philippines at the platform for modernity.

Thank you very much and good evening to everyone.

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

SUSPENSION OF CONSIDERATION OF H.B. NO. 304

REP. SINGSON-MEEHAN. Mr. Speaker, I move that we suspend the consideration of House Bill No. 304.

I so move, Mr. Speaker.

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

The consideration of House Bill No. 304 is hereby suspended.

The Majority Leader is recognized.

CONSIDERATION OF H.B. NO. 4157 *Continuation*

REP. SINGSON. Mr. Speaker, I move that we resume the consideration of House Bill No. 4157, as contained in Committee Report No. 2, as reported out by the Committee on Ways and Means.

May I ask that the Secretary General be directed to read only the title of the measure.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). 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 measure have been previously distributed, the Secretary General read only the title thereof without prejudice to inserting its text in the Congressional Record.

THE SECRETARY GENERAL. House Bill No. 4157, entitled: AN ACT AMENDING SECTIONS 4, 5, 20, 22, 27, 28, 34, 40, 50, 73, 112, 117, 204, 222, 237, 237-A, 255, 256, 257, 258, 261, 263, 264, 266, 275, 290, 291, 292 AND ADDING NEW SECTIONS 6-A, 282-A, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315 AND 316 ALL UNDER THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED, AND FOR OTHER PURPOSES.

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

PERIOD OF SPONSORSHIP AND DEBATE

REP. SINGSON MEEHAN. Mr. Speaker, our parliamentary status is that we are in the period of sponsorship and debate. I move that we recognize the Chairman of the Committee on Ways and Means, the Hon. Joey Sarte Salceda from the Second District of Albay to defend the measure.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). Rep. Joey Salceda is recognized.

REP. SALCEDA. Thank you very much, Mr. Speaker.

REP. SINGSON-MEEHAN. I move that we recognize the Hon. Jose L. Atienza Jr. to interpellate him.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). Rep. Lito Atienza is recognized.

SUSPENSION OF SESSION

REP. SALCEDA. Mr. Speaker, I move for a one-minute suspension of the session, Mr. Speaker.

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

It was 6:46 p.m.

* See MEASURES CONSIDERED (printed separately)

RESUMPTION OF SESSION

At 6:46 p.m., the session was resumed.

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

The Majority Leader is recognized.

REP. BONDOC. Mr. Speaker, in lieu of the honorable Chairman, I move that we recognize our esteemed Vice Chairperson, the Hon. Estrellita B. Suansing, to answer the questions of the Honorable Atienza.

THE DEPUTY SPEAKER (Rep. Pimentel). Rep. Estrellita Suansing is recognized.

REP. SUANSING (E.). Mr. Speaker, I am ready to entertain questions.

THE DEPUTY SPEAKER (Rep. Pimentel). Representative Atienza, you have the floor.

REP. ATIENZA. Mr. Speaker, with the kind permission, indulgence and understanding of the Lady, we at BUHAY Party-List would like to ask some questions about the measure.

REP. SUANSING (E.). Gladly, Mr. Speaker.

REP. ATIENZA. Mr. Speaker, House Bill No. 4157 talks about amendments to the National Internal Revenue Code of 1997, tama po ba ito?

REP. SUANSING (E.). That is correct, Mr. Speaker.

REP. ATIENZA. I see that the measure is co-sponsored by almost 250 Members of our Congress, tama po ba iyon?

REP. SUANSING (E.). Tama po iyon, Mr. Speaker.

REP. ATIENZA. Samakatuwid, marami ang sumuri, nag-aral at bumuo ng panukalang batas na ito.

REP. SUANSING (E.). Tama po iyon, Mr. Speaker.

REP. ATIENZA. Two hundred fifty.

REP. SUANSING (E.). Hindi lang po ngayong Kongreso, pati noong nakaraang Kongreso din po.

REP. ATIENZA. Ito po ba ay binuo, pinag-aralan

at ginawa nitong principal sponsors, o ito ay galing sa Department of Finance na na-adopt ninyo?

REP. SUANSING (E.). Ito po ay kombinasyon, Mr. Speaker. Ito po ay galing sa Seventeenth Congress at pinaghirapan po natin ito, kasama po ang mga stakeholders, mga Members of the House of Representatives, at kasama din po ang Department of Finance, Mr. Speaker.

REP. ATIENZA. Samakatuwid, ito ay galing sa Department of Finance at sinuri at pinag-aralan ng mahigit 200 Miyembro ng ating Kongreso?

REP. SUANSING (E.). Tama po, Mr. Speaker.

REP. ATIENZA. Ang nilalayan po nito ay ang amendments to the Internal Revenue Code passed in 1997?

REP. SUANSING (E.). I agree, Mr. Speaker.

REP. ATIENZA. Sa dami po ng Sponsors at sa dami ng mga nais ma-amyendahang mga seksyon, pinag-aralan po kaya ang lahat ng mga seksyon na ito na nais nating baguhin?

REP. SUANSING (E.). Inisa-isa po natin ang bawat probisyon, Mr. Speaker.

REP. ATIENZA. Iyon po bang pagbibigay ng prangkisa ay kasama rito sa dokumentong ito?

REP. SUANSING (E.). Mr. Speaker, gusto ko pong malaman kung ano pong klaseng prangkisa.

REP. ATIENZA. Kayo po ang Sponsor, ako po ay nagtatanong lang. Mr. Speaker, I would like to ask whether extending, creating and granting a franchise is included in the amendments that you are seeking.

REP. SUANSING (E.). Mr. Speaker, I would like to know the kind of franchise from the interpellator.

REP. ATIENZA. Ang tanong ko po ay kung kasama po ba sa ating inaamyendahan ang pagbibigay ng prangkisa?

REP. SUANSING (E.). Apat na lang po ang natitira, Mr. Speaker. Halos lahat po ay tinanggal na.

REP. ATIENZA. Para po sa malinaw na talakayan, uulitin ko po ang tanong. Dito po ba sa ating nilalayan ay isinama natin ang pagbibigay ng prangkisa sa isang korporasyon?

REP. SUANSING (E.). Mr. Speaker, sa pahina 63, apat na lang po ang natira. Ang ibig sabihin po, iyong iba po ay natanggal na. Una po, dito po sa page 63, under paragraph (C), line 15, Section 9, “x x x Granting the Philippine Racing Act, Inc., a Franchise to Operate and Maintain a Race Track for Horse Racing in the Province of Rizal, x x x”. Number two, Mr. Speaker, is on line 30, Section 12 of Republic Act No. 8407, entitled “An Act Amending Republic Act Numbered Sixty-Six Hundred Thirty-One, entitled ‘An Act Granting Manila Jockey Club, Inc., x x x’”; on page 64, Mr. Speaker, line 3, this is the “An Act Granting the Metro Manila Turf Club, Inc., x x x”; and on page 64, line 7, this is “x x x Granting the Fil-Asia Racing Club a Franchise to Construct, Operate and Maintain a Racetrack for Horse Racing in Rizal x x x”.

REP. ATIENZA. Samakatuwid, Mr. Speaker, dito sa House Bill No. 4157, hindi lamang po ito amyenda sa National Internal Revenue Code, kundi mayroon ding grant of franchises na kasama. Iyon po ba ang inamin ninyo?

REP. SUANSING (E.). Mr. Speaker, ito po ang kasama, ang pag-repeal ng iba’t ibang batas.

REP. ATIENZA. Hindi po ba mayroon tayong probisyon na sa paggawa ng batas, hindi puwedeng maraming subjects ang kino-cover ng isang panukala? Kung isisingit natin ang mga prangkisa ay baka wala nang dumaan sa Committee on Legislative Franchises. Next time, isisingit na lang sila sa isang measure na wala namang kinalaman sa prangkisa. Granting a franchise to a Jockey Club—did I hear it right?

REP. SUANSING (E.). Mr. Speaker, this is pertaining to taxes. Ito po ay kasama dito dahil ang ni-repeal po ay patungkol po sa taxes. So, kasama po dito. Hindi po para ...

REP. ATIENZA. But the wordings are very clear—extending a franchise of the Manila Jockey Club. This piece of paper will extend the franchise granted to the Jockey Club. Is that what the lady is saying?

REP. SUANSING (E.). Mr. Speaker, ang na-repeal po natin dito ay iyong tax provisions, hindi po iyong franchise.

REP. ATIENZA. Ano po iyong pahina para pareho po ang ating pinag-uusapan.

REP. SUANSING (E.). Nasabi ko na po kanina, it is page 63 po, lines 25 and 30; and on page 64, lines 3 and 7.

REP. ATIENZA. Iyong tungkol po sa Jockey Club?

REP. SUANSING (E.). Iyong tungkol po sa Manila Jockey Club, Inc., it is page 63, line 30. Kaya nga po dito sa panukala, ito ay maliwanag. It is in Section 12, meaning, this is the provision on taxes.

SUSPENSION OF SESSION

REP. ATIENZA. Mr. Speaker, I move for a one-minute suspension of the session.

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

It was 6:55 p.m.

RESUMPTION OF SESSION

At 6:56 p.m., the session was resumed.

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

The Honorable Atienza is recognized.

REP. ATIENZA. Pakipaliwanag nga po ninyo, Mr. Speaker, itong binabasa ko, the phrase “Extending the said Franchise by Twenty-five (25) Years From the Expiration of the Term Thereof.” Ano po ba ang ibig sabihin noon? Nililina ko lang para hindi tayo magkaroon ng misappreciation later on of the law that we are discussing tonight.

REP. SUANSING. Mr. Speaker, on page 63, line 21, babasahin ko po— iyan po ang nasasakupan sa sinasabi po nating ni-repeal na iyong Section 12 of Republic Act No. 8407 which is about Manila Jockey Club, Inc. Babasahin ko po iyong line 21:

The “in lieu of” clauses in the tax provisions of entities covered by the following franchise laws are hereby repealed two (2) years from the effectivity of this Act and the entities covered shall pay the corresponding franchise tax and all other applicable taxes under the National Internal Revenue Code of 1997, as amended.

REP. ATIENZA. Iyon nga po ang pinupuna ng inyong lingkod. Bakit mayroong extension provision on a franchise given to a corporation, na para bagang naging part and parcel of these Internal Revenue Code amendments iyong extension which, totally, has nothing to do with the subject of the said measure.

REP. SUANSING. Mr. Speaker, tinatangal lang po natin iyong clause na “in lieu of” doon sa tax provision.

Wala po tayong sinasabi na ini-extend natin iyong franchise because this subject is not covered by the Committee on Ways and Means. Itong pinag-uusapan po nating panukala ay patungkol lang po ito sa taxes.

At this juncture, Deputy Speaker Pimentel relinquished the Chair to Deputy Speaker Aurelio "Dong" D. Gonzales Jr.

REP. ATIENZA. Anyway, Mr. Speaker, we will still go back to this subject during the period of amendments. Hindi ko po matanggap iyong interpretation at definition nila na iyong extension ay tinamaan lang pero hindi iyon ang intention but in effect, you are extending the franchise since the wording says so. If that is not the intention, then we should change the wording or maybe skip the subject of extension because it is not the subject matter of this measure.

REP. SUANSING (E.). Gusto ko pong ipaliwanag na doon sa Republic Act No. 7953, Section 9 lang po ang nire-repeal natin, Mr. Speaker. Doon naman o patungkol po sa Manila Jockey Club Incorporated ay Section 12 lang po ang ating nire-repeal. Kung mamarapatin po ng ating mahal na Congressman Atienza, we will provide him with a copy of the provisions.

REP. ATIENZA. We will appreciate that, Mr. Speaker, so we can shift to another matter.

REP. SUANSING (E.). Yes, Mr. Speaker.

REP. ATIENZA. Ito po bang panukala ay naglalayon na magpalago ng ekonomiya natin? Iyon po ba ang declared purpose of the CITIRA?

REP. SUANSING (E.). Inaasahan po natin, Mr. Speaker, dahil dito po sa ating panukala ay nira-rationalize po natin ang incentives at ang pagbibigay ng incentives ay ayon po sa performance o performance-based. Ang ibig sabihin po, ang pagbibigay ng incentives ay naaayon doon sa contribution ng industries or firms to the economy, kaya inaasahan po natin na lalago po ang ating ekonomiya.

REP. ATIENZA. Inaasahan natin na ito ay magbibigay ng kaluwagan sa ating ekonomiya, tama po iyon.

REP. SUANSING (E.). Tama po, Mr. Speaker.

REP. ATIENZA. Sinabi rin po natin iyon noong tinalakay natin iyong TRAIN 1. Ang sabi natin ay ito ang magbibigay ng kaluwagan sa mga mahihirap na Pilipino dahil those earning below P30,000 shall not be made to pay taxes anymore—income taxes, you remember that, I am sure.

REP. SUANSING (E.). Yes, Mr. Speaker.

REP. ATIENZA. In your judgment, Mr. Speaker, would you say that TRAIN 1 gave the people a better life by way of the effects of TRAIN 1 which the Department of Finance asked us to pass? Gumanda po ba ang buhay ng Pilipino dahil doon o naghirap ang Pilipino? Sa akin pong pananaw ay problema ang idinulot noon—tumaas ang presyo ng bilihan, inflation was in a runaway condition, and the price of gasoline rose almost double the original price. We could not explain to the people why we even considered and approved that measure. Bumaba nga at nawalan ng taxes ang mga mahihirap pero tumaas naman ang presyo ng mga bilihan kaya wala rin silang maiuwi sa kanilang tahanan. Hindi po ba natin dapat tingnan itong TRAIN 2 with that kind of a perspective, that the thinking of the Department of Finance may not be necessarily the best for the Filipino people today because they failed in TRAIN 1?

I have my serious doubt as to what this document, this proposed Bill will give our people after we make it into a law. Are you not worried, Mr. Speaker? I am addressing the Lady.

REP. SUANSING (E.). Mr. Speaker, ang TRAIN 1 po siguro—first things first. Hindi lang po dahil sa TRAIN 1 ang pagtaas ng inflation. Marami pong factors such as mayroon po tayong shortage in rice, ganoon din po sa gasoline dahil sa US sanction on Iran, and increase in US interest rates, so, hindi lang po dahil sa TRAIN Law kaya tumaas iyong inflation. Gusto ko rin pong banggitin na ayon po sa datos ng Department of Finance, ang poverty rate po natin fell from 27 percent to 21 percent, and this is between 2015 and the first half of 2018.

Ito pong CITIRA na ipinapanukala natin ngayon ay may maliit po na impact sa inflation, so, gusto ko lamang pong ipaliwanag na hindi lang po TRAIN Law ang cause ng inflation at siguro, iyong pagbaba ng individual income tax ay malaki po ang naitulong dahil umabot P111 billion in 2018 po ang pagbaba ng individual income tax.

REP. ATIENZA. Samakatuwid, Mr. Speaker, one of the primary purposes of this Bill is to collect more money for the government. Am I correct to assume that, or I am wrong?

REP. SUANSING (E.). It is one of the functions.

REP. ATIENZA. You intend to collect more money for the government. Doon sa isang Kongreso, naalala ko na ang tawag natin dito ay Trabaho Bill. Tama po ba iyon?

REP. SUANSING (E.). Tama po iyon, Mr. Speaker.

REP. ATIENZA. Hanggang ngayon po ba ay nakikita ninyong magbibigay ng trabaho ang batas na ito kung ito ay aaprubahan natin?

REP. SUANSING (E.). Tama po iyon, Mr. Speaker, noong nakaraang Kongreso, this was Trabaho Bill and now, it is CITIRA.

REP. ATIENZA. In what sense, Mr. Speaker, are we calling it Trabaho Bill?

REP. SUANSING (E.). Mr. Speaker, ito po ay tinawag na Trabaho Bill noong nakaraan dahil po it will provide 1.5 million jobs in 10 years at binanggit ko na po na ito po noong nakaraang Miyerkules.

REP. ATIENZA. So, 1.5 million jobs. Ang dami ano? Iyon ang nakikini-kinita ninyong epekto nitong batas. Papaano po mangyayari iyon? In what way will job creation be a direct offshoot of this law?

REP. SUANSING (E.). Mr. Speaker, inaasahan po natin o we are expecting that, since we are already lowering the corporate income tax from 30 percent to 20 percent, then the savings of the industries or the companies will be spent in providing jobs.

REP. ATIENZA. So this Bill, as you say, will lower corporate tax from 30 percent to 20 percent. Tama po ba iyon?

REP. SUANSING (E.). Yes, Mr. Speaker.

REP. ATIENZA. Bakit po natin gustong gawin iyon?

REP. SUANSING (E.). Dahil po hindi po tayo competitive regionally. Tayo po ang pinakamataas in terms of corporate income tax sa ASEAN.

REP. ATIENZA. Sa ngayon po, ano po?.

REP. SUANSING (E.). Opo, Mr. Speaker.

REP. ATIENZA. Kapag sinabi ninyong ibababa natin iyong corporate income tax, shall we do it now, tomorrow, next year? Kailan kaya natin gagawin iyon, according to your proposal?

REP. SUANSING (E.). Mr. Speaker, it will be gradually decreased. Starting January 1, 2020, it will be reduced from 30 percent to 29 percent.

REP. ATIENZA. The way I understand it, the income tax of the corporations will be lowered in 10 years' time.

REP. SUANSING (E.). That will be correct, Mr. Speaker.

REP. ATIENZA. The impact will be dependent on the conditions 10 years from now. Tama po ba iyon?

REP. SUANSING (E.). It will ...

REP. ATIENZA. Kung sasabihin ninyo sa akin na ibababa natin ito ngayon, maiintindihan ko po agad, at kakabahan na po ang Cambodia, kakabahan ang Thailand, kakabahan ang Vietnam dahil mababa sila ngayon kaysa sa atin. If we are lowering our tax rate to 20 percent, then we will be competitive with them. But 10 years from now, baka ang Cambodia, Thailand, Vietnam and all the rest of Southeast Asia would already be collecting much lower than 18 to 20 percent and now, because of the robust economies, they may even lower it to five percent, six percent, di talo na naman tayo. What do you see happening to the country then?

REP. SUANSING (E.). Mr. Speaker, for every one percent reduction in the corporate income tax, we will give up P26 billion for every year and so, the government cannot afford to reduce it immediately because if you will look at it, for the first year only, the government will lose revenues amounting to P26 billion. Hindi lang po iyong P26 billion a year as it will increase the loss and so, we cannot afford that we reduce the corporate income tax rate from 30 percent to 20 percent right away.

REP. ATIENZA. Iyon po ang problema because we are assuming that by projecting a lowering of corporate income tax. But 10 years from now, for us to be competitive may not happen at all because by that time, our competitors may already be charging a much lower corporate income tax because of their growing economies today. We are trying to catch up with something that we may not even catch up with now.

So, meanwhile, the impact of this law will not create jobs. It will create unemployment for our people. Why do I say that? Why am I concluding, Mr. Speaker, that this law is detrimental to the employment opportunities of our poor? Kapag ang mga kumpanya ay nagsi-alis sa Pilipinas, iyong sinasabi ng ating masipag at magandang Mme. Sponsor ay hindi mangyayari sapagkat kapag wala na ang factories dito, wala ng direct foreign investments, ay wala na ring trabaho, at walang 1.5 million generated jobs. Ang magkakaroon tayo, 5 million unemployed more than what we have today because the multiplier effect of a factory closing down will be producing more unemployment.

I do not know why the Lady sees it in another way when the facts are real. If you are promising a just corporate income tax, you are actually telegraphing to other nations that 10 years from now, we will be with

them. Hindi ba naman gagalaw ang mga iyon. Ganoon ba, sige, next year, kapag binaba mo ng two, bababa rin kami ng one. Kapag binaba mo ng another two after another two years, bababa din namin ng another one. Pagdating ng 10 years from now, 20 percent na lang tayo, sila naman ay baka 12 percent na lang, kaya talo rin tayo.

So, this strategy of the economists, I cannot understand. We are trying to compete with the economies of Southeast Asia, but we do not seem to accept the fact that today is the challenge and the action should take place now, not 10 years from now.

REP. SUANSING (E.). Mr. Speaker, may I respond. If we compare ourselves with other ASEAN countries, hindi naman po tayo masyadong malayo. Like for example, kung sinasabi po ninyo na natatakot po kayo na baka bababa din iyong iba habang binababaaan natin gradually—ang China po ngayon ay 25 percent, ang Indonesia ay 25 percent, ang Malaysia ay 24 percent—kung tayo po ay bumababa ng one percent every year, sa akin pong pananaw, ay hindi naman po tayo malalayo sa ibang bansa.

REP. ATIENZA. Mr. Speaker, I am even more confused now. The Lady seems to be contradicting herself. Among the rates today in Southeast Asia, as you said and as these were written here, the Philippines has the highest rate of corporate income tax. Hindi po ba tama ang assumption na iyon?

REP. SUANSING (E.). Yes, Mr. Speaker. Tayo po ay 30 percent, ganoon po, pero binanggit ko kanina na China is 25 percent, Indonesia is 25 percent, Malaysia is 24 percent, so, meaning that we are the highest.

REP. ATIENZA. Tama po.

REP. SUANSING (E.). That is why we are reducing it to be regionally competitive.

REP. ATIENZA. Kaya gusto ninyong ibaba para maging competitive?

REP. SUANSING (E.). Tama po, Mr. Speaker.

REP. ATIENZA. Pero aminin ninyo, kapag sinabi natin ngayon na ibababa natin ito every year, iyong ibang mga bansa, hindi naman mga tanga iyon at sasabihin nila, “Ibababa ninyo ha. Sige, kami rin, ibababa namin every year.”

REP. SUANSING (E.). Mr. Speaker.

REP. ATIENZA. Para tayong naghahabol ng ating sariling buntot. We will not get anywhere. Meanwhile,

I can see unemployment becoming a real problem. For one, you are going to remove the privileges and benefits from the locators in our PEZA business sector. Now, what do you mean by this, na kailangang alisin ang kanilang mga tax exemptions? Ano po ba ang ibig sabihin noon?

REP. SUANSING (E.). Mr. Speaker, may I request the Gentleman from BUHAY Party-List to repeat the question, please.

REP. ATIENZA. For the PEZA today, the export processing zones are thriving. Sila po ay matingkad ang kanilang ekonomiya, kumikita ang mga locators, kumikita naman ang gobyerno, at iyong ating labor force ay nasasanay. I would say that the best semiconductor technicians or laborers can be sourced from the Philippines. Mas magaling tayo kaysa roon sa ibang Asyano kaya nandito sila. Bakit ninyo gustong busisiin iyan at pakialaman, na maaaring makapagbago ng kalagayan ng mga negosyo nila? The moment you intervene and meddle with the present business atmosphere and business policies that they have been accustomed to, tatanggapin ninyo na maaaring lumipat sa ibang bansa ang mga iyan. Tama po ba iyon?

REP. SUANSING (E.). Mr. Speaker, siguro, ang ginagawa po natin ngayon is, isinasaaayos po natin iyong sistema because as of now, una po, ang PEZA ay IPA, sila po ay nagbibigay ng mga insentibo na wala pong hangganan. Hindi po sila dumadaan sa proseso katulad ng evaluation and monitoring, and they are not performance-based. Now, what we are doing is, we are expanding the role of the FIRB, the Fiscal Incentives Review Board at ang ibig sabihin nito ay dadaan na po sila sa review, ang mga industries na ito. So, hindi po dapat mabahala ang ating Congressman Atienza na aalis sila dahil po hindi naman po sila pinapahirapan, hindi po tinatanggal ang kanilang mga insentibo at inaayos lang po ang mga ito dahil wala pong forever na incentives.

REP. ATIENZA. Kapag sinabing inaayos, puwedeng alisin ito. Ang nababasa ko po sa diyaryo regarding the statements coming from the Department of Finance, they are justifying in removing the exemptions of the PEZA locators. Are you denying what they are saying?

Ako po naman ay hindi ekonomista pero nagbabasa po ako ng mga sinasabi nila. Ang mga sinabi nila ay pinaniniwalaan ko dahil sila ang may gawa nitong batas. Hindi naman ako naniniwalang kayo ang gumawa ng batas na ito because I will ask you one question—if you were the one who prepared this law, did you talk to the locators of the PEZAs in the Philippines? Did you?

REP. SUANSING (E.). Mr. Speaker, we already

consulted the locators. In fact, the Department of Finance handled the public hearings at inuulit ko po, hindi po natin tinatangal ang incentives. Ang ginagawa lang po natin ay instead po na forever ang incentives ay nilagyan na po natin ng limit, so, ang mga ito ay time-bound na po.

REP. ATIENZA. Kaya nga po, nilagyan ninyo ng limit. Kung ako ay may kumpanya, ako ay isang investor at nilagyan mo ako ng limit sa aking kikitain dito sa Pilipinas, magpaplano na ako ng pag-alis at isasama ko pa iyong labor force ko na sinanay ko. Hindi ko pababayaang iba ang makinabang doon sa mga na-train na namin.

Kaya ang sinasabi ko, bago sana dinala ito rito, tiniyak ninyo na ang ating mga locators ay sang-ayon at masaya sa kanilang kasapitan. Marami na rin po akong nakausap sa kanila and they are condemning this particular proposal. They said, and I will quote them, "We will always transfer to another country where it is more friendly and more hospitable, not limiting our exemptions and our privileges." "Ano po ba ang reklamo ninyo?" ang tanong nila sa akin. Sabi ko, "Pagpasensyahan ninyo, hindi ako ang gumawa ng batas na iyan. Ang Department of Finance po ang gumawa niyan."

So, are you saying that the Department of Finance held extensive dialogues, meetings and hearings to hear the side of the locators?

REP. SUANSING (E.). Mr. Speaker.

REP. ATIENZA. Or you are only assuming that?

REP. SUANSING (E.). I am not assuming because I was part of it, Mr. Speaker. This went through a lot of technical working groups. Even on Sundays we worked hard, and even former Speaker GMA went to Bataan to have consultations with the locators. So, I am not just assuming, Mr. Speaker, because I was a part of this.

REP. ATIENZA. I commend you for working hard, but it is a fact that the locators feel left out. They feel betrayed. Now, they are planning and plotting their own business survival. Ang sinasabi ko po, kapag nag-alisan lahat iyan, hindi na job generation ang pag-uusapan natin. Mawawalan tayo ng pagkukunan ng trabaho.

REP. SUANSING (E.). Mr. Speaker, at this point, we are just assuming that they will leave the country.

REP. ATIENZA. And you are assuming that they will not?

REP. SUANSING (E.). They will not.

REP. ATIENZA. Okay.

REP. SUANSING (E.). I assure you, Mr. Speaker, the Honorable Atienza, that they will not because this will be properly handled.

REP. ATIENZA. I am willing to take that assurance from the Lady because I know her diligence and her dedication, but let me go back to the Department of Finance. It is a fact that they are the ones who conceived of this. It is also a fact they are the ones who worded it. It is a fact that it should be their duty to make sure that the locators and affected parties should have been consulted very broadly. Do you agree with that or not?

REP. SUANSING (E.). That is true, Mr. Speaker. In fact, this measure, which is in Second Reading, passed through the Committee with a lot of suggestions. We considered the position papers of the stakeholders and so, Mr. Speaker, this is not the original version of the Department of Finance. We already amended this accordingly.

REP. ATIENZA. So, you are saying that, indeed, the Department of Finance was very meticulous in getting everybody's input into this version?

REP. SUANSING (E.). That is correct, Mr. Speaker.

REP. ATIENZA. Do you have a copy of the study?

REP. SUANSING (E.). Mr. Speaker, if the good Gentleman, Congressman Atienza, would like to get the minutes of the 500 meetings all throughout the country, we are willing to give him the said minutes of the meeting.

REP. ATIENZA. Mr. Speaker, I am not talking about meetings and hearings. I am talking about a thorough study on the impact of this proposed law. Will it be good for us and the economy or not? It is just as simple as that.

If you believe that the Department of Finance did their homework, they should readily have a document that says that this will be good for the economy and not just the say-so of Secretary Dominguez alone. I cannot trust one man with the future of the nation. Kung mayroon silang study done by the UP, Ateneo, by the Department of Finance's "bright boys," please give us a copy so that we will be guided accordingly. Babasahin ko po iyan from cover to cover para makumbinsi ako kung alam natin itong ginagawa natin para sa kanila. Puwede po ba iyong aking kahilingan, Mr. Speaker, that we be given a copy of the so-called study that the Gentlewoman is saying is a product of 500 meetings and hearings that they conducted?

REP. SUANSING (E.). Mr. Speaker, I would like to ask my idol, Cong. Stella Quimbo, who has a study on this. We will furnish a copy to the good Gentleman, Mr. Speaker.

REP. ATIENZA. Please do not misunderstand me.

REP. SUANSING (E.). No, Mr. Speaker.

REP. ATIENZA. I am not out to give you homework because I do not believe in homework anymore. Kung mayroong study, kunin po ninyo sa opisina ngayon at maghihintay ako dito. Kung wala naman, aminin na lang ninyo na wala pong study. Iyan po ay public hearings na ginanap, at mayroon kaming records, voluminous records of public hearings that concluded nothing because the alleged impact of this measure on the economy is on the mere say-so of the Department of Finance. Wala pong pag-aaral, pagsusuri na ginawa para sabihin natin sa sarili natin na kapag inaprubahan natin ito, matutulungan natin ang ekonomiya ng Pilipinas at magbibigay ito ng trabaho sa bawat Filipino.

Samantalang mayroong mga nag-iisip, katulad ko po, na kapag inaprubahan natin ito nang wala man lang pag-aaral, maaaring magdulot ito ng paghihirap.

REP. SUANSING (E.). Mr. Speaker.

REP. ATIENZA. I am just asking a categorical question, Mr. Speaker. Hindi kayo ha, I am not referring to the Gentlewoman.

REP. SUANSING (E.). Mr. Speaker.

REP. ATIENZA. I am referring to the Department of Finance. Do they have a study on the impact of this measure? Or they are playing it by ear, putting all our necks on the chopping board? Sapagkat ang mga tao ay magagalit kapag sila ay nahirapan at nawalan ng trabaho. Ang sigaw nga nila ngayon ay “wish, bu-wish, bu-wish-it.” Ayoko naman tanggapin iyon. Ayaw naman nating mabuwisit. Ipakita lang natin na ito ay sinuri ng mga dalubhasa at mayroon pong pruwera na makakabuti ito, hindi iyong dahil sa sinabi ni Secretary Dominguez at noong kaniyang technical support.

REP. SUANSING (E.). Mr. Speaker, with the kind indulgence of Congressman Atienza, we have two studies and one is by Cong. Stella Quimbo and Dr. Renato Reside, and the other, we have the cost-benefit analysis of the Department of Finance, if Congressman Atienza will allow us to submit these studies tomorrow.

REP. ATIENZA. Anytime, Mr. Speaker. I will thank the Gentlewoman if she can provide me a study done,

not by her, not by her staff, not by Congress, but by the Department of Finance which is the source of all of these assumptions.

REP. SUANSING (E.). Mr. Speaker.

REP. ATIENZA. Napaso na po tayo sa TRAIN I. Ayoko pong mapaso muli dito sa TRAIN II. Gusto kong matiyak na lahat ng assumptions nila ay pinag-aralan nila at talagang sukat na sukat para magtagumpay. This is nothing personal.

REP. SUANSING (E.). Mr. Speaker, I am ready po to submit the cost-benefit analysis conducted by the Department of Finance.

SUSPENSION OF SESSION

REP. SUANSING (E.). May we request for a one-minute suspension of the session, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The session is suspended.

It was 7:28 p.m.

RESUMPTION OF SESSION

At 7:29 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The session is resumed.

Congressman Atienza is recognized.

REP. ATIENZA. Mr. Speaker, the Lady provided documents on the Department of Finance studies—done by the Department of Finance itself. Ang sabi ko po kanina, kinonsulta ba nila ang mga locators, iyong mga investors, iyong mga technicians other than the Department of Finance people? The DOF technical support, their supporters, cannot say “no” to the Secretary. Kapag sinabi ni Secretary Dominguez, “Gumawa ka diyan ng recommendation na maganda, ha, and put a little trimming so that people like Congressman Atienza will be disarmed.”

Hindi po ito ang hinihingi ko, ha, just for the record. Ang hinihingi ko po, ano ang pinagbasehan ng ating Department of Finance para ibigay sa atin ang dokumentong ito na naglalalayong baguhin ang istruktura ng pagbabayad ng buwis sa ating bansa with regard to corporations. Allow me to return this to the Gentlewoman as I do not think this is the document I am referring to.

REP. SUANSING (E.). Mr. Speaker, that document is about incentives, Mr. Speaker, because we are talking

about locators, but if you are asking me if the DOF has conducted studies on the impact of the corporate income tax, then that is not the document, Mr. Speaker. So, liwanagin ko lang po— ang hinihingi ninyong studies are those on the impact of the decrease in the corporate income tax?

REP. ATIENZA. The CITIRA in general. The impact of this CITIRA on the national economy and on the players today, while providing the economy some fiscal relief, we are not as healthy economically as we would want to be but things are functioning, and I do not believe in fixing something that is already functioning.

REP. SUANSING (E.). Mr. Speaker, the documents that I handed are entitled “Package 2.” So, Package 2 is CITIRA. That is about the reduction of the corporate income tax and the incentives. So, iyan po iyong hinihingi ninyo.

REP. ATIENZA. Hindi ho. (*Laughing*) Hindi ho ito. Ang hinihingi ko po ay, sabihin ninyo sa akin, “Magandang-maganda ang aming plano at nagpapalakpakan po silang lahat at wala raw pong reklamo ang mga locators, mga investors.” Ang naririnig ko po ay iyong tinig ng investors: “Congressman, do something about it. If that thing passes, we will act and take action on the Philippine imposition.” Nababahala po ako dahil kailangang makinig tayo sa kanila kasi sila ang may hawak ng trabaho. Kung hindi tayo makikinig, let it be said na hindi po ako bahagi nito. Lahat ng Sponsors dito—imagine 250 Sponsors, 250 Members of this Congress co-sponsored this measure—sa palagay ko ay hindi naman nila sigurado kung ano ang magiging bunga nito. Baka dumating ang araw na sila ang sisisihin. Hindi naman elective official si Secretary Dominguez kaya sisihin mo man siya, ngingiti lang siya, pero tayo na inihalal ay magiging hangal sa mata ng tao kapagka ito ay nagdulot ng kahirapan. And since today it has been very obvious that your intention only is to raise money for the government, that is the primary reason why we are talking about the CITIRA Law. Tama po ba iyon?

REP. SUANSING (E.). Mr. Speaker, I hope that the Gentleman from the BUHAY Party-List will realize that this Package 4 does not only speak about collecting revenues. We want to be regionally competitive and we want to rationalize the incentives, so, hindi po ito pahirap. If we will read the Bill, then we will understand that we are rationalizing incentives and we want that our corporate income tax will be competitive.

REP. ATIENZA. On a general view, ito po bang mga locators natin dito, how do they compare to the locators

of the other countries? Mas maayos ang kanilang kalagayan kaysa sa atin.

REP. SUANSING (E.). Mr. Speaker, I believe that the locators are here because of a lot of reasons. They are happy because the labor cost in the Philippines is low. We have the Ease of Doing Business Law. We have a big population, and maybe raw materials are available here. So, there are a lot of factors that were considered and that is why they are here.

REP. ATIENZA. Again, that is another open question as to how the other nations are treating their locators in their economic zones. Hindi po naman original ito sa Pilipinas lang. Lahat ng bansa ay mayroon pong PEZA. Siguro, hindi nila tinatawag na “PEZA” at iba ang pangalan pero the basic principles are the same. I hope that the Department of Finance took note of this before even touching on the very sensitive nature of doing business. People do business to make money. We should not deny that. People stay in one country because of the special incentives being given to them. In China, they are even given land. In many countries, they are even given additional capital. Ngayon ay tumatakbo ng maayos ang ating mga PEZA zone, at pagkatapos ay pakikialaman sila nitong batas. Iyon po ang nagbibigay ng agam-agam sa inyong lingkod that instead of helping, it may weaken the hold of the nation on the investors now flourishing in our PEZA zones.

Uulitin ko po iyong sinabi ko, I do not believe that something should be repaired if it is doing well. If it is working, it is working. Hindi pinakikialaman ng gobyerno ang isang bagay na gumagana at nagtatrabaho. Katulad po ng probisyon dito about institutions of learning, nabasa po ninyo iyon? And the hospitals, nabasa ninyo iyon?

REP. SUANSING (E.). Hindi po, Mr. Speaker.

REP. ATIENZA. Itataas natin ang level of taxes for hospitals. Did you read that provision?

REP. SUANSING (E.). In this provision, Mr. Speaker, we removed the educational institutions and hospitals, so the 10 percent for educational institutions and hospitals will be retained. Hindi po natin ito pinakialaman dito sa panukalang ito.

REP. ATIENZA. Pero babaguin po ninyo iyong norm of taxation—ngayon, ito ay based on gross pero gagawin ninyong based on net. Tama po ba iyon?

REP. SUANSING (E.). Tama po iyon, Mr. Speaker.

REP. ATIENZA. Ibibigay natin sa Bureau of

Internal Revenue ang trabaho. Kayo ba ay nakaranas na makipag-usap, makipag-paliwanagan sa Bureau of Internal Revenue? Ako po, lahat ng nakausap ko na mga negosyante na nakipag-usap at sumubok makipagtalo sa BIR ay siguradong talo sila dahil pabago-bago ang interpretation ng tax laws. Ang discretion ng regional director ay iba roon sa discretion noong home office. Marami pong problema kaya ngayong ibabato natin ang mga ospital sa BIR, humanda tayo. Babawiin ni Mr. Pangilinan ang kaniyang dagdag na bayarin sa mga gumagamit ng Makati Medical Center at mga iba pang ospital na pribado. Iyong mga private learning institutions na ngayon ay marami ang matagumpay na nagbibigay ng quality education, baka mahirapan din dahil binago natin ang hindi naman dapat baguhin.

REP. SUANSING (E.). Mr. Speaker.

REP. ATIENZA. Mayroon lang nag-isip sa Department of Finance at nilagay dito, tinatanggap nating lahat. I cannot see the wisdom and the logic of it.

REP. SUANSING (E.). Mr. Speaker, uulitin ko lang po. In the Third Reading version during the Seventeenth Congress, hindi na po kasama iyong hospitals and educational institutions. Ang ibig sabihin, doon po sa na-file namin na panukala, hindi na kasama ang mga iyon. Hindi po natin pinapakialaman ang hospitals and educational institutions. Hindi ko po alam kung saan galing iyong ...

REP. ATIENZA. Again, Mr. Speaker, I reserve the opportunity to point out all of these issues when it comes to the period of amendments because the Lady is saying na hindi kasali but what I am saying is, kasali po.

REP. SUANSING (E.). Hindi po kasali, Mr. Speaker.

REP. ATIENZA. I will take your word for it, Mr. Speaker.

REP. SUANSING (E.). If you read the Bill, it is not in the Bill.

REP. ATIENZA. What I am saying is, it bothers the hospital associations, it bothers the education sector, that government again is intervening and meddling with their business which is very brittle at this point in time.

REP. SUANSING (E.). Well noted, Mr. Speaker.

REP. ATIENZA. Ang ating layunin dito ay kumolekta ng buwis, hindi po ba? May I ask the Lady

if she has, in fact, inquired or asked that question from the DOF? You want to improve the revenues collected by the government, then I will ask this question, Mr. Speaker: Why is the Department of Finance, up to now, tonight, not implementing the Customs Modernization Act, which should provide easily tens of billions, probably hundreds of billions of pesos, to prevent smuggling in the country, especially the importation of shabu and drugs? I am talking about the Customs Modernization Act which we toiled over here in this Congress. Ipinasa natin noong 2015, hindi na-implement ng administrasyong Aquino for reasons I do not know. Ang balita ko po ay masyadong marami ang masasakripisyo.

Noong dumating ang Duterte administration, dahil kaibigan ko si Secretary Dominguez, ako ay nagpunta sa kaniyang tanggapan. You can confirm this. I asked him that one simple question, “My good friend, are you implementing now the law which we crafted para maputol na ang smuggling sa bansa?” Thousands of container vans are coming in everyday and these are not inspected. The law now provides that—at the option of the importer pero ang mga smuggler ay hindi papayag—at the option of genuine importers, their cargo vans can be inspected at the source of origin at pagdating po rito, may clearance na kung ano ang nilalaman at kung magkano ang kailangan bayaran.

Ang sagot sa akin ng Sekretaryo noon, and you can confirm this with him, “Give me time to study it. Just give me one month, at most, two months. Of course, magandang batas iyan, I will implement it.” I am waiting for him here. I will ask the question and I hope he answers me clearly—“Mr. Secretary, why are you not implementing it?” Three years had passed, the Customs Modernization Act of the country is not being implemented by the Department of Finance where it can raise hundreds of billions of pesos coming from or rather, going to the hands of smugglers now?

Shabu is imported right there at the very noses of the Customs Bureau. Hindi po ba nabalitaan ninyo iyong tone-toneladang shabu na pumapasok sa pier natin? Not only once, twice. Kung na-inspeksiyon na po iyan sa source of origin, hindi na po mangyayari iyan. Alam na natin na may lamang shabu kaya hindi na po makakapasok iyan. Kung ayaw natin malaman kung ano ang laman, baka kasali tayo sa ganansiya.

So, I am asking the question— if the government does not want intelligent laws, then why should I even join those who are wildly cheering for this document which will mean or may mean a more difficult time for our people, while there is a good law that will curb smuggling, but they would not even touch it. Sabi ni Secretary Dominguez, baka mayroon siyang mga tao rito ngayon, sinabi mo kay Congressman Atienza, babasahin mo lang iyong batas. Three years had passed, you are still reading, my good friend, o baka naman

mayroon kang ibang kadahilanan. Share it with me para po naman hindi ako nagmumukhang tanga sa salamin, na nagpakahirap tayo sa batas pero pagkatapos ay hindi naman ipinatutupad. Therefore, I do not believe that this law will surpass what can be generated out of a clean, honest collection at the Bureau of Customs.

REP. SUANSING (E.). Mr. Speaker, I would admit that I am not ready to answer the question as to why the CMTA is not being implemented, but I will assure the good Congressman that I will talk to Secretary Dominguez on the status of your question to him. Gusto ko lang ipaliwanag na puwede naman po pagsabayin ang CITIRA at CMTA. Kaya hindi naman puwede na dahil hindi effective ang CMTA, we will assume that if we will pass the CITIRA, then it will not be implemented because it will involve a different agency, Mr. Speaker. The CMTA is with the Bureau of Customs, and this one, Mr. Speaker, is with the BIR and the FIRB. I would like to assure the good Congressman that I will get back to him with the answer of the good Secretary of Finance.

REP. ATIENZA. Para po sa kaalaman ng mga masisipag nating Miyembro ng Kongreso na nandito pa hanggang ngayon, iyong CMTA, Customs Modernization and Tariff Act, naglalayon na iyong mga container vans bago dumating dito, alam na natin ang laman, alam na natin kung magkano ang dapat nilang ibayad na buwis. Kapag ayaw ng gobyerno ipatupad iyong ganoong klaseng paraan, ayaw ng gobyerno pagbayarin ang mga importer. Alam ba ninyo na mahigit 4,000 container vans ang dumarating araw-araw? Hindi ini-inspeksyon ang mga iyan. Walang inspeksyon diyan dahil palagi kong naririnig na walang equipment ang Bureau of Customs. Walang equipment? Samantalang puwede naman tayong lumahok sa pangmundong kasunduan na ang bawat exportation will be covered by a certification of a duly accredited inspection of goods. But we do not want to even participate in that. Kaya ako, I never talk about new taxes, Mr. Speaker. This Representation is allergic to it. Why? Because this government is not interested in collecting taxes. They are willing to risk the fate of the Filipinos, basta mayroon lamang silang masabing pagsisikap pero iyong dapat makolekta, bahala na kayo diyan. Ang sagot nga nila, mahirap iyan, bago iyan. Ang sagot ko diyan, “Ayaw ninyong baguhin dahil mapuputol ang smuggling ninyo.”

Could the Lady at least agree with me on that?

REP. SUANSING (E.). Mr. Speaker, I would like to suggest to the good Gentleman that, maybe, he can ask during the budget hearing next week with the Department of Finance, how come the CMTA is not being implemented until now.

REP. ATIENZA. Salamat po sa inyong naturan. Nakiking po ang Majority Leader at inaasahan ko pong bibigyan ako ng pagkakataon, my lonely voice to be heard in that committee hearing where Secretary Dominguez will be present and for him to explain why he is not implementing the pre-inspection of container vans which enter our shores and without any inspection. Magbabayad ka lang nang tinatawag nilang “tara,”—“tara na”—at dadalhin na sa bodega iyong container van. Sa ganoong paraan lumusot iyong mga tone-toneladang shabu, and I believe that everyday, may pumapasok ditong iba’t ibang uri ng prohibited drugs because there is no inspection and they always cite limitations of fund.

Again, with the kind assurance of the Majority Leader, I will reserve that question for the Secretary of Finance, and I will tell him my serious doubts about this proposal without him answering the questions that I have been propounding to the Lady. Nahihya nga ako sa inyo dahil hindi naman kayo ang may kagagawan nito. Naiintindihan ko iyon pero mag-ingat tayo, and I am addressing my colleagues na mag-ingat tayo. Tayo ang sisihin ng tao kapag nag-collapse ang ekonomiya natin.

Wala na sila sa gobyerno after three years, but this measure will involve a period of 10 years. Many of you will still be in politics—ako, retired na by that time but for those of you who will run and remain in public office, you will have to answer the question: “Were you part of that CITIRA? Wala pong tinira iyon kundi ang taumbayan.” Sasagutin ninyo iyan and the Lady will have to defend herself when that time comes. As for me, unless my questions are answered with certainty, I want the study to show that this document has been studied well by the experts, by the economists of the country, and not by the Department of Finance alone. They are definitely committed to defend their proposals and the ideas of their Secretary—I am not because I am only interested in the interests of our people.

Kung makabibigat sa ating taumbayan, tanggihan natin. Kung talagang makakatulong iyan, pagtulung-tulangan natin and I hope everybody will develop an attitude that anything that comes from the administration is presumed correct without the necessary studies to back them up. I demand for that study and I want a copy of any study. Kapag hind po nakapagbigay ng anumang study, then I am going to condemn this piece of legislation, knowing na hindi ito pinag-aralan, at ito ay magdudulot lang ng problema sa ating bayan. Iyong mahihirap, lalong maghihirap; iyong mayayaman, lalong yayaman.

In that regard, Mr. Speaker, I would like to ask the Lady, is she aware that the GDP of the country is at 5.6, tama po ba iyon?

REP. SUANSING (E.). That is correct, Mr. Speaker.

REP. ATIENZA. But the GDP per head of every Filipino is only \$3,200 per annum, napakaliit po. Ang Malaysia, mas mababa ang GDP at 5.4 pero ang kinikita ng typical Malaysian ay \$11,000 per annum. Ang Thailand, ang GDP ay 3.4, mas mababa pa, pero ang kinikita ng bawat Thai ay \$7,000 per annum. Right there, simple arithmetic, you know what the problem is—corruption in government, distorted directions of the economy and, of course, the rich getting richer and the poor getting poorer. This Bill will again lead to that. The poor getting poorer, and those who will approve this Bill will have to answer their own selves when they run for reelection.

Thank you, Mr. Speaker, for the opportunity, and thank you to the Lady for engaging this Representation on the questions that I have been asking. I hope that study would come my way so that malinaw ang ating usapan, at sana ay hindi siya nagalit sa akin dahil ako ay naglahad ng aking damdamin dito sa nangyayari ngayon sa ating bansa.

Thank you.

REP. SUANSING (E.). Mr. Speaker, rest assured that we will give a copy of the two studies that I promised, and I would like to tell the good Congressman that, if he trusts the competence of the leadership of the Committee on Ways and Means that we studied this and we considered the position of the different stakeholders, then I think he will agree with me that this CITIRA will be for the good of the economy.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Majority Leader is recognized.

REP. BOLILIA. Mr. Speaker, I move that we recognize the Gentleman from the First District of Albay, the Hon. Edcel C. Lagman.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Hon. Edcel Lagman is recognized.

REP. LAGMAN. Mr. Speaker, I understand that there are Members of the House who have previously listed to interpellate. I also understand that the Hon. Rufus Rodriguez has not terminated his interpellation. After the termination of the interpellation of the Gentleman from Cagayan de Oro City and those others who registered, I will be ready by then to interpellate.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Majority Leader is recognized.

REP. BONDOC. Mr. Speaker, we just want to make it of record that the Committee on Rules is ready

to give time to all Members of the House who wish to interpellate. We urge all Members to take advantage of the time now that the Sponsors are present and are willing to answer questions.

We would like to manifest that the lack of our colleagues here is not a sign that they are not interested in the Bill. It is a sign that they are satisfied with the provisions of the measure. For those who are not satisfied, the Committee on Rules is willing to give them the time to interpellate. We just want to put that on record, Mr. Speaker.

Once again, we would like to invite the Honorable Lagman if he would wish to take advantage of the chance to interpellate now.

REP. LAGMAN. We will interpellate at the proper time. I think that this time is not the proper time. You know what I mean.

REP. BONDOC. Mr. Speaker, we just want to reiterate that we have satisfied the requirement in our rules that debate is sufficient once three have spoken in favor and two against. We still would not like to close the debate as long as there are Members willing to interpellate, unless there is a mandate from the House leadership.

SUSPENSION OF SESSION

REP. BONDOC. With that, Mr. Speaker, we move to suspend the session.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The session is suspended.

It was 7:57 p.m.

RESUMPTION OF SESSION

At 7:57 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The session is resumed.

The Majority Leader is recognized.

REP. BONDOC. Mr. Speaker, we note the manifestation of the Honorable Lagman and it is well taken. With that, we move to recognize the Hon. Rufus B. Rodriguez for his chance to interpellate the esteemed Chairman of the Committee on Ways and Means, the Hon. Joey Sarte Salceda.

I move for the recognition of the Hon. Rufus Rodriguez.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Hon. Rufus Rodriguez is recognized.

REP. RODRIGUEZ. Thank you, Mr. Speaker, and our distinguished Sponsor.

Would the distinguished Sponsor agree to some interventions by this Representation.

REP. SUANSING (E.). Mr. Speaker, gladly. I am not the Chairman of the Committee on Ways and Means, the Hon. Joey Salceda is. I am the Sr. Vice Chairman lang po.

REP. RODRIGUEZ. Mr. Speaker, distinguished colleague, yesterday, there was a statement of the distinguished Sponsor, Joey Salceda, that he has spoken with the different chambers of industry and they are, according to him, more or less, in favor of the CITIRA Bill. With that statement, the different Chambers of Commerce had to really meet again to be able to come out with their position, contrary to what the distinguished Chairman of the Ways and Means have said. They immediately sent to this Representation their position paper to exempt the PEZA from House Bill No. 4157.

Would our colleague, the distinguished Sponsor, allow this Representation to read the statements of the Joint Foreign Chambers of the Philippines, Mr. Speaker.

REP. SUANSING. Mr. Speaker, the position of the PEZA in the previous meetings that we had, the Chambers, sorry, is different from those mentioned by Honorable Rodriguez, my idol, so, I do not know the reason why they are now changing their position.

REP. RODRIGUEZ. From the very beginning, their position has really been to be exempted from the CITIRA Bill and that is why, with the permission of the Speaker and the distinguished colleagues, let me for the record, therefore, read the statement of the Joint Foreign Chambers of the Philippines, with the permission of the distinguished Sponsor.

REP. SUANSING. Yes, Mr. Speaker, we will listen.

REP. RODRIGUEZ. Thank you, distinguished Sponsor, Mr. Speaker.

September 3, yesterday, “The Joint Foreign Chambers support the amendment to exempt PEZA from HB 4157 CITIRA”—this is the measure that we are taking up—“because it preserves the immense gains over several decades of PEZA as a reliable and competitive administrative option for our investors seeking a foreign location for their manufacturing and IT/BPO Projects.”

Over 3,000 of the companies located in the zones that the PEZA administers are foreigners. The amendment, until it will become law, will remove much of the uncertainty that has deterred new foreign investments in the Philippines for the last two years.

The statement continues:

Currently, the country is not benefiting from the relocation of manufacturing out of China. The amendment will give the Philippines a better chance to attract many billions of dollars of new and expansion of foreign investments and a large number of new jobs...

This means the amendment to exclude PEZA. If it is excluded, the amendment will give the Philippines a better chance to attract many billions of dollars of new and the expansion of foreign investments and a large number of new jobs.

It says further:

The Joint Foreign Chambers of the Philippines (JFC) is a coalition of the American, Australian-New Zealand, Canadian, European, Japanese, Korean chambers and PAMURI. We represent over 3,000 member companies engaged in over US\$100 billion worth of trade and some US\$30 billion worth of investments in the Philippines.

The Joint Foreign Chambers of Commerce supports and promotes open international trade, increased foreign investment and improved conditions for business to benefit both the Philippines and the countries, the JFC members to represent.

Approved: American Chamber of Commerce, Australian Chamber of Commerce, and Philippines Chamber, Canadian Chamber of Commerce of the Philippines, the Japanese Chamber of Commerce and Industry of the Philippines, the Korean Chamber of Commerce in the Philippines, Philippine Association of Multi-National Companies Regional, the Headquarters, Inc.

Clearly, our investors represented by the Joint Foreign Chambers of the Philippines, the biggest Chambers in the country today, are certainly against the CITIRA Bill if it will have a regime change on the incentives. Mr. Speaker, distinguished Sponsor, I also have the position paper of the Philippine Ecozones Association or the PHILEA which was submitted to the Department of Finance earlier.

It said:

The Philippine Ecozones Association is a non-stock, non-profit private organization composed of privately owned and developing economic zones nationwide.

Under the Special Economic Zone Act of 1995, Republic Act No. 7916, our members were invited by the government to participate, contribute and invest in the economic development of the country. We responded to that call and we all invested billions of pesos in terms of land inventory, reclassification and development in strategically located areas most of which are located outside of Metro Manila.

The members of our organization believe that transforming erstwhile rural areas into highly developed economic zones, complete with world-class infrastructure and management systems, was the way to go in order to attract and satisfy legitimate and productive foreign investments in our country.

With the government being constrained by its limited resources to finance the vital infrastructure necessary in nation-building, it called on the private sector to lead in the investment, development and operations of the economic zones and industrial estates in order to attract the private sector to invest in economic zones. The government obligated itself to provide fiscal and non-fiscal incentives to ecozone developers and facilities providers. With the private sector leading the charge in the economic development, the ecozones multiplied from a mere two ecozones, only two in 1994, to 86 operating public and private manufacturing-related special economic zones by 2017 from 1995.

After the law was passed in 1995, by 2017 we already have a total of 86 operating public and private manufacturing special zones.

It continues:

Thus, the explosion of direct economic employment from about 220,000 in 1994 before the start of the law to more than 1,417,947 in 2017, this still without considering the downstream collateral employment.

Ecozone exports grew from a mere US\$2.7 billion in 1994 to US\$40 billion in 2017 alone. Export revenues from manufacturing economic zones account from about 69 percent of the total of the country.

Mr. Speaker, it is very clear that the above-cited benefits to the country would not have been achieved

without the active participation of the privately developed and managed ecozones, and we emphasize that the PHILEA members' locators account for over half of these exports and investments all over the country. It also says: "In addition, the PHILEA members and their locators provide significant amounts of purchases from local suppliers. The PEZA data showed that its registered industries local purchases amounted to P296 billion in 2017 and P253 billion in 2016. A matter of great concern to the members of the PHILEA,"—and the PHILEA again is the Philippine Economic Zones Association—"is the much-anticipated Comprehensive Tax Reform Package 2 of the Department of Finance which the Philippine Congress aims to pass into law this year and it is projected by the DOF to be implemented by the year 2019."

The announced purposes of the tax measures are, and I quote:

1. To pursue a market responsive and globally competitive investment tax incentive regime subject to the rules of fiscal prudence and discipline;

2. To formulate targeted and performance-based industry and sectoral development programs;

3. To enhance the progressivity of the tax system by reforming the Philippine internal and border revenue tax system;

4. To improve the equity and efficiency of the corporate tax system by lowering the rate, widening the tax base, and reducing tax distortions and leakages to arrive at a tax incentive system that is performance-based, targeted, time-bound and transparent;

5. To improve the productivity and competitiveness of the country through a fairer tax system relevant to the changing economic conditions of the country and aligned with the Association of Southeast Asian Nations neighbors; and

6. To ensure that the grant of tax incentives will promote substantive social and economic spillovers and equitable development across income classes, across industries, and across regions and provinces.

To achieve these state policies, the proposed tax reforms, among others, seek to amend Section 290 of the Tax Code to modify the tax and customs duty incentives granted to qualified registered enterprises. Accordingly, the existing special laws on investment tax incentives will be repealed and will be consolidated into a single omnibus incentives law, which is now the CITIRA.

The proposed reforms, as we gather, include a shortened income tax holiday period, a reduced corporate income tax for a reduced period, the exclusion of VAT exemption and the exclusion of local tax exemption as incentives.

We, the PHILEA, believe that the removal or withdrawal of the existing fiscal incentives granted to qualified registered enterprises must be reconsidered for the following reasons:”

—and for the record, these are the reasons given to us by the PHILEA, and number one is:

The benefits of granting incentives which consistently attract foreign investments and exponentially spurs economic growth far outweigh the costs of the projected foregone government revenues x x x.

PHILEA would like to debunk the theory that the incentives represent foregone revenue. We believe that the incentives represent the cost of inducing the inflow of these investments. It should be emphasized that what the DOF has computed as foregone revenues of the government would not even be possible if not for the existing incentives that attract foreign investments. Without the incentives offered by these IPAs, there would be no revenue to collect in the first place because investors would not have been drawn to the Philippines.

As will be shown in the study, the benefits of the tax incentives on the Philippine economy far outweigh the cost of foregone revenue. Citing the experience in 2016, the projected P163 billion in foregone income was compensated by the P685 billion, four times in approved investments by the IPAs, generating the employment of 196,000 persons, and the continued rise in the GDP growth rate to 6.9 percent. Clearly, considering that the benefits are higher than the costs, the tax expenditure in giving incentives should be treated as an investment by the government that results in exponential growth for the economy.

It is not changing the existing incentive structure that we can improve our competitiveness. The country is already at a disadvantage vis-à-vis its ASEAN neighbors due to supply side and institutional challenges of the country, and our current incentive system is merely at par with them. Thus, any reduction, according to PHILEA, in incentives further erodes the Philippines’ competitiveness in attracting investments. It also stated:

We, as ecozone developers at PHILEA, are at the forefront of this effort in assisting our locators in dealing with these problematic factors of doing business in the country, such

as bureaucratic institutions and infrastructure. More importantly, we have provided the infrastructure needed to ease their entry and allow them to stay in our country.

The number two reason as to why they are in favor of PEZA-exemption and against the CITIRA Bill: “The proposed removal of incentives will not necessarily improve the country’s productivity and competitiveness x x x aligned with its ASEAN neighbors.”

The Department of Finance claims that the Philippines offers “very generous tax incentives” which are too costly to maintain. This is incorrect. Based on the data of the Department of Finance, the following is the summary of comparative income tax holiday periods in the ASEAN countries: Philippines, maximum years of incentives four plus eight plus GIE; Brunei Darussalam, 20 years of incentives; Cambodia, nine years maximum incentive; Indonesia, 20 years maximum incentive; Lao PDR is 20 years; Malaysia, five years plus five years extension; Myanmar, five to seven years; Singapore, three years; Thailand, eight years; Vietnam, two to four. In other words, the PEZA’s four to eight years is even below many of these countries.

Further:

Countries such as Brunei Darussalam, Indonesia and Lao PDR offer the longest income tax holiday at the maximum of 20 years. After the ITH, the income tax holiday, some of the ASEAN countries grant a reduced CIT on a special tax on gross income. Specifically, Thailand and Vietnam offer a 50 percent CIT reduction after the expiration of the ITH which is based on net income.

Note that the statutory CIT, the corporate income tax of Thailand and Vietnam, is at 20 percent, thus, after ITH, investors in Thailand and Vietnam will enjoy a 10 percent CIT based on net income. In contrast, the Philippines offers a five percent special tax on gross revenue in lieu of all national and local taxes subject to exemptions after the expiration of the ITH. When compared, the special tax rates, after the income tax holidays being offered by the other ASEAN countries such as Thailand and Vietnam, seem to be better since the reduced CIT is based on the net income, whereas the five percent differential rate after the ITH being offered by the Philippines is based on gross income which will effectively be higher to the 10 percent CIT of Thailand and Vietnam. Furthermore, other ASEAN countries offer cash grants and subsidies. In fact, Malaysia offers a reimbursable dollar-for-dollar grant on qualifying research and development or R&D expenditures. Singapore, on the other hand, offers

cash grants, typically co-funding 30 to 50 percent of qualifying cost categories. The Philippines does not offer these kinds of incentives.

Based on the data presented, the Philippines clearly does not offer the most attractive incentives among the ASEAN countries since the other ASEAN countries offer a more generous and a wider range of incentives. In addition to the high tax rates, the incentives being offered by the Philippines are not even at par with the regional countries since the other ASEAN countries offer longer tax holidays and other incentives such as cash grants and subsidies. In the absence of fiscal incentives, the Philippines' effective tax rate, or the difference between the pretax rate of return and the after-tax real rate of return to those financing the investments, including the burden of personal and indirect taxes, is high with regional standards. Thus, to be competitive, the Philippine government through the different IPAs must continue to offer various fiscal incentives to lure investors to park their capital in the country.

The provision of incentives will be the only consolation for investors to stay in the Philippines. If these fiscal incentives will be removed as part of the proposed tax reform package of the Philippine government, there will be a huge risk of losing these investors. It would be erroneous for the government to experiment on the possibility that investors will stay or leave the country when incentives are withdrawn since our FDIs play a vital role in the economic development of the country. The challenge for the Philippine government therefore is how to make the country more effective to investors and be able to draw a lever and compete with the rapidly developing ASEAN neighbors.

Number three reason as to why they are for the exemption of the PEZA from the CITIRA Bill: "3. The withdrawal of fiscal incentives is expected to have an adverse effect on foreign direct investments in the Philippines, similar to the case of China and Indonesia.

It goes without saying that the withdrawal of fiscal incentives will definitely have an adverse effect on FDIs in the way of the experience of China and Indonesia.

As cited in the attached study in the case of Indonesia, one of the threats to its economic growth was the instability of its regulations in relation to foreign investments. Because of the volatile nature of the regulations surrounding foreign investment, some members of the government are concerned that foreign investors are discouraged from putting money in Indonesia. Thomas Lembong, head of the Badan Koordinasi Penanaman Modal (BKPM) or the Indonesian Investment Coordinating Board, has expressed that "sudden and constant changes in regulations create instability that is hard for any investor

who is willing to take a risk with their capital." We should learn from these experiences.

Number four reason: "4. The removal of incentives granted to existing registered enterprises is tantamount to a breach of our contract with the government, hence, violative of the constitutional prohibition against impairment of contracts." Section 10, Article III of the 1987 Constitution of the Philippines provides, "No law impairing the obligation of contracts shall be passed." This provision establishes the constitutional proscription against the impairment of the obligation of contracts while also establishing a constitutional right which plays an essential role in protecting the sanctity of agreements that give rise to a healthy business environment.

The primary goal of the creation of the special economic zones is not to cater to certain public needs that need to be served but rather these ecozones were established under the reliable permanence of legislation, as opposed to mere government regulations that easily change from administration to administration, and have often been used in representations with the country's authorities in enticing foreign investors to the Philippines.

The PHILEA statement also stated:

We in PHILEA, as ecozone developers, have also relied on these representations.

We, the members of PHILEA, entered into these ventures, knowing that our government will keep its end of the deal in our agreements. We have been assured by government that we are doing something good for our country by building and developing our ecozones. We believe that government should be one with us in making these ecozones truly attractive to investors and locators.

Mr. Speaker, I also have the position paper of the IT-Business Process Management (BPM) industry on the Tax Reform for Attracting Better and Higher Quality Opportunities (TRABAHO) and Corporate Income Tax and Incentives Reform Act (CITIRA). It said:

The IT-BPM industry has delivered a multitude of direct and indirect benefits to the Philippine economy. The IT-BPM industry has created jobs for 1.23 million Filipinos, indirectly impacted close to 4.1 million jobs in other industries across the country, making it today's biggest private sector employer.

We are one of the major sources of foreign exchange alongside OFW remittances and tourism receipts with revenues of US\$ 24.7 billion in 2018.

As a skill intensive industry, IT-BPM's contribution to household income is therefore significant. In 2018, we contributed P341.9 billion income to the households, further enhancing their purchasing power, thereby improving the quality of life of Filipinos and making us one of the largest contributors to growing the new middle class, thereby helping reduce the urgency for Filipinos to fly overseas in search of high paying jobs.

“Through our partnership with the government,”—we have to read this because, as stated by our distinguished Sponsor last night, these particular organizations are quite agreeable to the CITIRA. So, let me just continue reading, Mr. Speaker. This will be the last one. Here, it is very clear that the IT-BPM industry is likewise objecting to the new tax regime. So, taking the cue from our Deputy Minority Leader, I always follow him and therefore, I would cut short the reading as there are still four pages, and I will go directly to the question.

Distinguished Sponsor, Mr. Speaker, what will be the change in the income tax holiday and income taxation for locators at the PEZA?

REP. SALCEDA. Existing?

REP. RODRIGUEZ. Yes, the existing ones and what are you proposing ...

REP. SALCEDA. But before that ...

REP. RODRIGUEZ. ... for a change? Yes, the existing ...

REP. SALCEDA. The net...

REP. RODRIGUEZ. What do you intend to...

REP. SALCEDA. But before that, Your Honor ...

REP. RODRIGUEZ. Yes.

REP. SALCEDA. Because you read too many things, well, let me disabuse this House. One, nag-usap talaga kami sa Shangri-La, sila pa ang nagbayad. Pagkatapos namin, after three hours, sila mismo ang nagsabi sa akin na mukhang okay na iyong package. Kinausap din ni Majority Leader ang IT-BPAP doon mismo sa opisina niya. Sabi nila na iyong ino-offer ng House was far superior to what the DOF is saying.

Let me read to you—iyang binabanggit mo na JFC, alam po ninyo, last year, lahat ng concerns nila ay na-address natin. Apparently, gusto naman nilang magbago. So, kung puwede silang magbago—kung sila mismo ang nagbabago ng kanilang posisyon, sila

na mismo ang nagpapakita na ang talagang umiiral ay ang kanilang vested interest.

Iyong mga OFW, walang hinihinging incentives sa atin pero 30 billion. Sila na 8.7 billion, ibibigay nating lahat. Kapag kuwentahin mo lahat ng naibigay natin sa kanila, unang-una, ang na-invest lang nila dito, P1.68 trillion, galing sa kanila iyan. Iyong foregone revenues nila, P2.225 trillion. Iyong dinibidendo nila, P3.6 trillion. Sige, sabihin mo sa kanila kung hindi sila nagdibidendo ng P3.6 trillion. Ang ibig bang sabihin, basta na lang tayo hihiga dito sa carpet, sasabihin na okay lang? Pinapamukha ba nila sa akin na ako ang nagsisinungaling? Sila ang nagpatawag ng meeting. Na-explain ko sa kanila kung ano ang bago, pagkatapos, babasahan lang ako nila ng ganito.

REP. RODRIGUEZ. Mr. Speaker ...

REP. SALCEDA. Aba, ang ibig sabihin niyan, Mr. Speaker, Your Honor, ginawa natin ang lahat para mapakinggan ang kanilang concern. Hindi basta-basta ito ginawa. January 8, 2018, na-approved mismo ito sa Gabinete ng ating Presidente kaya alam na nila, hindi pa lang—all of a sudden, may bago. Hindi. Pinag-aralan, pinag-usapan, hindi lang ng iisang tao, hindi lang ng Committee ko pero pati iyong Committee ni Chairman Suansing, iyong Committee ni Dax Cua—aba, ang dami-dami pong pinagdaanan ng Bill na ito. Ang ginawa lang ng Committee natin ngayon ay pinaganda lalo, bilang isang pagtugon sa mas maluwag, mas maganda, mas competitive kaysa sa, you know, unang-una, sinasabi natin as pinakamahaba. Wala namang nagbibigay ng forever. Wala ka pong binanggit na five percent GIE forever. Samantala ang mga ordinaryo, mga maliliit na korporasyon ay nagbabayad ng 30 porsiyento, sila ay nagbabayad ng singko porsiyento. Paano nila masasabi? Ibig sabihin ba ang GIE forever ay hindi forever? Forever iyan.

REP. RODRIGUEZ. Mr. Speaker.

REP. SALCEDA. So, Mr. Speaker, ano ba ang mas mahaba sa forever? Iyon lang naman ang binabago natin. Puwede naman silang pabalik-balik sa atin, sa FIRB, sa PEZA, dahil hindi naman natin binabago. Ang sinasabi lang natin, diretsuhin mo iyang ginagawa mo, subalit iyong pag-approve, ang ultimate approval ay nasa FI—pasiguraduhin lang na ito ay akma sa bagong batas, bagong framework ng incentive. Pangalawa, dapat pare-parehas. Kung binigyan mo iyong isa doon sa SBMA, dapat parehas, sabi ninyo, kung parehas pong negosyo. Pangatlo, sinasabi natin na dapat transparent ang pagbibigay. Pang-apat, kung ikaw po ang nagpo-promote, hindi ka dapat na nagre-regulate. Sa ngayon po, iyon ang nangyayari. Sa lahat po ng regulatory framework, Mr. Speaker, Your Honor, laging

hinihiwalay po ang promotion sa regulation para wala pong conflict of interest.

Alam po ninyo, itong sulat ng JFC, sinagot namin isa-isa. Ngayon, nagbaligtad sila. Hindi ho ibig sabihin na wala kaming breakfast na tatlong oras sa EDSA Shangri-la, na sila pa mismo ang nagbayad. Bakit hindi nila binanggit na nag-usap kami nang matagal. Nandoon iyong Japanese Chamber of Commerce, nandoon iyong South Korean Chamber of Commerce, nandoon iyong Australian, iyong US at iyong EU Chambers of Commerce. Lahat sila nandoon, pati po iyong representante ng kanilang IT-BPAP ay nandoon. Pagkatapos, ipamumukha nila sa akin na nagsinungaling ako tungkol sa breakfast na iyon. Pinakamasamang breakfast iyon sa buhay ko. Isusuka ko po kung anuman ang ipinakain nila dahil nagsisinungaling sila.

Hindi ko puwedeng sasabihin, Mr. Speaker, na bitbitin ninyo po dito lahat ng mga iyan. Ang sinasabi ko lang, ano ba iyong maganda para sa ating bansa? What is right and what is good for our country, and what is the right thing to do? CITIRA is the right thing to do, and it is good for our people.

Kung gusto ng atin pong interpellator na sagutin ko isa-isa, sa hinaba-haba po ng kanyang sinabi, isa-summarize ko lang. Nakakasakit po ng damdamin na ipinapamukha sa akin ng mga bisita ng Pilipinas, na ang isang legislator na ibinoto ng walang kalaban, na mayroon akong 98 percent ng lahat ng botante sa Albay ay ibinoto ako. Sa walong eleksiyon ko, wala po, alam po iyan ni Congressman Lagman. Pagkatapos, sasabihin na wala ka palang alam. Ang ibig sabihin ba, mali? Aba, huwag naman nila akong palabasin na nagsisinungaling. Sila po ang nagbago. Ito ang sulat nila, pagkatapos, iba ang binasa rito.

REP. RODRIGUEZ. May I answer.

REP. SALCEDA. Mr. Speaker, this is coming from—you were not there, I was there! I was in that breakfast meeting! They paid for it! They invited me! Who are they to accuse me? That I am lying about my assertions. Aba, sumosobra naman sila yata. Dapat lang talaga ang reporma sa mga iyan. Kung kaya nilang magsinungaling, aba, mas kaya nila tayong dayain. Three point six trillion ang dinibidendo nila pero ang ipinasok nila, 1.8 trillion. Saan galing iyong dinibidendo nila? Sa 2.2 trillion na forgone tax revenues. Hundred thirty-two percent ng lahat ng kanilang dibidendo, 132, sobra pa, came from tax incentives.

Mabait po tayo. Mabait na host po ang Pilipinas, subalit po may karapatan din po tayo na sabihin kung ano ang nararapat para sa atin pong mga mamamayan, kung anong tamang framework. Hindi ho puwede na basta kang papasok sa sala, nandoon ka na sa kusina. May bisita ba na gusto pang pumasok kung saan ka

nakahiga? Pagmamalabis po iyan, ang pagbasa ng sulat na iyan. Kaya, Mr. Speaker, I am asking, since most of the issues had been amply, repeatedly, in so many presentations to most of our fellow Congressmen—I appeal to this House to please dispose of this Bill, to approve it or disapprove it.

REP. RODRIGUEZ. Mr. Speaker, well, I understand the feelings of the distinguished Sponsor but precisely, after his statement yesterday, this office received this letter of September 3 and therefore, what I am saying is that it is the stand of the Joint Foreign Chambers of the Philippines, the American Chamber of Commerce, the Australian–New Zealand Chamber of Commerce, the Canadian Chamber of Commerce, the Japanese Chamber of Commerce, the Korean Chamber of Commerce, and the Philippine Association of Multinational Companies, that they are in support of the exemption of PEZA. That is the only thing that they are saying here—that PEZA be exempted. They are not against the Bill, but they want to retain the PEZA incentives because if we are going to change this, we are violating the constitutional provision on impairment of contracts.

These businessmen, these foreign locators came here. They were promised to have six to eight years of income tax holiday. They were promised and they were given the certificate of having five percent gross income taxation. Now, that will be stopped, that will be impaired, and that is what they are saying here, Mr. Speaker. So, I have the letter here. Of course, our distinguished Sponsor have said that he had talked to them. This Representation is only reading the position papers, and under the best evidence rule, the evidence is the written document. This is the more recent one today, September 3 and so, that is what we have. The distinguished Sponsor should not take offense that they have done this, except that if they believe that it happened to him, then that is something between him and them. But my representation is just to read their new position paper that they are against it because they believe that we will destroy the credibility of our country in requesting and inviting investors to come to our country.

REP. SALCEDA. Noted.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Majority Leader is recognized.

REP. BONDOC. Mr. Speaker, Your Honor, we beg the indulgence of the Hon. Rufus Rodriguez who has spoken already for 39 minutes this evening, and one hour and 49 minutes last night. Section 91 of our rules states that a Member shall not be allowed to speak for more than an hour in debate on any question.

So, with that we are hoping our esteemed colleague could wrap up his interpellation as we are many minutes past...

REP. RODRIGUEZ. Mr. Speaker, these are issues involving the Constitution. As I have stated yesterday, the first issue here is the non-retroactivity of tax laws. Tax laws are prospective. You cannot, at this point, say to the locators, 3000 of them, that, "We will scratch your income tax holiday for eight years. We will scratch your five percent gross income tax." We cannot do that. Prospectivity of the law is a rule of law and that is why, if the CITIRA would be able to, therefore—we just implement this after those who have already located, have finished their business. It is not their fault that it is forever, the five percent, because that was the commitment of the Philippine government. How can we change that? How can we withdraw the five percent and change it to a CIT? How can we do that, Mr. Speaker? That is why this Representation spoke because clearly, this violates the rule of law and the prospectivity of tax laws.

In fact, the reduction in the tax laws will start next year. From 20 going down—from 30 to 28 to 26. These are all prospective and we support that. A prospective application will certainly be supported. That is one. The second issue, after retroactivity which we cannot do, we will send a signal to all investors all over the world that the Philippine government does not keep its word, does not keep its contract, does not keep its obligation, and that anytime, a new government, a new Congress can now remove existing incentives. That is the effect of this Bill. It is retroactive. It is going to cut off investors who have invested billions of money here.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Majority Leader is recognized.

REP. RODRIGUEZ. We are saying, "We are going to change that and we are going to erase all of these that we have given you."

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Majority Leader is recognized.

REP. RODRIGUEZ. We take back our words, Mr. Speaker.

REP. BONDOC. Mr. Speaker, the time ...

REP. RODRIGUEZ. No, let me just finish, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Majority Leader is recognized.

REP. BONDOC. Mr. Speaker.

REP. RODRIGUEZ. They are now putting the cloture rule on me.

SUSPENSION OF CONSIDERATION OF H.B. NO. 4157

REP. BONDOC. (*inaudible*)... has been sufficiently discussed, therefore, I move that we suspend the consideration of House Bill No. 4157, as contained in Committee Report No. 2.

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

The Majority Leader is recognized.

CHANGE OF REFERRAL OF CERTAIN MEASURES

REP. BONDOC. Mr. Speaker, I move for the change of referral of the following measures:

1. House Bill No. 118 on developing globally competitive science and mathematics teachers, from the Committee on Higher and Technical Education, to the Committee on Basic Education and Culture;

2. House Bill No. 208 on providing for the establishment of learning cities, from the Committee on Higher and Technical Education, to the Committees on Higher and Technical Education and Basic Education and Culture;

3. House Bill No. 1610 on establishing the Philippine Legislative Academy, from the Committee on Higher and Technical Education, to the Committee on Civil Service and Professional Regulation;

4. House Bill No. 2473 on establishing a national high school at Barangay Flora in the Municipality of Sto. Domingo, Ilocos Sur, from the Committee on Higher and Technical Education, to the Committee on Basic Education and Culture;

5. House Bill No. 2518 on rightsizing the National Government, from the Committee on Appropriations, to the Committees on Government Reorganization and Appropriations; and

6. House Bill No. 4013 on establishing a Philippine High School for Sports, from the Committee on Youth and Sports Development, to the Committees on Basic Education and Culture and Youth and Sports Development.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). Is there any objection? (*Silence*) The Chair hears none; the motion for the change of referral of the aforementioned measures is approved.

REP. LACSON-NOEL. Mr. Speaker, I move that we include as additional coauthors on House Bills No. 78 and 300, and House Resolution No. 279 the names of Members as contained in the list to be submitted by the Committee on Rules.

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

ELECTION OF MEMBERS TO COMMITTEES

REP. BONDOC. Mr. Speaker, may I move for the election of the following Members to various Committees:

The Deputy Majority Leader, Rep. Bondoc read the names of the House Members elected to the various Committees, per Journal No. 15, dated September 3, 2019.

COMMITTEE ON AQUACULTURE AND FISHERIES RESOURCES

As members:

Rep. Arnold “Noli” D. Celeste
Rep. Romeo M. Jalosjos Jr.

COMMITTEE ON CIVIL SERVICE AND PROFESSIONAL REGULATION

As member:

Rep. Romeo M. Jalosjos Jr.

COMMITTEE ON CONSTITUTIONAL AMENDMENTS

As member:

Rep. Alfredo A. Garbin Jr.

COMMITTEE ON ECOLOGY

As members:

Rep. Datu Roonie Q. Sinsuat Sr.
Rep. Romeo M. Jalosjos Jr.
Rep. Enrico A. Pineda

COMMITTEE ON POVERTY ALLEVIATION

As member:

Rep. Romeo M. Jalosjos Jr.

COMMITTEE ON AGRICULTURE AND FOOD

As members:

Rep. Solomon R. Chungalao

Rep. Alan “Aldu” R. Dujali
Rep. Princess Rihan M. Sakaluran

COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

As Vice Chairperson:

Rep. Maricel G. Nagano-Natividad

As members:

Rep. Solomon R. Chungalao
Rep. Princess Rihan M. Sakaluran

COMMITTEE ON TRANSPORTATION

As members:

Rep. Anthony Peter “Onyx” D. Crisologo
Rep. Narciso R. Bravo Jr.
Rep. Alfredo A. Garbin Jr.

COMMITTEE ON MINDANAO AFFAIRS

As members:

Rep. Datu Roonie Q. Sinsuat Sr.
Rep. Princess Rihan M. Sakaluran

COMMITTEE ON RURAL DEVELOPMENT

As members:

Rep. Romeo M. Jalosjos Jr.
Rep. Narciso R. Bravo Jr.
Rep. Edgar Mary S. Sarmiento

SPECIAL COMMITTEE ON BASES CONVERSION

As members:

Rep. Josephine Ramirez-Sato
Rep. Luis “Jon-Jon” A. Ferrer IV
Rep. Julianne “Jam” Baronda

COMMITTEE ON TOURISM

As Vice Chairperson:

Rep. Ronnie L. Ong

As members:

Rep. Arnold “Noli” D. Celeste
Rep. Enrico A. Pineda
Rep. Alfredo A. Garbin Jr.
Rep. Princess Rihan M. Sakaluran

COMMITTEE ON FOREIGN AFFAIRS

As Vice Chairperson:

Rep. Samantha Louise Vargas Alfonso

As member:
Rep. Enrico A. Pineda

I so move, Mr. Speaker.

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

CONSIDERATION OF H.B. NO. 300
ON SECOND READING

REP. SINGSON-MEEHAN. Mme. Speaker, I move that we consider House Bill No. 300, contained in Committee Report No. 3, as reported out by the Committees on Economic Affairs and Trade and Industry.

May I ask that the Secretary General be directed to read only the title of the measure.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). 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 measure have been previously distributed, the Secretary General read only the title thereof without prejudice to inserting its text in the Congressional Record.

THE SECRETARY GENERAL. House Bill No. 300, entitled: AN ACT AMENDING SECTIONS 4 AND 8 OF REPUBLIC ACT NO. 7042, AS AMENDED, OTHERWISE KNOWN AS THE “FOREIGN INVESTMENTS ACT OF 1991.”

PERIOD OF SPONSORSHIP AND DEBATE

REP. SINGSON-MEEHAN. Mr. Speaker, I move that we open the period of sponsorship and debate and recognize the Chairperson of the Committee on Economic Affairs, the Hon. Sharon S. Garin, for her sponsorship speech.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Chairperson of the Committee on Economic Affairs, Cong. Sharon Garin, is recognized.

SPONSORSHIP SPEECH OF REP. GARIN (S.).

REP. GARIN (S.). Thank you, Mr. Speaker.

Mr. Speaker, distinguished colleagues, ladies and gentlemen good evening.

In the last 10 years, foreign direct investment flows to the Philippines have persistently remained at low levels, at \$3.93 billion on the average. This would not be depressing if our ASEAN neighbors are receiving almost the same. However, UNCTAD data show other ASEAN economies have been doing far better. From 2008 to 2018, average foreign direct investment inflows averaged \$7.57 billion in Thailand, \$9.19 billion in Malaysia, \$10.29 billion in Vietnam, \$15.45 billion in Indonesia, and \$54.97 billion in Singapore.

What have we been doing wrong?

In 2018, the Philippines was found to be the most restrictive out of the 69 economies studied by the OECD. The study looked into the country’s foreign direct investment rules across four main types of restrictions: foreign equity restrictions, discriminatory screening or approval mechanisms, restrictions on key foreign personnel, and operational restrictions. For one, we need to acknowledge that several of our laws need to be updated to keep up with our present economic activities. The 28-year-old Foreign Investments Act imposed minimum requirements upon foreign investors which, upon close examination, are already unrealistic in our present context. When the Foreign Investments Act required foreign investors with US\$100,000 paid-in capital to hire a minimum of 50 direct employees in 1991, the minimum wage rate in NCR was only P142. Right now, the minimum wage in Metro Manila is at around P500. We cannot continue to impose the same minimum number of personnel upon prospective investors because US\$100,000 is now inadequate to sustain a venture’s labor and operational expenses in one year.

Moreover, in the context of the digital age, firms now have a leaner workforce compared to 28 years ago. Start-ups are now focusing on minimizing overhead in their operations. We cannot keep on insisting that investors hire a minimum of 50 employees when most of them would rather minimize risk, start small and at the least cost.

Why break when we can bend? If we reduce the employment threshold from 50 to 15, we could generate more foreign direct investments in terms of value. Instead of requiring a US\$100,000-investment to employ 50 individuals, four firms investing US\$100,000 each will pour in a total of US\$400,000 and hire a total of 60 employees. Scaling that up, if the Philippines is able to attract 100 investments, this strategy would generate US\$10 million in investments and would employ 1,500 Filipinos.

Another area that needs updating is the Foreign Investment Negative List within the Foreign Investment Act. Our FINL, which is supposed to be a transparency tool to guide foreigners in their investment decisions, has become a source of confusion for foreign investors.

* See MEASURES CONSIDERED (printed separately)

It has been customary for the Philippines to include the annex on Professions in our Foreign Investment Negative List. This is despite the fact that the practice of profession is not an investment activity. This is primarily because, according to the Constitution, the practice of profession is still within the realm of National Economy and Patrimony. Article XII, Section 14 of the Constitution states, “The practice of all professions in the Philippines shall be limited to Filipino citizens, save in cases prescribed by law.”

“Save in cases prescribed by law” would include the reciprocity clause within the regulatory laws governing specific professions. Simply put, reciprocity allows foreigners to practice their profession in the Philippines only if they allow us to do the same in their country. Presently, there are 45 regulatory laws with reciprocity provisions for specific professions.

We need to exclude the practice of professions from the Foreign Investment Act because restricted professions still form part of the Foreign Investment Act’s Negative List. I would like to reiterate that the practice of profession is not an investment activity.

As to apprehensions about liberalizing professions, the Professional Regulation Commission still continues to regulate professions to ensure that proper safeguards for our skilled workers are in place. Filipinos are able to compete overseas. There is no reason to doubt their ability to compete with foreigners coming in.

Allowing skilled professionals to work in our country would boost the competitiveness of our human resource. By working with professionals from more advanced countries, Filipinos gain fresh perspectives and new knowledge broadening the skill set they may already have. It would be similar to sending Filipinos abroad on an exchange program at lower costs, with less brain drain.

I strongly believe that these amendments to the Foreign Investments Act would boost the country’s performance and competitiveness. By reducing some of the restrictions imposed by law, we can look forward to more jobs being generated, improved quality of human resource and a more sustainable economic growth.

Thank you very much, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Majority Leader is recognized.

REP. RODRIGUEZ. Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Majority Leader is recognized.

REP. RODRIGUEZ. Yes, manifestation.

REP. BONDOC. Mr. Speaker, Your Honor,

the Hon. Rufus Rodriguez has a manifestation for coauthorship of this measure. I move that he be recognized.

REP. RODRIGUEZ. Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Honorable Rodriguez is recognized.

REP. RODRIGUEZ. Thank you, Mr. Speaker, distinguished Majority Leader. I have a bill so...

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

REP. BONDOC. Mr. Speaker, Your Honor, as the Honorable Rodriguez has a bill similar to this measure, I move that he be recognized to co-sponsor the measure and give his sponsorship speech.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). Is there any objection? (*Silence*)

REP. RODRIGUEZ. Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Chair hears none; the motion is approved.

SPONSORSHIP SPEECH OF REP. RODRIGUEZ

REP. RODRIGUEZ. Thank you, Mr. Speaker. Mr. Speaker, and our distinguished Majority Leader, it is my honor to co-sponsor now House Bill No. 300, amending the Foreign Investments Act. Mr. Speaker, I believe that this Bill, if enacted into law, will attract more productive foreign investments to facilitate the transfer of technology, enhance the skills of Filipino workers and promote the welfare of Filipino consumers. Mr. Speaker, in 2018, from the ASEAN Secretariat, the figures on foreign direct investments show that Singapore has US\$62 billion; second is Indonesia with US\$24 billion; Vietnam with US\$14 billion; and the Philippines has US\$10 billion. For the past 12 years, Malaysia and Thailand had over US\$10 billion. For the first time, and we have to credit this to President Duterte, during his three years in public office as President, there was an increase in foreign direct investments, from US\$6 billion to US\$8 billion. In 2018, the latest figure from the ASEAN Secretariat, we have overtaken Malaysia and Thailand—Malaysia has US\$9.1 billion and Thailand has US\$9.5. The Philippines already has US\$10 billion in terms of FDIs.

So, therefore, with these particular encouraging results of the Duterte administration, we have to support more the efforts of this government by enacting this Bill into law—House Bill No. 300 amending the Foreign

Investments Act. I, therefore, join as coauthor, Mr. Speaker, because we believe that this country is on its way to have high economic growth and therefore, we need to have more foreign direct investments and from US\$10 billion in 2018, we hope that this Bill will even increase the US\$10-billion level that we have.

With that, Mr. Speaker, I end my speech with the pledge not to interpellate on this particular Bill because I am now a coauthor.

Thank you.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Majority Leader is recognized.

REP. BONDOC. Mr. Speaker, the next to speak on behalf of the Bill is the honorable Lady from the Fourth District of Isabela, I move that we recognize the Hon. Alyssa Sheena P. Tan, CPA.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Hon. Alyssa Sheena P. Tan is recognized.

SPONSORSHIP SPEECH OF REP. TAN (A.P.)

REP. TAN (A.P.). Mr. Speaker, honorable colleagues in this august Body, friends, ladies and gentlemen, I rise in support of House Bill No. 300.

Republic Act No. 7042 or the Foreign Investments Act (FIA) of 1991 was enacted to attract productive foreign investments to facilitate transfer of technology, enhance skills of Filipino workers, promote the welfare of Filipino consumers, and generate more employment for the economy. However, there are two provisions in the law that are deemed to be inconsistent with the objectives of the FIA: first, the inclusion of “practice of professions” in the items listed in the Foreign Investment Negative List; and second, the high number of direct local hires required.

This Bill, Mr. Speaker, aims to exclude the “practice of professions” from the coverage of FIA so as to attract foreign professionals to come to the country. By allowing foreign professionals to practice in the Philippines, they would be able to bring in technology and know-how from abroad, and help create jobs for locals by attracting businesses that require highly-skilled professionals in the country.

This measure, Mr. Speaker, also reduces the number of direct local hires required. While the FIA allows foreign investors to establish small and medium-sized enterprises with a minimum paid-in capital of US\$100,000, they are required to employ at least 50 direct local hires. However, operationally

speaking, a small and medium-sized enterprise cannot immediately sustain a labor force of 50 employees. That is why, Mr. Speaker, there is a need to lower the threshold of employment requirement to 15 direct local hires.

In view of the foregoing, the immediate passage of this Bill is earnestly sought.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Majority Leader is recognized.

REP. BONDOC. Mr. Speaker, the Hon. Weslie T. Gatchalian has also prepared a sponsorship speech for this measure, and I move that it be entered into the records.

I so move, Mr. Speaker.

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

SUSPENSION OF CONSIDERATION OF H.B. NO. 300

REP. BONDOC. Mr. Speaker, I move that we suspend consideration of House Bill No. 300 as contained in Committee Report No. 3.

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

The consideration of House Bill No. 300 is hereby suspended.

The Majority Leader is recognized.

CONSIDERATION OF H. RES. NO. 279

REP. BONDOC. Mr. Speaker, I move that we consider House Resolution No. 279.

May I ask that the Secretary General be directed to read only the title of the measure.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). 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 measure have been previously distributed, the Secretary General read only the title thereof without prejudice to inserting its text in the Congressional Record.

* See ANNEX (printed separately)

** See MEASURES CONSIDERED (printed separately)

THE SECRETARY GENERAL. House Resolution No. 279, entitled: RESOLUTION COMMENDING THE MEN AND WOMEN OF THE PHILIPPINE CINEMA IN CELEBRATION OF ONE HUNDRED YEARS OF CONTINUOUSLY PROVIDING MEANINGFUL, EDUCATIONAL, AMUSING AND ENTERTAINING WORKS OF ART WHICH REMAIN TO BE THE HALLMARKS OF THE LOCAL FILM INDUSTRY.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Majority Leader is recognized.

ADOPTION OF H. RES. NO. 279

REP. BONDOC. Mr. Speaker, I move that we adopt House Resolution No. 279.

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

House Resolution No. 279 is adopted.

ADJOURNMENT OF SESSION

REP. BONDOC. Mr. Speaker, I move that we adjourn the session until 5:00 in the afternoon tomorrow, September 4, 2019.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). Is there any objection? (*Silence*) The Chair hears none; the session is adjourned until tomorrow, September 4, 2019, at five o'clock in the afternoon.

It was 9:04 p.m.