



Congressional Record

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

Vol. 4

Wednesday, February 12, 2020

No. 43

CALL TO ORDER

At 3:00 p.m., Deputy Speaker Mujiv S. Hataman called the session to order.

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

PRAYER

THE DEPUTY SPEAKER (Rep. Hataman). Please rise for a minute of silent prayer and meditation.

Everybody rose for the silent prayer.

NATIONAL ANTHEM

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

SUSPENSION OF SESSION

REP. PALMA. Mr. Speaker, I move that we suspend the session for a few minutes.

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

It was 3:01 p.m.

RESUMPTION OF SESSION

At 3:35 p.m., the session was resumed.

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

The Majority Leader is recognized.

ROLL CALL

REP. FARIÑAS, RIA. Mr. Speaker, I move that we call the roll of Members.

THE DEPUTY SPEAKER (Rep. Hataman). 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. 43, dated February 12, 2020.**

At this juncture, Deputy Speaker Hataman relinquished the Chair to Deputy Speaker Pablo John F. Garcia.

THE SECRETARY GENERAL. Mr. Speaker, the roll call shows that 211 Members responded to the call.

THE DEPUTY SPEAKER (Rep. Garcia, P.). With 211 Members responding to the call, the Chair declares the presence of a quorum.

The Majority Leader is recognized.

REP. ATIENZA. Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Yes, the Gentleman from BUHAY Party-List, Hon. Jose L. Atienza Jr., is recognized.

REP. ATIENZA. The Secretariat announced the presence of 211 Members. Our count now, and I have people counting by the second is only 127. I would like to ask the Secretariat where is the balance of Members that they are counting present when they are not around? Physical presence is necessary to claim presence in the session, and the rules are very clear, when there is no quorum, we should not hold a session nor take up any matter and business for the day.

* See ANNEX (printed separately)

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader will please respond to the query of the Honorable Atienza.

REP. PALMA. Mr. Speaker, that is correct. According to our rules, if there is no quorum, we cannot take up the business for the day. Let me point out, Mr. Speaker, that we also have a section in our rules which provides for those Members who are deemed to be present—let me check the rule, Mr. Speaker. One moment, please.

My apologies, Mr. Speaker, for the delay. May I quote from Section 71 of Rule XI, on the second paragraph:

While the House is in session, the following shall be deemed present:

- a. Members who are attending committee meetings as authorized by the Committee on Rules, in accordance with Section 35 hereof, upon written notification to the Secretary General by the concerned committee secretary;
- b. Members who are attending meetings of:
 - b.1. The Commission on Appointments;
 - b.2. The House of Representatives Electoral Tribunal, and
 - b.3. Bicameral Conference Committee;
- c. The Members who are on official mission as approved by the Speaker.

With that, Mr. Speaker, allow me, please, to state that, as of today, we have 12 Members of the House who are attending the Commission on Appointments meeting; we have 4 Members on official foreign travel; we have 3 Members who are on official local travel; we have 6 Members who are on a special meeting on the Taal rehab; we have 6 in a Committee on Public Information meeting which was authorized by the Committee on Rules; and we have 10 Members who are attending the Committee on Constitutional Amendments meeting, also approved by the Committee on Rules; and we have 2 Members in the Special Committee on Persons with Disabilities meeting, also approved prior to the conduct of the roll call by the Committee on Rules.

REP. ATIENZA. Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Does that answer the query of...

REP. ATIENZA. No.

THE DEPUTY SPEAKER (Rep. Garcia, P.). ... the Honorable Atienza?

REP. ATIENZA. No, simply because I added all the qualifications of the Majority Leader and those they are

considering present, and they only number to a total of 171. The Secretariat certified 211 Members present on the floor or present somewhere. So, they are still off by 40 at least, and the keyword, Mr. Presiding Officer, is authorization. May we be enlightened as to the authority of those who are not around and are being considered present? They have to be authorized. Sinu-sino po ba ito, ano po ba ang kanilang meeting na pinupuntahan? At sabihin po sa kanila, ipakita sa amin ngayon, I am willing to check the documents myself if they have an authority to do just that.

THE DEPUTY SPEAKER (Rep. Garcia, P.). I think the Majority Leader has already declared that the House Majority Leader has authorized these Members to attend the meetings.

REP. PALMA. Mr. Speaker, we will be glad to provide the copy of the authorization letter to the Honorable Atienza.

REP. ATIENZA. Indeed.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Please. Thank you, Majority Leader.

REP. ATIENZA. Indeed, he said authorized, that is why we would like to see the authority.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Yes, the Majority Leader has indicated that he will provide...

REP. PALMA. We will provide the Honorable Atienza, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). ... the Honorable Atienza a copy of the authority.

REP. ATIENZA. Then, before we even start the session, we would like to see the authority that he has been mentioning.

THE DEPUTY SPEAKER (Rep. Garcia, P.). What is the nature of the motion—is that a motion?

REP. ATIENZA. We would like to move for a suspension for a few minutes while we check the authority.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

SUSPENSION OF SESSION

REP. PALMA. I join the Honorable Atienza, Mr. Speaker, I move for a suspension of session.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The session is suspended.

It was 3:54 p.m.

RESUMPTION OF SESSION

At 3:57 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The session is resumed.

The Majority Leader is recognized.

REP. ATIENZA. Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Honorable Atienza is recognized.

REP. ATIENZA. Yes.

Yesterday, we did not constitute a quorum simply because Members were not on the floor and no explanation was given except to say there were meetings outside and meetings in the committees. But today, that is the very reason why we are citing the same rule that they implemented yesterday. And the rules are very clear on attendance and the requirement for a quorum before any business of the day is taken up. That compels us to really follow only one rule yesterday, today and tomorrow.

The Majority Leader has already presented the authorities given to those who are not around and we would like to remind the Majority Leader that we shall be doing this every day of session simply because we should learn how to follow the rules; otherwise, we cannot tackle any business of the day in sanity, fairness, and transparency.

Kaya, kami po ay nagwi-withdraw ng aming objection today, but we will keep on citing the same rule that they implemented yesterday from here on.

Thank you.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The withdrawal and the comments of the Honorable Atienza are noted.

The Majority Leader is recognized.

REP. PALMA. I would like to thank the Honorable Atienza, Mr. Speaker, for pointing out the rules and we shall abide by the rules of the House.

APPROVAL OF THE JOURNALS

REP. PALMA. With that, Mr. Speaker, I move that we approve Journal No. 41, dated February 10 and Journal No. 42, dated February 11, copies of which were already distributed to the Members.

I so move, Mr. Speaker.

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

REP. PALMA. Mr. Speaker, I move that we acknowledge the guests of Hon. Manuel T. Sagarbarria. They are: Mr. Edgar Logronio, the leader of Smoke Free Operation in Dumaguete City Administrator's Office; Mr. Reynaldo Logronio; Mr. Warlito Logronio; and Mrs. Patria Logronio.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The guests of Hon. Manuel T. Sagarbarria will please rise. Welcome to the House of Representatives. (*Applause*) Thank you for your visit.

The Majority Leader is recognized.

REP. PALMA. Mr. Speaker, we would like to also acknowledge the presence of the guests of Hon. Hector S. Sanchez of the Lone District of Catanduanes.

They are from South Korea, the visitors from Olive Mountain Co., Ltd.: Mr. Hanngwon Lee, Gonggyun Jung, Hyunsung Hwang and Jungyeol Baek.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The presence of the guests of Hon. Hector Sanchez is acknowledged. Welcome to the House of Representatives. Thank you for your visit. (*Applause*)

REP. PALMA. Mr. Speaker, we would also like to acknowledge the presence of the guests of Hon. Rosanna "Ria" Vergara from the Third District of Nueva Ecija. They are the Board Members of the Third District of the province of Nueva Ecija, namely: Hon. Jojo Matias, Pastor Rakkie Hipolito, Pastor Arnold Pascual, Mr. Anthony Dela Vega, Mr. Joel Ubaldo, and Mr. Ricky Mariano.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The presence of the guests of Hon. Rosanna Vergara is acknowledged. Welcome to the House of Representatives and thank you for your visit. (*Applause*)

REP. PALMA. Mr. Speaker, we would also like to acknowledge the presence of the guests of Hon. Romeo S. Momo Sr. They are the delegates of the Vice Mayors League of the Philippines from the Surigao del Sur Chapter: Hon. Eleanor Momo of Tandag City; Hon. Libertad Alameda of San Agustin, the Mayor of San Agustin; Hon. Rolmar Basalan of San Miguel; Hon. Jovita Umapas of Marihatag; Hon. Mamerta Milo of San Agustin; Hon. Reynaldo Selades of Tago; Hon. Apolonio Lozada of Bayabas; Hon. Elmer Evangelio of Lingig; and Hon. Philip Urquia of Madrid. Also, we have the Sangguniang Bayan members, namely: Hon.

Alferis Reztan Perez of San Miguel, Hon. Alex De Guzman of San Agustin, Hon. Sebastian Campos Jr. of San Agustin, Hon. Nicolas Alicante of San Agustin, Hon. Roberto Layson of San Agustin, Hon. Charlo Campos of San Agustin, Hon. Santiago Lamela of San Agustin, Hon. Mario Pontillo of San Agustin, Hon. Jolina Patidungan of San Agustin; the Sangguniang Panlungsod Secretary Marina Cuizon of Tandag City, and Maria Cruz of Marihatag; the Sangguniang Bayan members of Marihatag, namely: Hon. Elpedio Lamela, Hon. Bonifacio Rivas, Hon. Francisco Awa, Hon. Leonardo Tomalon Jr., and Hon. Olympiades Gomez, and the Sangguniang Bayan members of Lianga, namely: Hon. Shiwel Elimanco; Hon. Jumar Bucales; Hon. Esmeralda Elimanco; the CWS Staff, Atty. Donna Marie Trinidad; and the VMLP Staff, Mary Joy Jure.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The presence of the guests of Hon. Romeo S. Momo Sr. is acknowledged. Thank you for your visit and welcome to the House of Representatives. *(Applause)*

REP. PALMA. Likewise, Mr. Speaker, we would like to acknowledge too the presence of the guest of Hon. Edgar M. Chatto, the Board Member of the First District of Bohol, Hon. Ricky Masamayor.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The presence of the guest of Hon. Edgar Chatto is acknowledged. Welcome to the House of Representatives. *(Applause)*

REP. PALMA. Mr. Speaker, I move that we proceed to the Reference of Business.
I so move, Mr. Speaker.

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

The Secretary General will please read the Reference of Business.

REFERENCE OF BUSINESS

Upon direction of the Chair, the Secretary General read the following House Bills and Resolutions on First Reading, Communications, and Committee Reports which were referred to the appropriate Committees hereunder indicated:

BILLS ON FIRST READING

House Bill No. 6217, entitled:

“AN ACT PROVIDING FOR THE FULL AND EFFECTIVE IMPLEMENTATION AND ENFORCEMENT OF INTERNATIONAL

MARITIME INSTRUMENTS OF WHICH THE PHILIPPINES IS A STATE PARTY”

By Representatives Gonzalez (Sandro), Lusotan and Duterte
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 6219, entitled:

“AN ACT GRANTING THE SECRETARY OF HEALTH POWERS TO SET MAXIMUM PRICES FOR MEDICALLY NECESSARY ASSISTIVE EQUIPMENT AND MEDICAL SUPPLIES, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 9502, REQUIRING THE NEGOTIATION OF PRICES FOR MEDICINES, MEDICALLY NECESSARY ASSISTIVE EQUIPMENT, AND MEDICAL SUPPLIES PAID BY THE GOVERNMENT, AND FOR OTHER PURPOSES”

By Representative Salceda
TO THE COMMITTEE ON HEALTH

House Bill No. 6220, entitled:

“AN ACT PROVIDING FOR THE ESTABLISHMENT OF A TECHNICAL EDUCATION AND SKILLS DEVELOPMENT CENTER IN BRGY. MALABOG, PAQUIBATO DISTRICT LOCATED IN THE 2ND DISTRICT OF DAVAO CITY AND APPROPRIATING FUNDS THEREFOR”

By Representative Garcia (Vincent)
TO THE COMMITTEE ON HIGHER AND TECHNICAL EDUCATION

House Bill No. 6221, entitled:

“AN ACT CODIFYING THE ALTERNATIVE CHILD CARE LAWS, REORGANIZING THE INTERCOUNTRY ADOPTION BOARD INTO THE NATIONAL AUTHORITY FOR CHILD CARE, AND PROVIDING FUNDS THEREFOR”

By Representative Tan (Alyssa)
TO THE COMMITTEE ON WELFARE OF CHILDREN

House Bill No. 6223, entitled:

“AN ACT GRANTING EDUCATIONAL BENEFITS IN THE FORM OF SCHOLARSHIP GRANTS TO THE ORPHANED CHILDREN OF UNIFORMED GOVERNMENT PERSONNEL KILLED IN THE LINE OF DUTY AND FOR OTHER PURPOSES”

By Representative Lara
TO THE COMMITTEE ON HIGHER AND TECHNICAL EDUCATION

House Bill No. 6224, entitled:

“AN ACT PROVIDING FOR DORMITORIES OR HOUSING QUARTERS FOR TEACHERS TEACHING IN FAR FLUNG AREAS, LAST MILE SCHOOLS AND STATE UNIVERSITIES AND COLLEGES AND FOR OTHER PURPOSES”

By Representative Lara

TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE AND THE COMMITTEE ON HIGHER AND TECHNICAL EDUCATION

House Bill No. 6225, entitled:

“AN ACT PROVIDING FOR THE DEVELOPMENT AND CONSTRUCTION OF POTABLE WATER SUPPLY SYSTEMS IN EVERY BARANGAY ALL THROUGHOUT THE COUNTRY WITHIN THREE YEARS”

By Representative Delos Santos

TO THE COMMITTEE ON HEALTH

House Bill No. 6226, entitled:

“AN ACT CREATING A DEPARTMENT OF OCEAN, FISHERIES AND AQUATIC RESOURCES, PROVIDING FOR ITS POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES”

By Representative Cabatbat

TO THE COMMITTEE ON GOVERNMENT REORGANIZATION AND THE COMMITTEE ON AQUACULTURE AND FISHERIES RESOURCES

House Bill No. 6229, entitled:

“AN ACT ESTABLISHING THE FIRST DISTRICT ENGINEERING OFFICE IN THE CITY OF SAN CARLOS, PROVINCE OF NEGROS OCCIDENTAL AND APPROPRIATING FUNDS THEREFOR”

By Representative Valmayor

TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 6230, entitled:

“AN ACT CONVERTING THE MUNICIPALITY OF NAVAL IN THE PROVINCE OF BILIRAN INTO A COMPONENT CITY TO BE KNOWN AS THE CITY OF NAVAL”

By Representative Espina

TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 6231, entitled:

“AN ACT CREATING MECHANISMS TO AUGMENT AND SUPPORT THE

TEACHING WORKFORCE AND FOR OTHER PURPOSES”

By Representative Salceda

TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 6232, entitled:

“AN ACT DECLARING KAANGRIAN FALLS IN THE MUNICIPALITY OF BURGOS, PROVINCE OF ILOCOS NORTE, AS A TOURIST DESTINATION, PROVIDING FOR ITS DEVELOPMENT, AND APPROPRIATING FUNDS THEREFOR”

By Representatives Fariñas (Ria) and Fariñas (Rudys Caesar)

TO THE COMMITTEE ON TOURISM

House Bill No. 6233, entitled:

“AN ACT DECLARING THE MARUAYA FARM TOURISM AND AGRO-INDUSTRIAL SITE IN THE MUNICIPALITY OF PIDDIG, PROVINCE OF ILOCOS NORTE, AS A TOURIST DESTINATION, PROVIDING FOR ITS DEVELOPMENT, AND APPROPRIATING FUNDS THEREFOR”

By Representatives Fariñas (Ria) and Fariñas (Rudys Caesar)

TO THE COMMITTEE ON TOURISM

House Bill No. 6234, entitled:

“AN ACT DECLARING THE LAMMIN COFFEE PLANTATION LOCATED IN THE MUNICIPALITY OF PIDDIG, PROVINCE OF ILOCOS NORTE, AS A TOURIST DESTINATION, PROVIDING FOR ITS DEVELOPMENT, AND APPROPRIATING FUNDS THEREFOR”

By Representatives Fariñas (Ria) and Fariñas (Rudys Caesar)

TO THE COMMITTEE ON TOURISM

House Bill No. 6235, entitled:

“AN ACT CONVERTING A PORTION OF THE LAND, EMBRACED UNDER PROCLAMATION NO. 508 AND PROCLAMATION NO. 532 AS ALIENABLE AND DISPOSABLE TO THE ACTUAL BONA FIDE OCCUPANTS THEREOF”

By Representative Roman

TO THE COMMITTEE ON NATURAL RESOURCES

House Bill No. 6236, entitled:

“AN ACT CREATING THE PHILIPPINE BOXING AND COMBAT SPORTS COMMISSION AND PROVIDING FUNDS THEREFOR”

By Representative Olivarez
TO THE COMMITTEE ON GOVERNMENT
REORGANIZATION AND THE COMMITTEE
ON GAMES AND AMUSEMENTS

House Bill No. 6237, entitled:

“AN ACT REORGANIZING THE COUNCIL FOR
THE WELFARE OF CHILDREN INTO THE
PHILIPPINE COMMISSION ON CHILDREN,
APPROPRIATING FUNDS THEREFOR AND
FOR OTHER PURPOSES”

By Representative Olivarez
TO THE COMMITTEE ON WELFARE OF
CHILDREN

House Bill No. 6238, entitled:

“AN ACT INSTITUTING A NATIONAL DAM
SAFETY PROGRAM, ESTABLISHING THE
NATIONAL DAM SAFETY AUTHORITY,
PENALIZING VIOLATIONS THEREFOR
AND FOR OTHER PURPOSES”

By Representative Dalipe
TO THE COMMITTEE ON GOVERNMENT
ENTERPRISES AND PRIVATIZATION AND
THE COMMITTEE ON PUBLIC WORKS
AND HIGHWAYS

House Bill No. 6239, entitled:

“AN ACT INCREASING THE PERSONNEL
ECONOMIC RELIEF ALLOWANCE OF
PUBLIC SCHOOL TEACHERS”

By Representative Delos Santos
TO THE COMMITTEE ON APPROPRIATIONS

House Bill No. 6240, entitled:

“AN ACT ESTABLISHING THE ECONOMIC
ZONE AND FREEPORT IN THE PROVINCE
OF SOUTHERN LEYTE CREATING FOR
THIS PURPOSE THE SOUTHERN LEYTE
ECONOMIC ZONE AND FREEPORT
AUTHORITY, APPROPRIATING
FUNDS THEREFOR AND FOR OTHER
PURPOSES”

By Representative Mercado
TO THE COMMITTEE ON ECONOMIC AFFAIRS
AND THE COMMITTEE ON TRADE AND
INDUSTRY

House Bill No. 6241, entitled:

“AN ACT PROVIDING FOR THE
ESTABLISHMENT OF THE
TECHNICAL EDUCATION AND SKILLS
DEVELOPMENT AUTHORITY (TESDA)
TRAINING AND ACCREDITATION
CENTER IN MONTALBAN
(RODRIGUEZ), PROVINCE OF RIZAL,

TO BE KNOWN AS THE MONTALBAN
TESDA TRAINING AND ACCREDITATION
CENTER AND APPROPRIATING FUNDS
THEREFORE”

By Representative Nograles (Juan)
TO THE COMMITTEE ON HIGHER AND
TECHNICAL EDUCATION

House Bill No. 6242, entitled:

“AN ACT CREATING A BARANGAY TO BE
KNOWN AS BARANGAY APAD IN THE
MUNICIPALITY OF JOMALIG, PROVINCE
OF QUEZON”

By Representative Enverga
TO THE COMMITTEE ON LOCAL
GOVERNMENT

House Bill No. 6243, entitled:

“AN ACT STRENGTHENING THE POWERS
OF THE PHILIPPINE COMPETITION
COMMISSION AND LEGISLATING THE
NATIONAL COMPETITION POLICY,
AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 10667, OTHERWISE
KNOWN AS THE ‘PHILIPPINE
COMPETITION ACT’ ”

By Representative Garin (Sharon)
TO THE COMMITTEE ON ECONOMIC
AFFAIRS

RESOLUTIONS

House Resolution No. 703, entitled:

“A RESOLUTION DIRECTING THE NATIONAL
ECONOMIC AND DEVELOPMENT
AUTHORITY (NEDA) TO IDENTIFY
THE LOCAL GOVERNMENT UNITS
COMMITTED TO ATTAINING THE
SUSTAINABLE DEVELOPMENT GOALS
AND RECOMMEND TO THE HOUSE
COMMITTEE ON SUSTAINABLE
DEVELOPMENT FOR THE PURPOSE
OF GRANTING CONGRESSIONAL
COMMENDATION”

By Representative Dimaporo (Khalid)
TO THE SPECIAL COMMITTEE ON
SUSTAINABLE DEVELOPMENT GOALS

House Resolution No. 704, entitled:

“RESOLUTION CALLING FOR AN INQUIRY
IN AID OF LEGISLATION TO DETERMINE
IF THERE WAS MALFEASANCE,
MISFEASANCE, OR NONFEASANCE
ON THE IMPLEMENTATION OF THE
METRO MANILA SKYWAY (MMS)
STAGE 3”

By Representative Delos Santos
TO THE COMMITTEE ON RULES

House Resolution No. 705, entitled:

“RESOLUTION DIRECTING THE COMMITTEE ON AGRICULTURE AND FOOD TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE IMPLEMENTATION OF QUARANTINE PROCEDURES BY THE DEPARTMENT OF AGRICULTURE AND THE INSPECTION OF COLD STORAGE WAREHOUSES AND CONTAINER VANS WHICH ARE POSSIBLE SOURCES OF THE OUTBREAK OF THE AFRICAN SWINE FEVER IN THE COUNTRY”

By Representative Unabia
TO THE COMMITTEE ON RULES

House Resolution No. 706, entitled:

“A RESOLUTION URGING ALL MAJOR PUBLIC AND PRIVATE ESTABLISHMENTS TO INSTALL THERMAL SCANNERS IN ORDER TO DETECT ANY POTENTIAL CARRIER OF THE 2019 NOVEL CORONAVIRUS (nCoV)”

By Representative Castelo
TO THE COMMITTEE ON HEALTH

COMMUNICATIONS

2018 Annual Report of the Philippine National Volunteer Service Coordinating Agency.

TO THE COMMITTEE ON PEOPLE'S PARTICIPATION

Letter dated 29 January 2020 of Benjamin E. Diokno, Governor, Bangko Sentral ng Pilipinas (BSP), submitting their Report to Congress on Public Sector Foreign Loans approved by the BSP in the Fourth Quarter of 2019 and the entire year.

TO THE COMMITTEE ON BANKS AND FINANCIAL INTERMEDIARIES

Letters dated 29 January 2020 and 4 February 2020 of Janice G. Ayson-Zales, Deputy Director, Office of the General Counsel and Legal Services, Bangko Sentral ng Pilipinas (BSP), furnishing the House of Representatives with duly certified and authenticated BSP issuances, to wit:

1. Circular Letter No. CL-2020-007 dated 21 January 2020; and
2. Circular Letter No. CL-2020-008 dated 29 January 2020.

TO THE COMMITTEE ON BANKS AND FINANCIAL INTERMEDIARIES

COMMITTEE REPORTS

Report of the Committee on Suffrage and Electoral Reforms (Committee Report No. 227), re H.B. No. 6252, entitled:

“AN ACT MANDATING ELECTION SPENDING LIMITS, DETERMINING ELECTION CONTRIBUTION LIMITS, AND ADJUSTING THEM PERIODICALLY BASED ON THE CURRENT INFLATION RATE AND THE CONSUMER PRICE INDEX”

recommending its approval in substitution of House Bill No. 3090

Sponsors: Representatives Ferrer (Juliet) and Garcia (Pablo John)

TO THE COMMITTEE ON RULES

Report of the Committee on Legislative Franchises (Committee Report No. 228), re H.B. No. 6254, entitled:

“AN ACT RENEWING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO FBS RADIO NETWORK, INC. UNDER REPUBLIC ACT NO. 8114, ENTITLED ‘AN ACT GRANTING FBS RADIO NETWORK, INC. A FRANCHISE TO ESTABLISH, CONSTRUCT, INSTALL, MAINTAIN AND OPERATE COMMERCIAL RADIO AND TELEVISION STATION IN THE PHILIPPINES, AND FOR OTHER PURPOSES’ ”

recommending its approval in substitution of House Bill No. 5361

Sponsors: Representatives Alvarez (Franz) and Benitez

TO THE COMMITTEE ON RULES

Report of the Committee on Legislative Franchises (Committee Report No. 229), re H.B. No. 6255, entitled:

“AN ACT RENEWING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO ROMEO CABRESTANTE SERVANDO, PRESENTLY KNOWN AS ROLIN BROADCASTING ENTERPRISES, INC., UNDER REPUBLIC ACT NO. 8202, ENTITLED ‘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’ ”

recommending its approval in substitution of House Bill No. 4162

Sponsors: Representatives Alvarez (Franz), Abueg-Zaldivar and Acosta
TO THE COMMITTEE ON RULES

Report of the Committee on Legislative Franchises (Committee Report No. 230), re H.B. No. 6256, entitled:

“AN ACT RENEWING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO CENTURY COMMUNICATIONS MARKETING CENTER, INC., DOING BUSINESS UNDER THE NAME AND STYLE OF CENTURY BROADCASTING NETWORK, UNDER REPUBLIC ACT NO. 8133, ENTITLED ‘AN ACT GRANTING CENTURY COMMUNICATIONS MARKETING CENTER, INC. A FRANCHISE TO CONSTRUCT, INSTALL, OPERATE AND MAINTAIN FOR COMMERCIAL PURPOSES RADIO AND TELEVISION BROADCASTING STATIONS IN THE PHILIPPINES, AND FOR OTHER PURPOSES’ ”

recommending its approval in substitution of House Bill No. 5154

Sponsors: Representatives Alvarez (Franz) and Vargas
TO THE COMMITTEE ON RULES

ADDITIONAL REFERENCE OF BUSINESS

RESOLUTION

House Resolution No. 711, entitled:

“RESOLUTION HONORING THE HEROISM, COURAGE AND GREAT COMPASSION OF THE 10-MEMBER PHILIPPINE GOVERNMENT TEAM THAT REPATRIATED THE DISTRESSED OVERSEAS FILIPINO WORKERS IN WUHAN CITY, EPICENTER OF THE OUTBREAK OF COVID-19”

By Representatives Cayetano (Alan Peter), Romualdez (Ferdinand) and Abante
TO THE COMMITTEE ON RULES

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

CONSIDERATION OF H.B. NO. 137

Continuation

PERIOD OF AMENDMENTS

REP. PALMA. Mr. Speaker, I move that we resume

the consideration of House Bill No. 13, and that the Secretary General be directed to read only the title of the said measure.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). 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.

THE SECRETARY GENERAL. House Bill No. 137, entitled: AN ACT IMPOSING STIFFER PENALTIES FOR CHILD ABUSE, EXPLOITATION AND DISCRIMINATION, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7610, AS AMENDED.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

REP. PALMA. Mr. Speaker, the parliamentary status of the Bill in consideration is that we are in the period of amendments, and with that, Mr. Speaker, and there being no Committee amendment, and there being no Member who wishes to propose any individual amendment, I move that we close the period of amendments.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Is there any objection? (*Silence*) The Chair hears none; the period of amendments is closed.

REP. PALMA. Mr. Speaker, I move that we approve on Second Reading House Bill No. 137, under Committee Report No. 154.

I so move, Mr. Speaker.

VIVA VOCE VOTING

THE DEPUTY SPEAKER (Rep. Garcia, P.). There is a motion for the approval of House Bill No. 137 on Second Reading. As many as are in favor, please say *Aye*.

SEVERAL MEMBERS. *Aye*.

THE DEPUTY SPEAKER (Rep. Tañada). As many as are against, please say *Nay*. (*Silence*)

APPROVAL OF H.B. NO. 137
ON SECOND READING

THE DEPUTY SPEAKER (Rep. Garcia, P.). The *ayes* have it; the motion is approved.

House Bill No. 137 is approved on Second Reading. The Majority Leader is recognized.

CONSIDERATION OF H.B. NO. 78

Continuation

PERIOD OF SPONSORSHIP AND DEBATE

REP. PALMA. Mr. Speaker, I move that we resume the consideration of House Bill No. 78, under Committee Report No. 5, and that the Secretary General be directed to read only the title of the said measure.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). 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.

THE SECRETARY GENERAL. House Bill No. 78, entitled: AN ACT PROVIDING FOR THE DEFINITION OF PUBLIC UTILITY, FURTHER AMENDING FOR THE PURPOSE COMMONWEALTH ACT NO. 146, OTHERWISE KNOWN AS THE "PUBLIC SERVICE ACT," AS AMENDED.

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

REP. PALMA. Mr. Speaker, the parliamentary status of the Bill is that the measure is still in the period of sponsorship and debate. Having said that, I move that we recognize the Chairperson of the Committee on Economic Affairs, Hon. Sharon S. Garin, for her sponsorship.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Hon. Sharon Garin is recognized.

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

REP. PALMA. Mr. Speaker, to continue with the interpellation, I move that the Gentleman from Albay, the Hon. Edcel C. Lagman, be recognized and be given 30 minutes to finish his interpellation.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Honorable Lagman is recognized for 30 minutes to finish his interpellation.

REP. LAGMAN. Thank you, Mr. Speaker.

Will the distinguished Sponsor yield to further interpellation.

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

REP. LAGMAN. What is the present applicable

Constitutional provision on the ownership, operation, control and management of public utilities?

REP. GARIN (S.). Mr. Speaker, that would be Section 11. Should you wish, I could read it:

No franchise, certificate, or any other form of authorization for the operation of a public utility shall be granted except to citizens of the Philippines or to corporations or associations organized under the laws of the Philippines at least sixty per centum of whose capital is owned by such citizens.

And to continue, the second paragraph states, and I quote:

The State shall encourage equity participation in public utilities by the general public. The participation of foreign investors in the governing body of every public utility enterprise shall be limited to their proportionate share in its capital.

REP. LAGMAN. This provision, is an almost verbatim restatement of the 1973 Constitution on the ownership, operation, management, and control of public utilities and it is also a restatement of the 1935 Constitution. Is that correct?

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

REP. LAGMAN. It is correct?

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

REP. LAGMAN. Now, are there any commonalities and variances in the provisions of the 1987, 1973, and 1935 Constitutions on the ownership, operation, management, and control of public utilities? May we know whether there are similarities or differences in these provisions.

REP. GARIN (S.). Mr. Speaker, if the good interpellator can allow me time to check the exact provisions of the different Constitutions, ...

REP. LAGMAN. Yes, distinguished Sponsor, provided it will not be included in my time of 30 minutes.

SUSPENSION OF SESSION

REP. PALMA. Mr. Speaker, I move that we suspend the session for a few minutes.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The session is suspended.

It was 4:17 p.m.

RESUMPTION OF SESSION

At 4:18 p.m., the session was resumed with Deputy Speaker Mujiv S. Hataman presiding.

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

REP. GARIN (S.). Mr. Speaker, basically, the foreign equity limitation is present in each version of the Constitution. There are some differences, but if it is in reference to the Batasang Pambansa and the like, the foreign equity limitation is still there, Mr. Speaker.

REP. LAGMAN. That is correct, Mr. Speaker. There is no difference with respect to the mandate that public utilities must be owned by Filipino citizens or by corporations or associations, 60 per centum the capital of which are owned by Filipino citizens.

REP. GARIN (S.). Basically, Mr. Speaker, the 60 percent limitation is present and the nonexclusive nature of the franchise is also common among the versions; the franchise is subject to amendment, and alteration is also present in all the versions. Mr. Speaker.

REP. LAGMAN. That is correct, Mr. Speaker, but those will not in anyway dilute the provision that it should be Filipino-owned or 60 per centum of the corporate capital must be owned by Filipinos.

REP. GARIN (S.). Yes, Mr. Speaker. Also, all the versions do not really define public utility, Mr. Speaker.

REP. LAGMAN. Mr. Speaker, distinguished Sponsor, may we know what is the principal reason in the 1935, 1973, and 1987 Constitution for reserving the ownership and operation of public utilities to citizens of the Philippines or to corporations wherein 60 per centum of the capitalization is owned by Filipino citizens?

REP. GARIN (S.). Mr. Speaker, that provision in all the Constitutions mentioned regarding public utility is simply a recognition of the vital role or the importance of public utility in the day-to-day life of Filipinos, and the importance of the protectionist idea that we should have control over it, because these are vital services that affect the ordinary lives of Filipinos. Hence, we have provided—this is shown by the 60-40 ratio limitation or the Filipinization of public utilities, Mr. Speaker.

REP. LAGMAN. Additionally, Mr. Speaker, distinguished Sponsor, the Supreme Court in several

cases gave the answer to that question on the reason why there is a need to have Filipino ownership of public utilities.

In *Express Investments III Private Limited or Bayantel, Inc.* the Supreme Court held that the provision explicitly reserves to Filipino citizens control over public utilities, pursuant to an overriding economic goal of the 1987 Constitution to conserve and develop our patrimony and ensure a self-reliant and independent national economy effectively controlled by Filipinos.

In the *Philippine National Oil Company vs. Keppel Philippines Holding, Inc.*, the Supreme Court also ruled that Filipinization is the spirit that pervades in the constitutional provisions on national patrimony and economy. The Constitution has reserved the ownership of public and private lands, the ownership and operation of public utilities, and certain areas of investment to Filipino citizens, associations and corporations.

Whereas, in *Gamboa vs. Teves*, the Court declared that the legal and beneficial ownership of 60 percent of the outstanding capital stock must rest in the hands of Filipino nationals.

May we know whether the distinguished Sponsor is aware of these rulings and whether she agrees with the said rulings.

REP. GARIN (S.). Mr. Speaker, I do agree with the jurisprudence as cited by our distinguished colleague. I also agree in the protectionist idea when it comes to public utilities. But the current Bill proposes a definition of what public utilities are. It is not to change the Constitution but to merely define how we see or how we interpret public utility as it is now, and also based on the deliberations of the 1987 Constitutional Commission.

Moreover, Mr. Speaker, the 1987 Constitution does not prohibit any direct foreign investment. It is protectionist in nature, but based on the *Garcia vs. Executive Secretary* ruling in 1991, it states:

It channels efforts at promoting foreign investments to bigger enterprises where there is an acute lack of Filipino capital. However, this should not be construed as a scheme to discourage Filipino enterprises from going into big enterprises. On the contrary, the scheme is for foreign investments to supplement Filipino capital in big enterprises.

Hence, Mr. Speaker, I do believe that the proposal of the current Bill that we are discussing is still consistent with the provision in the Constitution, as well as the jurisprudence cited by Congressman Lagman, Mr. Speaker.

REP. LAGMAN. May we know, Mr. Speaker, distinguished Sponsor, whether that Garcia case, cited by our distinguished Sponsor, refers to a public utility?

REP. GARIN (S.). Mr. Speaker, we are currently reviewing the jurisprudence, if our distinguished colleague can just allow us a few seconds to peruse.

SUSPENSION OF SESSION

REP. PALMA. Mr. Speaker, I move that we suspend the session for a few minutes.

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

It was 4:26 p.m.

RESUMPTION OF SESSION

At 4:30 p.m., the session was resumed.

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

REP. GARIN (S.). Mr. Speaker, while the lawyers are reviewing the ruling of the Supreme Court, I would like to request our distinguished colleague if we can move on to the next question while we are waiting for the response.

REP. LAGMAN. Yes, Mr. Speaker, I will go to my next question.

What is the first law restating the constitutional provision on the ownership, operation, management and control of public utilities being reserved to Filipinos?

REP. GARIN (S.). Can you please restate the question, Mr. Speaker?

REP. LAGMAN. What is the first statute or law restating the constitutional provision on the ownership, operation, management and control of public utilities being reserved to Filipinos?

REP. GARIN (S.). What is the original legislation that reserves ...

REP. LAGMAN. Yes, the first legislation implementing that constitutional provision.

REP. GARIN (S.). Mr. Speaker, I am not familiar with the law that first requires the 60-40 limitation on public utilities or any investment in the Philippines, Mr. Speaker.

REP. LAGMAN. It is actually the Public Service Act of 1936 which is being sought to be amended or updated by the present Bill. The distinguished Sponsor has repeatedly said that the Public Service Act of 1936

is already ancient and has to be modernized. Does the distinguished Sponsor recall her repeated statements on this matter?

REP. GARIN (S.). Mr. Speaker, there has been no specific statement whether it is obsolete or it is not applicable anymore to the current times, Mr. Speaker. But based on the different jurisprudence, as well as a reading of different legal reference books, including those on the Constitutional Commission, the basis of the amendment on the Public Service Act is to update it, since time and again this jurisprudence has either added or subtracted from the list of public services, Mr. Speaker.

What currently is the proposal? It is not merely to add another service or remove another service from the definition of "public utility." We have been more prudent by having a more permanent and reliable definition with a list of what public utility or public service is. This can change, but should we follow what we believe, what we interpret as public utility or public service, this will stay and remain static, unlike with a list that may change over time in view of innovation, globalization and the like, Mr. Speaker.

REP. LAGMAN. I vividly recall and I jotted it down when the distinguished Sponsor repeatedly stated that the Public Service Act of 1936 is already old and it has to be harmonized with the present situation, and it has to be modernized.

REP. GARIN (S.). Yes, Mr. Speaker. In fact, it is not just the definition of "public utility" that has been reviewed here, the penalties have also been updated since the penalties for infractions was just a mere P200 per day. Some of its provisions are in reference to the Commission which are already non-existent. There is now an amendment to change all references to the Commission in to a regulating agency. It just reflects that there has been a need for updating for a long time already, Mr. Speaker. Hence, the concept of the legislation is not totally obsolete, but it also needs updating, Mr. Speaker.

Mr. Speaker, with the indulgence of Congressman Lagman, in reference to the previous query, the jurisprudence cited does not deal with public utilities, but it deals with the constitutionality of foreign investments, not specifically public utility, Mr. Speaker.

Thank you.

REP. LAGMAN. Thank you for that clarification, distinguished Sponsor.

Now, if the year of enactment will be the standard, the 1935 Constitution was ratified and enforced one year earlier than the Public Service Act. Is that correct?

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

REP. LAGMAN. But the provisions of the 1935 Constitution on the ownership, operation, management and control of public utilities find currency in the more updated 1973 Constitution and 1987 Constitution. Is that correct?

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

REP. LAGMAN. Do the Constitutions of 1935, 1973, and 1987, as well as the Public Service Act, distinguish between public utility and public service?

REP. GARIN (S.). Mr. Speaker, on public service, I do believe that the Constitution only refers to public utility and does not refer to public service and the specific section, Section 11. The Public Service Act, however, refers to public services.

In some cases, perhaps out of confusion, jurisprudence or some regulating agencies or other resources have interchanged or differentiated the two concepts, Mr. Speaker. Hence, in this proposal, we have distinguished what is public utility. But it is safe to say that all public utilities are still public services, Mr. Speaker.

REP. LAGMAN. Just to be accurate about it, the Constitution itself, from 1935 to 1987, did not distinguish a public utility from a public service.

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

REP. LAGMAN. Yes. In fact, the concept of public service is subsumed under public utility because the principal feature of a public utility is extending public service. Is that correct?

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

REP. LAGMAN. Traditionally, the concept of public utility and public service is interchangeable. Is that correct?

REP. GARIN (S.). Yes, Mr. Speaker, to some extent that some jurisprudence did use it interchangeably, but there are also some jurisprudence that did not include a certain industry listed in the Public Service Act as a public service. They did not consider some of those as public utilities.

I have to review the notes, Mr. Speaker, for example, the case of JG Summit.

REP. LAGMAN. Well, going to jurisprudence, the Supreme Court has held that in several cases, public service is subsumed under public utility, and there is no

definite or peculiar distinction between the two terms, a legislation which would differentiate public service from public utility may be offensive to the Constitution if under the Bill public service corporations can be owned totally by foreigners.

Let me cite the jurisprudence. In *Republic of the Philippines vs. Manila Electric Company*, the Supreme Court pronounced, and I quote:

The business and operations of a public utility are imbued with public interest. In a very real sense, a public utility is engaged in public service—providing basic commodities and services indispensable to the interest of the general public.

Is the distinguished Sponsor aware of this ruling and does she concur with the same?

REP. GARIN (S.). Mr. Speaker, I do believe the 1987 Constitution, or the previous Constitutions for that matter, had they intended to equate public service with public utility, then they would have stated “public services” since the Public Service Act had already been enacted or was already in place at that time. Furthermore, Mr. Speaker, over the years there have been changes in the list, not by amendment of Commonwealth Act No. 146 or the Public Service Act by legislation as well as by jurisprudence. There have been industries or services that have not been considered as public utilities under the Public Service Act. Just to cite, Mr. Speaker, for example, in the NPC, *National Power Corporation vs. Provincial Government of Bataan*, it was affirmed by the Supreme Court that power generation is no longer considered a public utility but based on Commonwealth Act No. 146, it is still a public service, Mr. Speaker, and there are a few more cases that are similar to this based on some jurisprudence, Mr. Speaker. So, I would still stand by the fact that a public utility has not been considered or equated as a public service by the Constitutional Commission because there have been so many changes over the years, Mr. Speaker.

REP. LAGMAN. But the fact is, the Constitution, including the 1987 Constitution, does not distinguish between public service and public utility. But let me ask the distinguished Sponsor whether a public service is not a public utility.

REP. GARIN (S.). Not all public services, Mr. Speaker, are public utilities but all public utilities are public services, Mr. Speaker.

REP. LAGMAN. Now, is a common carrier or transportation firm a public service as well as a public utility?

REP. GARIN (S.). Mr. Speaker, under the proposed measure, common carriers are excluded from the list of public utilities based on the criteria that we have set forth in the proposed Bill, Mr. Speaker.

REP. LAGMAN. Is the distinguished Sponsor asserting that a transportation, a corporation or a public carrier is not a public utility?

REP. GARIN (S.). Yes, Mr. Speaker. It is a public service but it is not a public utility.

REP. LAGMAN. Why is it so?

REP. GARIN (S.). Mr. Speaker, a public utility—common carrier, currently, is a transportation service. In fact, if we consider, for example, in air transport, it is not a public utility anymore because competition is high in public utilities. There is no monopoly within the air transportation service. In land transportation, in fact, you can choose from a taxi, a jeepney, a train service, and there are more options. So, this does not fall as a public utility. It is a public service but it is not a public utility because it does not meet all the criteria that we have drafted as a basis in determining a certain service or industry as a public utility, Mr. Speaker.

REP. LAGMAN. Presently, Mr. Speaker, distinguished Sponsor, are common carriers like land, sea and air transportation companies considered as public utilities?

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

REP. LAGMAN. Is competition in the industry a standard by which we should gauge whether a business is a public utility or a public service?

REP. GARIN (S.). Based on the criteria that we have set forth in the House Bill being considered today, yes, Mr. Speaker.

REP. LAGMAN. In other words, ...

REP. GARIN (S.). There should be, just to clarify, there should be a natural monopoly for it to be considered a public utility, Mr. Speaker.

REP. LAGMAN. In other words, competition in an industry is indicative of the absence or presence of a public utility.

REP. GARIN (S.). This is one of the elements, Mr. Speaker, yes.

REP. LAGMAN. Yes. Those are one of the elements in the proposed Bill, but presently it is not.

REP. GARIN (S.). Mr. Speaker, the composition of the elements or the variables that we have considered as essential for one industry to be considered a public utility is a collation of different ideas that we have considered, considering the economic side, the legal side and the historical side, as well as the different industries. So, by studying all the resources, whether it is jurisprudence, legislation or legal sources, we have drafted four criteria for a certain industry to meet in order for it to be considered as a public utility, Mr. Speaker. So, it is not just a mere new idea that we have incorporated in the proposal but this has been a collation of different sources for us to arrive at a certain and more definite and permanent definition of “public utility,” Mr. Speaker.

REP. LAGMAN. What is the historical dimension for which the distinguished Sponsor is saying that common carriers are not anymore public utilities?

REP. GARIN (S.). Mr. Speaker, per Commissioner Monsod of the 1986 Constitutional Commission, he said, and I quote:

Precisely, the nature of a “public utility” is that it is a natural monopoly; otherwise, it would be too expensive for the country and for the consumers.

In Pond’s treatise, the US Public Utility Law cited by our Supreme Court, it also states that the furnishing of municipal public utility service is a natural monopoly which is never accompanied by competitive conditions in theory and seldom so in practice. In Black’s Law Dictionary, likewise, it maintains that public utility is always a monopoly, Mr. Speaker.

So, our references have been varied in coming up with the criteria that we have listed under the current Bill, Mr. Speaker.

REP. LAGMAN. Well, the distinguished Sponsor says that a public utility must be a natural monopoly. So, what are these existing businesses which can be considered a natural monopoly?

REP. GARIN (S.). Natural monopoly—we are currently, Mr. Speaker, actually proposing, for clarification, that we include a description of what is a natural monopoly. For a natural monopoly exists when market demand for a commodity or service can be satisfied by a single entity at the lowest cost than

by two or more competitor entities. By considering this definition and considering the requirement that a public service is a natural monopoly for it to be a public utility, currently, it is electricity and water that fall under this. This will exclude telecommunications, transportation services from the list or from being considered as public utilities, Mr. Speaker.

REP. LAGMAN. Presently, what are natural monopolies which would qualify as public utilities other than what you have said—provision for electricity?

REP. GARIN (S.). Currently, there is only transmission and distribution of electricity as well as water and pipeline and sewerage distribution. Those are the only industries that we consider. Historically, Mr. Speaker, if we look back, before the arrival of mobile services and other entry of other companies, PLDT used to be a monopoly. It was a natural monopoly in a sense that it was the only player also in the industry. So, it was considered that this would fall under public utility, but then with the change in time and with the increase in competition, not only is there a landline service for telecommunications but there are also mobile services and other types of telecommunication services today, as it is now, it cannot be considered a natural monopoly anymore, Mr. Speaker.

REP. LAGMAN. With respect to the provision for electricity other than Meralco, are there other firms providing electricity in Metro Manila or nationwide or regionwide?

REP. GARIN (S.). Currently, Mr. Speaker, there are different companies offering distribution or transmission of electricity but they have natural monopolies in their respective areas, Mr. Speaker.

REP. LAGMAN. No, transmission is different from provision of electric service.

REP. GARIN (S.). Distribution.

REP. LAGMAN. Distribution—aside from Meralco, are there firms engaged in the distribution of electricity?

REP. GARIN (S.). What we have seen is that there are companies, different companies performing distribution of electricity, Mr. Speaker. However, these companies cater to different areas, Mr. Speaker.

REP. LAGMAN. Okay. So, with respect to the distribution of electricity or providing electric service, there is actually no monopoly. Is that correct?

REP. GARIN (S.). In my opinion, Mr. Speaker, there is a monopoly because they have monopoly in the areas that they serve. It would be too expensive to have two electric distribution companies in the same area, Mr. Speaker.

REP. LAGMAN. When the 1935, 1973, and 1987 Constitutions were ratified, what were the public utilities then considered existing and protected by the Constitution?

REP. GARIN (S.). Mr. Speaker, over the years, there has been a variation but we could trace the history by starting with the Public Service Act, Mr. Speaker. The Public Service Act was enacted in 1936, I believe, and Constitutions thereafter have or the interpretation of the application of the Constitution is some kind of jurisprudence that involved interpretation of what is public utility or public service. Some of it made reference to the Public Service Act. So, it is basically Commonwealth Act No. 146 that has been the reference of many of our jurisprudence. But in some jurisprudence, despite the reference, they have also altered some of the—they have also not recognized some industries that are in the list of the Public Service Act or Commonwealth Act No. 146 as being not public utilities, Mr. Speaker.

So, over the years, yes, the basic reference was the Public Service Act but it has not been consistently followed because it is a simple evolution over time on how to treat certain industries because it changes over the years, Mr. Speaker.

REP. LAGMAN. Let me be more specific. When the 1935 Constitution was ratified, was the business of common carrier considered a public utility?

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

REP. LAGMAN. When the same Constitution was ratified, were telecommunication corporations considered a public utility?

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

REP. LAGMAN. And this was the state of affairs when the 1973 Constitution as well as the 1987 Constitution was ratified? These businesses were considered public utilities. Is that correct?

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

REP. LAGMAN. Let me go to the case of *Napocor vs. Court of Appeals*. The Supreme Court held, and I quote:

A “public utility” is a business or service engaged in regularly supplying the public with some commodity or service of public consequence such as electricity, gas, water, transportation, telephone or telegraph service. The term implies public use and service.

Is the distinguished Sponsor aware of this particular jurisprudence?

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

REP. LAGMAN. And does she agree with this ruling?

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

REP. LAGMAN. In *JG Summit Holdings vs. Court of Appeals*, which was cited previously by the distinguished Sponsor, the Supreme Court likewise ruled:

Simply stated, a public utility provides a service or facility needed for present day living which cannot be denied to anyone who is willing to pay for it.

Is the distinguished Sponsor aware of this jurisprudence and does she concur with the ruling?

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

REP. LAGMAN. The purpose of House Bill No. 78, like its predecessor in the Seventeenth Congress, is to avoid the nationality provision of the Constitution by making some enterprises fall under public service rather than public utility. Is this the intention?

REP. GARIN (S.). No, Mr. Speaker. I do believe that it is to make a more permanent definition. With such definition, whether the world economy changes or however the economy proceeds, with new technology or any developments, well, we do believe that we need a definition that is more concrete and more definite. In fact, the jurisprudence cited by the good Congressman Lagman has been incorporated in the proposed Bill that we are deliberating right now. We have cited that for a certain industry to be considered a public utility, there has to be regular supply, it has to directly transmit and distribute to the public, there has to be commodities necessary for the maintenance of life and occupation, and it has to provide adequate service to the public on demand.

This has been consistently incorporated as well in the natural monopoly provision. All these decisions, not just of the Supreme Court but also the deliberations of the Constitutional Commission, were considered. The objective is for us to be clear on what is a public utility. We have to be consistent in what we consider. The list can change, the list can stay the same, the list can be true 10 years ago but it can change 10 years from now. So, what we see as a clear option is to make a definition of what is a public utility, distinguishing it from public service because of the constitutional consequences, the ownership limitation on public utilities.

Mr. Speaker, the attempt is not to change the interpretation of the Constitution. It is, in fact, still consistent with the Constitution, but it is clearer so we can easily adapt to the changes that we are facing every day because technology, development, and changes are faster these days.

So, Mr. Speaker, I do stand by the fact that this is not an attempt to change the Constitution. We are trying to be clearer on what we deem to be the intention of the Constitution, Mr. Speaker.

REP. LAGMAN. Well, if this Bill is enacted into law, will a public service corporation be owned and operated 100 percent by foreigners?

REP. GARIN (S.). The public service corporations that are not public utilities under this amendment would be open for 100-percent foreign ownership, Mr. Speaker.

REP. LAGMAN. Yes, it is not only supplementing Filipino capital but it is the alienization of capitals. Is that correct?

REP. GARIN (S.). Mr. Speaker, although we open it to foreign investment, Mr. Speaker, the other restrictions that are being practiced or implemented under the Charter or whatever legislation that the regulating agency follows—for example, LTRFB for transportation or CAAP or whichever agency that regulates and issues licenses or franchises—will still be in place. Should such agency require franchise or any requirements for them to be authorized to operate as a public service, then, that will still apply. What will be merely affected is the limitation on the 60-40, Mr. Speaker.

So, it will still be as stringent as before, although the ownership will be liberalized, Mr. Speaker.

REP. LAGMAN. Well, if this Bill is not enacted into law, can a common carrier for land, air or sea be owned and operated by 100-percent foreign capitalization?

REP. GARIN (S.). Based on the Constitution, Mr.

Speaker, it can be owned by a foreigner 100 percent, but it cannot be operated by a foreigner, Mr. Speaker.

REP. LAGMAN. Where do we get the justification for that statement in the Constitution? The Constitution provides that public utilities should be owned and operated by Filipino citizens or corporations, the capital of which is owned, at least 60 percent, by Filipinos. It does not make any distinction between ownership and operation.

REP. GARIN (S.). Mr. Speaker, the Constitution actually states, "operation of a public utility." It does not speak about ownership, Mr. Speaker. Operation has a 60-40 limitation, Mr. Speaker. In fact, based on the Tatad case, it has been elaborated as well, Mr. Speaker, or ownership has been distinguished from operation, Mr. Speaker. This is not a proposal that you can see in the amendment, but my response is based on the jurisprudence as well as the interpretation of the Constitution, Mr. Speaker.

REP. LAGMAN. Well, Section 11 is unequivocal. It provides, and I quote:

No franchise, certificate, or any other form of authorization for the operation of a public utility shall be granted except to citizens of the Philippines or to corporations or associations organized under the laws of the Philippines, at least 60 *per centum* of whose capital is owned by such citizens.

So, the Constitution speaks of both operation and ownership. I beg to disagree that even if this Bill is not enacted into law, a common carrier can be owned 100 percent by foreigners.

REP. GARIN (S.). Mr. Speaker, this is not a proposal. The current Bill does not propose that ownership and operation be distinguished, Mr. Speaker, nor do I propose that it should be separate. I am just stating the decision under the Tatad case, which says that the right to operate a public utility may exist independently of the ownership of the facilities thereof. This is not something that we have incorporated in the Bill. In fact, personally, I do not agree with the decision, but this is the decision of the Supreme Court, Mr. Speaker. I am just citing the decision under the Tatad case, Mr. Speaker.

REP. LAGMAN. Okay.

Why is the concept of ownership of public utilities and/or public service not included in the Bill?

REP. GARIN (S.). Mr. Speaker, we have not addressed this in the Bill. Should the good interpellator propose the inclusion of such then we can seriously consider the proposal, Mr. Speaker.

REP. LAGMAN. I cannot possibly propose that kind of amendment because that will be contrary to the constitutional provision.

Well, I am just curious why the concept of ownership is not included in the Bill. There could be no operation, management and control of an enterprise or business without the antecedent element of ownership. Is it not?

REP. GARIN (S.). If we base it on the Tatad decision, yes, I believe that a foreigner can actually own the towers and all the facilities of a telecommunications company but the franchise has to be given to 60-40 entity, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Hataman). May I remind...

REP. LAGMAN. The purpose of not including ownership is to avoid this citizenship requirement of ownership of public utilities under the present Constitution...

THE DEPUTY SPEAKER (Rep. Hataman). May I request Honorable Lagman to wind up his interpellation for his time has already...

REP. LAGMAN. Well, if I am to wind up, it will take me another 30 minutes.

REP. GARIN (S.). (*Laughs*)

REP. LAGMAN. I have many more questions, and this is a very important measure; it involves the Constitution. But if the Presiding Officer would like me to stop already, then I will do so.

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

SUSPENSION OF SESSION

REP. PALMA. I move to suspend the session, Mr. Speaker.

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

It was 5:10 p.m.

RESUMPTION OF SESSION

At 5:17 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Hataman). The session is resumed.
Honorable Lagman is recognized.

REP. LAGMAN. Mr. Speaker, may we ask the distinguished Sponsor, what are the major factors which encourage and/or deter the entry of foreign investments?

REP. GARIN (S.). That would deter the entry of foreigners? Basically, in our case, I think it is the 60-40 limitation set by the Constitution, Mr. Speaker,

At this juncture, Deputy Speaker Hataman relinquished the Chair to Deputy Speaker Johnny Ty Pimentel.

REP. LAGMAN. Is that in any way recorded in any survey ...

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

REP. LAGMAN. ... on the reasons why investors come to the Philippines or are deterred from coming to the Philippines?

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

REP. LAGMAN. What are the bases, in other words, of that statement of the distinguished Sponsor that the 60-40 requirement in favor of Filipino capital is a deterrent to the investment by foreigners?

REP. GARIN (S.). Mr. Speaker, the basis of my answer is the findings of NEDA, also by the DOF, Mr. Speaker. It is based on their studies on how to improve the growth rate of the Philippines, as well as based on the PDP, Mr. Speaker.

REP. LAGMAN. Well, that is a NEDA study or recommendation, but can we be given a copy of that NEDA recommendation or the study that the 60-40 requirement in favor of Philippine capitalization is a deterrent to the investment of foreigners?

REP. GARIN (S.). Yes, Mr. Speaker. We can provide you with several of the sources that we have, like the OECD report and all that, Mr. Speaker.

REP. LAGMAN. When was that NEDA recommendation or study made?

REP. GARIN (S.). During the SONA statement of the President, this was stated and his statement was to pursue the passage of the amendment of the PSA, and this was based on the recommendation of the NEDA and the PDP, Mr. Speaker, together with the DOF, Mr. Speaker.

REP. LAGMAN. Does the distinguished

Sponsor have a copy now of that NEDA study or recommendation?

REP. GARIN (S.). Currently here, Mr. Speaker, we do not have a copy, but we can provide your office with a copy, Mr. Speaker. These are some of the points, the priority measures, in order to improve the economy of the Philippines and these are the findings of their studies, Mr. Speaker.

REP. LAGMAN. Well, the traditional and recurring factors which encourage or deter entry of foreign investments are the following: one, ease of doing business; two, adequacy of infrastructure; three, policy of predictability; four, cost of power; and, five, Internet speed. These factors do not include the removal of the citizenship or nationality requirement in the Constitution with respect to public utilities, and that is on record, and anytime, it could be accessed. These are the factors but they do not include, in any way, the removal of the citizenship or the nationality requirement for certain corporations.

REP. GARIN (S.). Mr. Speaker, I do agree that those are the variables, Mr. Speaker, but with the influx of foreign direct investments, NEDA and our economic managers believe that if the telecommunications will be improved, infrastructure will be improved, these will help us achieve the correct settings for foreign direct investments, Mr. Speaker.

REP. LAGMAN. Whether this Bill has any salutary intention, it cannot supplant the Constitution by mere statute. The Constitution has to be amended in accordance with the processes provided for in Article XVII where amendments are effected through proposal by a constituent assembly, constitutional convention, and people's initiative. Not one of these modes include an amendment by statute. Is that correct?

REP. GARIN (S.). Mr. Speaker, we are not amending the Constitution. We are merely amending the Public Services Act, Mr. Speaker.

REP. LAGMAN. Both in the Seventeenth Congress and the current Eighteenth Congress, there are many resolutions filed by Members of the House to amend the economic provisions of the Constitution, including Section 11 of Article XII. Is that correct?

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

REP. LAGMAN. May we know whether the distinguished Sponsor is an author or coauthor of any of these amendatory resolutions?

REP. GARIN (S.). Currently, I am not, Mr. Speaker, and nor am I a member of the Committee.

REP. LAGMAN. In the Seventeenth Congress, would the distinguished Sponsor recall whether she authored or co-authored an amendment of the Constitution by removing the economic provisions?

REP. GARIN (S.). I am not sure, Mr. Speaker, but I do believe, I have supported such movement, Mr. Speaker.

REP. LAGMAN. The filing of these resolutions is a clear confirmation that Section 11 of Article XII, one of the economic provisions in the Constitution can only be changed, modified, or abandoned by the proper mode of amending the Constitution. Is that correct?

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

REP. LAGMAN. That would be all, Mr. Speaker. I would reserve my other comments, most probably in my vote against this measure on Third and final Reading.

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

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

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

REP. GARIN (S.). Mr. Speaker, I would like to thank Congressman Lagman who is my last interpellator for this Bill. Thank you, Congressman Lagman.

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

REP. PALMA. Mr. Speaker, there being no Member who wishes to interpellate on the said matter, I move that we close the period of sponsorship and debate.

I so move, Mr. Speaker.

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

SUSPENSION OF CONSIDERATION OF H.B. NO. 78

REP. PALMA. Mr. Speaker, I move that we suspend the consideration of House Bill No. 78, under Committee Report No. 5.

I so move, Mr. Speaker.

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

REP. PALMA. Mr. Speaker, we would like to acknowledge the presence of the guest of Hon. Rufus B. Rodriguez of the Second District of Cagayan de Oro and Hon. Christian S. Unabia of the First District of Misamis Oriental. She is Ms. Meranie Gadiana Rahman, Mrs. Philippines-World 2019 and Mrs. Hawaii Transcontinental 2019. (*Applause*)

THE DEPUTY SPEAKER (Rep. Pimentel). To the guest of Rep. Rufus B. Rodriguez and Rep. Christian S. Unabia, welcome to the House of Representatives. The Majority Leader is recognized.

CONSIDERATION OF H. RES. NO. 711

REP. AGABAS. Mr. Speaker, I move that we consider House Resolution No. 711.

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.*

THE SECRETARY GENERAL. House Resolution No. 711, entitled: RESOLUTION HONORING THE HEROISM, COURAGE AND GREAT COMPASSION OF THE 10-MEMBER PHILIPPINE GOVERNMENT TEAM THAT REPATRIATED THE DISTRESSED OVERSEAS FILIPINO WORKERS IN WUHAN CITY, EPICENTER OF THE OUTBREAK OF COVID-19.

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

ADOPTION OF H. RES. NO. 711

REP. AGABAS. Mr. Speaker, I move that we adopt the said Resolution.

I so move.

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

House Resolution No. 711 is adopted.

* Copies of the bill were distributed to the members earlier. Section 53, Rule X of the Rules of the House of Representatives provides that “[a] bill or joint resolution on Second Reading shall be read in full unless copies thereof have been distributed to the Members.”

CHANGE OF REFERRAL
OF CERTAIN MEASURES

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

1. House Bill No. 370, from the Committee on Social Services to the Committee on Disaster Management;

2. House Bills Nos. 868, 2297 and 5516, and House Resolution No. 612, from the Committee on Population and Family Relations to the Committee on Welfare of Children;

3. House Bill No. 3071, from the Committees on Trade and Industry and Economic Affairs to the Committees on Economic Affairs and Trade and Industry;

4. House Bill No. 3239, from the Committees on Trade and Industry and Economic Affairs to the Committees on Economic Affairs and Trade and Industry;

5. House Bill No. 451, from the Committee on Ways and Means to the Committee on Appropriations;

6. House Bill No. 1543, from the Committee on Ways and Means to the Committee on Appropriations;

7. House Bill No. 3104, from the Committee on Ways and Means to the Committee on Appropriations;

8. House Bill No. 5456, from the Committee on Public Works and Highways to the Special Committee on Flagship Programs and Projects;

9. House Bill No. 5466, from the Committee on Agriculture and Food to the Committee on Aquaculture and Fisheries Resources;

10. House Bill No. 6157, from the Committee on Basic Education and Culture to the Committee on Labor and Employment; and

11. House Bill No. 6162 from the Committee on Government Enterprises and Privatization to the Committee on Economic Affairs.

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.

ADJOURNMENT OF SESSION

REP. PALMA. Mr. Speaker, I move that we adjourn the session until three o'clock in the afternoon of Monday, February 17, 2020.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). Is there any objection? (*Silence*) The Chair hears none; the session is adjourned until Monday, February 17, 2020, at three o'clock in the afternoon.

It was 5:28 p.m.