

## Committee Daily Bulletin

A publication of the Committee Affairs Department

Vol. I No. 36 November 11, 2019

ORGANIZATIONAL MEETINGS					
COMMITTEE	SUBJECT MATTER	DISCUSSIONS			
Rural Development	Organizational meeting and adoption of the Committee's Rules of Procedure	The Committee, chaired by Rep. Elisa "Olga" Kho (2 <sup>nd</sup> District, Masbate), held its organizational meeting during which the Committee's Rules of Procedure for the 18 <sup>th</sup> Congress was adopted.			
		Under the Rules of the House, the Committee, which is composed of 25 members, has jurisdiction over "all matters directly and principally relating to the development of rural areas and islands through policies, programs, support services and other interventions to include livelihood and enterprise development, microfinancing, community mobilization and development, area development planning, and access to rural project funding and financing."			
Welfare of Children	Organizational meeting and adoption of the Committee's Rules of Procedure	The Committee, chaired by Rep. Yedda Marie Romualdez (Party-List, TINGOG SINIRANGAN), held its organizational meeting during which the Committee's Rules of Procedure for the 18th Congress was adopted.			
		Among the legislative agenda of the Committee are:  Regulating products made for children containing hazardous substances; Preventing child marriage; Enacting the Magna Carta of Day Care Workers; Promoting positive and non-violent discipline of children; and Increasing the age of statutory rape from the present 12 to anywhere from 16 to 18.			
		Under the Rules of the House, the Committee has jurisdiction over "all matters directly and principally relating to the needs and overall welfare of Filipino children, including children with special needs, and all actions to ensure the availability of and their continuing access to affordable and appropriate programs and resources that facilitate and contribute to the attainment of their welfare."			

	COMMITTEE MEETINGS			
	MEASURES			
COMMITTEE	NO.	PRINCIPAL AUTHOR	SUBJECT MATTER	ACTION TAKEN/DISCUSSION
Government Enterprises and Privatization	Substitute Bill to HBs 86, 221, 380, 529, 1501, 2681, 3026, 3921 & 3997	Reps. Garbin, Castro (F.L.), Zamora (M.), Paduano, Chatto, Silverio, Palma, Cagas, and Agabas	Lowering the optional retirement age of government workers from 60 years to 56 years, amending for the purpose Section 13-a of RA 8291, otherwise known as the Government Service Insurance System (GSIS) Act of 1997	The Committee, chaired by Rep. Eric Olivarez (1st District, Parañaque City), approved the Committee Report on the substitute bill.
	HB 82	Rep. Garbin	Amending Sections 9 and 41 of RA 8291 or the Government Service Insurance Act of 1997, by defining "basic monthly	The Committee will deliberate further on HB 82 in its next meeting.

Continuation			pension" and increasing the membership	Civil Service Commission (CSC)
Government Enterprises and Privatization			of the Board of Trustees of the GSIS	Commissioner Aileen Lourdes Lizada presented a seven-year research study entitled "Review and Evaluation of the GSIS Programs under RA 8291 as Basis for Policy Agenda."
				The study revealed that the GSIS has managed to tremendously increase its own employees' retirement benefits over the benefits provided for under RA 8291 by issuing Board resolutions. These resolutions, according to Lizada, were eventually nullified by the Supreme Court in the case Commission on Audit (COA) vs. GSIS.
				According to Lizada, a GSIS employee may be entitled to a retirement benefit amounting to P17 million pursuant to the board resolutions while a GSIS member who is not a GSIS employee will only receive about P1.7 million under RA 1616.
				Retirement under RA 1616 may be availed of by those who entered government service on or before May 31, 1977 and who rendered at least 20 years of service regardless of age and employment status.
				GSIS Assistant Chief Legal Counsel Lucio Yu said that the GSIS proposes to amend Section 9 of RA 8291 by institutionalizing the 90% of the last basic salary as basis for the computation of the monthly retirement pension.
	HBs 228, 1033 & 2787	Reps. Castro (F.L.), Salceda, and Rodriguez	Further strengthening the GSIS	The Committee agreed to create a technical working group (TWG) to consolidate the bills and incorporate the inputs from the resources persons present during the meeting.
				Rep. France Castro (Party-List, ACT-TEACHERS), author of HB 228, was designated to head the TWG.
	HB 760	Rep. Biazon	Establishing a College Education Trust Fund for children of GSIS and Social Security System (SSS) members	The Committee will deliberate further on HB 760 in its next meeting.
			Socially Gyotom (GGG) monitoria	SSS legal counsel Ma. Victoria Garong said that the SSS will still submit an official position paper on the bill as well as an actuarial report for the Committee's consideration in its next meeting.
				On the other hand, Yu cited the experience of the GSIS in implementing a similar college education program which he described as unsustainable and even "disastrous."
	HB 1096	Rep. Salo	Mandating 13th and 14th month benefits for all pensioners of the GSIS and SSS	The Committee will deliberate further on HB 1096 in its next meeting.
				Yu manifested that the GSIS is currently providing additional benefit to pensioners in the form of a "cash gift" amounting to P10,000 which can be likened to a 13th month pay. He

Continuation Government Enterprises and Privatization				expressed the GSIS administration's serious reservation on the proposed law because of its adverse impact on the GSIS' actuarial life.  The GSIS and SSS were requested to submit their respective position papers on the bill as well as relevant studies and actuarial reports or projections that would support their position.
	HB 1651	Rep. Cabochan	Institutionalizing the rights of GSIS members, providing them additional representation in the GSIS Board	The Committee will deliberate further on HB 1651 in its next meeting.  Jocelyn Martinez, president of the Alliance of Concerned Teachers, National Capital Region (ACT-NCR), underscored the need for greater representation of the teaching and non-teaching personnel of the Department of Education (DepEd) in the GSIS' Board of Trustees. She reasoned out that of the 1.8 million government employees nationwide who are actual members of the GSIS, about one million are from the DepEd.
Higher and Technical Education	HB 2986	Rep. Castelo	Mandating all colleges and universities to include in their respective curricula the instruction of foreign language other than English as an elective subject	The Committee, chaired by Baguio City Rep. Mark Go, approved HB 2986 subject to style and amendment.  Rep. Precious Hipolito Castelo (2nd District, Quezon City), author of HB 2986, agreed to the recommendation that students should have the academic freedom to choose which foreign language to take as an elective subject that is useful to the students' college course and job requirements in the future. However, the foreign language course should still be aligned with the curricula being implemented by the colleges and universities.
	HB 429	Rep. Rodriguez	Establishing the Techno-Parks Development Fund (TPDF) for the University of Science and Technology of Southern Philippines (USTSP), and appropriating funds therefor	The Committee approved HB 429 subject to style and amendment.  Rep. Rufus Rodriguez (2 <sup>nd</sup> District, Cagayan de Oro City), author of HB 429, said that his bill seeks to develop the techno-parks in Misamis Oriental in order to attract more investors thereby creating more jobs and spurring economic productivity in Mindanao.
	HB 3659	Rep. Cuaresma	Mandating all state universities and colleges in the Province of Nueva Vizcaya to establish an indigenous peoples (IPs) resource and training center for the preservation of the cultural identities, languages of the indigenous communities and for providing them livelihood opportunities through education, seminars, and literacy programs and appropriating funds therefor	The Committee approved HB 3659 subject to style and amendment.
	HB 4415	Rep. Barba	Renaming Mariano Marcos State University (MMSU) as Ferdinand E. Marcos State University (FEMSU), expanding its curricular offerings and strengthening its governing board, amending for the purpose PD 1279	The Committee approved HB 4415 subject to style and amendment.  Rep. Angelo Marcos Barba (2nd District, Ilocos Norte) said that the MMSU was established by virtue of Presidential Decree No. 1279 issued

Continuation Higher and Technical Education				by the late President Ferdinand E. Marcos. Don Mariano Marcos was the father of the late President. Renaming MMSU after the President's name is meant to honor one generation to the next, "similar to how a father passes the torch to his son," Rep. Barba explained.  Supportive of the bill, MMSU President Shirley Agrupis said that the confusion between Don Mariano Marcos State University in La Union and MMSU will be resolved if the latter is renamed to FEMSU.
	HB 4421	Deputy Speaker Gonzales (A.)	Converting the extension campuses of the Don Honorio Ventura State University (DHVSU) into satellite campuses in the Municipalities of Sto. Tomas, Porac, Lubao, Candaba, and Apalit, all in the Province of Pampanga, appropriating funds therefor	The Committee approved HB 4421 subject to style.  Deputy Speaker Aurelio "Dong" Gonzales Jr. (3rd District, Pampanga) said that the conversion of the DHVSU extension campuses into satellite campuses will guarantee appropriate budgetary support from the annual General Appropriations Act (GAA) and will enable the satellite campuses to build their own infrastructure, acquire laboratory equipment and vital facilities, and improve the quality of instruction through the hiring of highly qualified faculty.
	HBs 229 & 4859	Reps. Vargas and Rodriguez	Establishing the College Living Expenses Financing (CLEF) Program to support higher studies for hundreds of thousands more of Filipino students of good academic standing, mandating the national government, and local government units to set up loan guarantee funds on student loans to be provided by banks, financial institutions, and other credit providers for the CLEF Program, appropriating funds therefor	The Committee agreed to create a technical working group (TWG) to come up with a substitute bill.  Rep. Rodriguez, author of HB 4859 and the designated TWG Chairperson, said that the establishment of the CLEF Program is a huge step in making quality tertiary education accessible to all.  The Government Service Insurance System (GSIS), Social Security System (SSS), Home Development Mutual Fund (HDMF) or Pag-IBIG Fund, and the Development Bank of the Philippines (DBP) were requested to submit their respective position papers on the bills.
Rural Development	HBs 461, 1418 & 4198	Reps. Kho, Enverga, and Yap (V.)	Institutionalizing the convergence strategy for sustainable rural development and providing the implementing mechanisms therefor	The Committee, chaired by Rep. Elisa "Olga" Kho (2nd District, Masbate), approved HB 461 in consolidation with HBs 1418 and 4198, subject to style and amendment.  A bill with similar subject matter was approved on Third Reading during the 17th Congress.  Rep. Fernando Cabredo (3rd District, Albay) sat as the presiding officer to give way for Rep. Kho to sponsor her bill.  Rep. Kho said that HB 461 seeks to institutionalize the National Convergence Initiative (NCI) which is the complementation of efforts and resources between and among the Departments of Agriculture (DA), Agrarian Reform (DAR), Environment and Natural Resources (DENR), and the Interior and Local Government (DILG), as well as the local government units (LGUs) to promote

Continuation Rural Development				sustainable rural development. It is a response to the fragmented and sometimes overlapping delivery of agriculture and rural development services.  Rep. Sergio Dagooc (Party-List, APEC) suggested the inclusion of the National Electrification Administration (NEA) in the NCI framework.
Ways and Means	Substitute Bill to HBs 1140, 2309, 2511, 2536, 2540, 2543, 2849, 2891, 3114, 3273, 3345, 3486, 3651, 3653, 3946, 3948, 4192 & 4230	Reps. Ouano-Dizon, Gatchalian, Almario, Deputy Speaker Gonzales (A.), Rep. Daza, Deputy Speaker Villafuerte, Reps. Villaraza- Suarez, Nieto, Sy-Alvarado, Romualdez (Y.M.), Deloso- Montalla, Deputy Speaker Hernandez, Reps. Tan (A.), Gonzaga, Olivarez, Aragones, Gonzalez, and Yap (E.)	Establishing the Malasakit Program and institutionalizing the delivery of medical and financial assistance under the Malasakit centers in public hospitals to complement the implementation of RA 11223, otherwise known as the Universal Health Care Act, and appropriating funds therefor	The Committee, chaired by Rep. Joey Sarte Salceda (2nd District, Albay), approved the tax provision of the substitute bill.  The proposed law seeks to establish the Malasakit Program under the Department of Health (DOH) and to institutionalize Malasakit Centers in all DOH-retained hospitals to carry out the objectives of the program.  A Malasakit Center serves as a one-stop shop for medical and financial assistance not covered by the Philippine Health Insurance Corporation (PhilHealth) benefits for indigent and financially incapacitated patients, to be provided by participating agencies such as the DOH, Department of Social Welfare and Development (DSWD), Philippine Charity Sweepstakes Office (PCSO), and the Office of the President (OP).
	Substitute Bill to HBs 1294, 3006, 3616, 4223 & 4695	Deputy Speaker Villafuerte, Reps. Vargas and Salceda	Amending RA 8794, as amended, or the law imposing a motor vehicle user's charge on owners of all types of motor vehicles (by prescribing new rates, increasing gradually over a three-year period starting January 1, 2020)	The Committee approved the substitute bill with amendments.  The Department of Finance (DOF) will determine the unitary tax rate for Motor Vehicle User's Charge (MVUC) by year 2023.
	HB 5267	Rep. Salceda	Taxing taxpayers engaged in Philippine offshore gaming operations, amending for the purpose Sections 22, 25, and 119 of the National Internal Revenue Code of 1997, as amended	The Committee will deliberate further on HB 5267 in its next meeting.  Rep. Salceda, also the author of HB 5267, said that the measure seeks to clarify the appropriate taxes that should be imposed on Philippine offshore gaming operations (POGOs).  Philippine Amusement and Gaming Corporation (PAGCOR) Policy Development Senior Manager Jessa Mariz Fernandez said that imposing higher gaming taxes might discourage the POGO operators to continue their online gaming operations in the country and opt to transfer in other countries with better tax regimes.
				Bureau of Internal Revenue (BIR) National Investigation Division Chief Sixto Dy Jr. clarified that out of the 60 PAGCOR-licensed POGO companies, only 10 Philippine-based companies are subject to tax, the other 50 foreign-based companies are not paying taxes and are not registered with the BIR.

Continuation Ways and Means				Dy said that under the Philippine tax regulatory framework, the POGOs are required to pay taxes because they are operating in the Philippines.  Rep. Sharon Garin (Party-List, AAMBIS-OWA) said that PAGCOR should coordinate with BIR on the proper enforcement of tax laws on POGO companies as well as on POGO employees.  The Committee agreed to invite resource persons from the Department of Information and Communications Technology (DICT), Securities and Exchange Commission (SEC), Bureau of Immigration (BI), Department of Labor and Employment (DOLE), and Office of the Solicitor General (OSG) to attend its next meeting on November 18.
Welfare of Children	Substitute Bill to HB 1587	Rep. Romualdez (Y.M.)	Institutionalizing and enhancing the role of parent-teacher and community associations in promoting the welfare and protecting the rights of children and the youth, amending for the purpose PD 603, otherwise known as the Child and Youth Welfare Code	The Committee, chaired by Rep. Yedda Marie Romualdez (Party-List, TINGOG SINIRANGAN), approved the substitute bill and the corresponding Committee Report.  Rep. Romualdez, also the author of HB 1587, said that it is imperative that an integrative and coordinative mechanism for a total children and youth development program involving parents and teachers be institutionalized and enhanced. Toward this end, she underscored the important role of Parent-Teacher and Community Associations (PTCA) in promoting the welfare of children.  Representatives from the Department of Social Welfare and Development (DSWD), Council on the Welfare of Children (CWC), Child Rights Network, Save the Children, and United Nations Children's Fund (UNICEF) expressed their support for the bill.
	HBs 3, 4218 & 5175	Speaker Cayetano, Reps. Sy-Alvarado and Noel (F.)	Providing for a national program to support and care for the abandoned, neglected, and voluntarily committed children, creating a special trust fund	The Committee approved HB 3, in consolidation with HBs 4218 and 5175, subject to style and amendment.  The proposed law seeks to provide a trust fund for each orphaned, abandoned, neglected, or voluntarily committed minor under DSWD-accredited child caring institutions and care centers. The government shall deposit a specified amount for each of the trust fund account on a quarterly basis. The trust fund matures when the minor reaches the age of majority, and thus providing the child seed money to face the challenges of life.  Representatives from the DSWD, CWC, Child Rights Network, Save the Children, and UNICEF expressed their support for the bill.

	AGENCY BRIEFINGS			
COMMITTEE	SUBJECT MATTER	DISCUSSIONS		
Micro, Small and Medium Enterprise Development	Briefing on plans and programs promoting entrepreneurship and encouraging the establishment of micro, small and medium enterprises (MSMEs)	The Committee, chaired by Rep. Virgilio Lacson (Party-List, MANILA TEACHERS), listened to the briefing of the Department of Trade and Industry (DTI) and the Presidential Adviser for Entrepreneurship on their plans and programs concerning entrepreneurship and MSMEs.		
	Department of Trade and Industry (DTI)	DTI Secretary Ramon Lopez presented an overview of the Philippine MSMEs. He said that MSMEs account for 99.52% of the total business establishments in the country, generating 5.71 million jobs or 63.19% of the country's total employment figure.		
		Among the DTI's programs that create a climate suitable for the emergence and sustainability of MSMEs are the following:  • Negosyo Center - promotes ease of doing business and facilitates MSMEs' access to services such as business registration assistance, monitoring and evaluation, business advisory, and business information and advocacy;  • Pondo sa Pagbabago at Pag-Asenso (P3) - provides microfinance programs for MSMEs; and  • Go Lokal Program - assists MSMEs in gaining access to the mainstream market.		
		Lopez pushed for the passage of laws amending the Magna Carta for MSMEs (RA 6977) and the Retail Trade Liberalization Act (RA 8762); and institutionalizing the P3 Program.		
	Presidential Adviser for Entrepreneurship	Presidential Adviser for Entrepreneurship and Go Negosyo founder Joey Concepcion III discussed the Go Negosyo's activities which are centered on mentoring and providing access to information pertaining to entrepreneurship. Under the "Mentor Me" Program, successful entrepreneurs are tapped to share their expertise and experience with existing and aspiring MSMEs.		
		Go Negosyo is an advocacy of the Philippine Center for Entrepreneurship (PCE), a non-stock, non-profit organization, which aims to demystify entrepreneurial success and popularize entrepreneurship as an alternative to unemployment, jobseeking or migration.		
		Concepcion also advocates for the digitalization of the MSMEs wherein they may venture into online marketing, use digital payment methods, and access e-credit and financing just like the practices of online shopping establishments. He asked the government to create an environment where MSME digitalization will flourish.		
		Rep. Adriano Ebcas (Party-List, AKO PADAYON) lauded the DTI for its efforts to strengthen MSMEs, but said that the interest rates to loans offered to MSMEs are quite high compared to the banks. Lopez explained that such loans do not have the same documentary requirements as securing bank loans and that the interest rates have to take into account administrative and transaction costs. Nevertheless, he clarified that the rates are still much lower than that of the informal "5-6" lending scheme.		
		Rep. Lacson inquired if digitalization is an effective and safe way for small farmers to market their products. Go Negosyo Adviser on Agripreneurship Ana Hontiveros-Malvar replied that		

Continuation Micro, Small and Medium Enterprise Development		they are looking into established online shopping platforms like Lazada and Shoppee, together with logistics companies like Grab and Angkas, as possible avenues for the small farmers to gain better access to the mainstream market.  Lopez added that the DTI is already in talks with the Bangko Sentral ng Pilipinas (BSP) regarding the regulation of electronic payments to ensure safer transactions.
Rural Development	Briefing by the Department of Agriculture (DA) entitled the "New Thinking for Agriculture"	The Committee, chaired by Rep. Elisa "Olga" Kho (2nd District, Masbate), listened to the briefing by the DA entitled the "New Thinking for Agriculture."  DA Undersecretary Rodolfo Vicerra reported that the country's farming and fisheries sector is in critical stage as it has not grown in the past five years. As of 2018, only 24.3% or 10 million of the total labor force is employed in agriculture. In 2015, poverty incidence among farmers and fisherfolk is both at 34%. Also in 2015, a farmer's average annual income is P100,000 which is below the poverty line of P108,000 based on data from the Philippine Statistics Authority (PSA).  He informed the body that the vision of the "new thinking" is to have a food secure Philippines with prosperous farmers and fisherfolk. Its mission is to collectively empower the farmers and fisherfolk and the private sector to increase agricultural productivity and profitability, taking into account sustainability
		and resilience. The Department is adopting eight paradigms under the concept of "Ani at Kita" (harvest and profit), as follows: modernization; industrialization; export promotion; farm consolidation; roadmap development; infrastructure development; budget and investments; and legislative support.  According to Vicerra, the modernization of farming methods will attract more youth into farming, citing the current average age of farmers of 56 to 60 years. He also said that farm consolidation is a more efficient system where cost of production is reduced and farm productivity and incomes are increased. Other important components of agricultural and rural development are efficient agriculture infrastructure such as irrigation systems and linkages to urban/domestic and export markets, adequate funds and additional investments, and responsive laws and policies.