



Committee Daily Bulletin

18th Congress
First Regular Session

A publication of the Committee Affairs Department

Vol. I No. 61
January 27, 2020

COMMITTEE MEETINGS ON HOUSE MEASURES

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Banks and Financial Intermediaries	Substitute Bill to HB 5681	Rep. Cua	Mandating banking institutions to strengthen the financing system for agricultural, fisheries and rural development in the Philippines	<p>The Committee, chaired by Quirino Rep. Junie Cua, approved the Substitute Bill to HB 5681 and the corresponding Committee Report.</p> <p>The proposed law seeks to promote rural development by enhancing access of rural communities and agricultural and fisheries households to financial services and programs through the active participation of banking institutions.</p>
	HBs 4256, 4622 & 5143	Rep. Garin (S.), Deputy Speaker Hernandez, and Rep. Acosta-Alba	Strengthening rural banks in the Philippines, amending further for the purpose RA 7353, otherwise known as the Rural Banks Act of 1992, as amended	<p>The Committee agreed to create a technical working group (TWG) to consolidate the bills.</p> <p>Rep. Cua emphasized the need to pass a law that will strengthen the rural banking system in a way that will still be compliant with the regulations of the Bangko Sentral ng Pilipinas (BSP) – the regulator of the banking industry.</p> <p>The proposed law aims to establish a banking system and a continuous operation of the rural banks as a channel for financial inclusion in the pursuit of making financial services accessible to all individuals and business entities especially in the rural areas regardless of net worth and size.</p> <p>Rural Bankers Association of the Philippines (RBAP) Director Ma. Luisa Andres said that the proposed law also provides for the creation of a Department of Rural Banks under the BSP, which will enforce the laws, orders, instructions, rules and regulations applicable to rural banks as promulgated by the Monetary Board.</p> <p>Objecting to the proposed creation of a Department of Rural Banks, BSP Policy and Specialized Supervision Subsector Managing Director Lyn Javier said that the supervision over banks, including the rural banks, is adequately and competently being handled by the BSP's Financial Supervision Sector. The BSP likewise objected to providing full insurance subsidy to agricultural loans granted by the rural banks as this may result in lax lending policies and administration. As proposed, the agricultural loans will be covered by the Philippine Crop Insurance Corporation (PCIC).</p> <p>Rep. Sabiniano Canama (Party-List, COOP-NATCCO) and Rep. Alfredo Garbin Jr. (Party-List, AKO BICOL) both support this proposal to provide full insurance subsidy to agricultural loans.</p>

Continuation... Banks and Financial Intermediaries				The Committee will invite representatives from the BSP, Land Bank of the Philippines (LBP), Development Bank of the Philippines (DBP), Department of Agriculture (DA), Department of Finance (DOF), Department of Budget and Management (DBM), PCIC, RBAP, and the Philippine Guarantee Corporation (PhilGuarantee) to participate in the meetings of the TWG.
Ways and Means	Substitute Bill to HBs 288, 560, 1687, 2557, 4541, 4874, 5022 & 5253	Reps. Suansing (E.), Abellanos, Deputy Speaker Villafuerte, Rep. Garin (S.), Deputy Speaker Santos-Recto, Reps. Rodriguez, Salceda, and Quimbo	Establishing the fiscal regime for the mining industry	The Committee, presided by its Senior Vice Chair, Rep. Estrellita Suansing (1 st District, Nueva Ecija), approved the substitute bill and the corresponding Committee Report.
	Substitute Bill to HBs 5548, 800, 2591, 784, 5278 & 783	Reps. Garin (S.), Biazon, Atienza, and Deputy Speaker Marcoleta	Amending Sections 104, 119 (b), 201, 209, 307, 402, 407, 423, 427, 431, 800 (g), 802, 806, 900, 1100, 1111, 1117, 1118, 1129, 1131, 1135, 1138, 1141, 1147 (a), 1204, 1126, 1400, 1505 and 1512; adding Sections 225 and 440 (a); and repealing Section 102 (qq) under RA 10863, otherwise known as the Customs Modernization and Tariff Act (CMTA)	The Committee approved the substitute bill subject to style and amendment. Rep. Sharon Garin (Party-List, AAMBIS- OWA), author of HB 5548 and chair of the technical working group (TWG) that deliberated on the bill, said that the proposed law seeks to increase the efficiency of the Bureau of Customs (BOC) by streamlining and clearly defining some of the processes in the BOC and to improve the Bureau's infrastructure for the benefit and convenience of the public. The bill will be referred to the Committee on Appropriations for its comments on Section 225 (Use of Revenue Collection).
	Substitute Bill to HBs 1294, 3006, 3616, 4223 & 4695	Deputy Speaker Villafuerte, Reps. Vargas and Salceda	Amending RA 8794, or the law imposing a motor vehicle user's charge on owners of all types of motor vehicles, as amended by RA 11239	The Committee approved the substitute bill and the corresponding Committee Report.
	HR 79	Deputy Speaker Savellano	Investigation into the manufacturing of illegal cigarettes, fake cigarette labels, and fake revenue stamps; smuggling of fake cigarettes and cigarette-making machines; and loss of revenue because of uncollected taxes	The Committee will deliberate further on the issues raised in HR 79. Deputy Speaker Deogracias Victor "DV" Savellano (1 st District, Ilocos Sur), author of HR 79, said that his resolution seeks to investigate the reported illicit cigarette trade which deprives the government of billions of revenues that could have been allotted for priority government programs such as the Universal Health Care and the provision of financial support to the tobacco farmers. When asked how much the government loses in the illegal cigarette trade, BOC Deputy Commissioner Teddy Sandy Raval said that it could amount to about P1.6 billion just basing it on the value of seized illegally manufactured cigarettes in 2019. BOC Assistant Commissioner Vincent Philip Maronilla

Continuation... Ways and Means				<p>explained that seized illegal cigarettes are destroyed through accredited condemnation facilities in the presence of a representative from the Commission on Audit (COA).</p> <p>Several Members suggested that the BOC and Bureau of Internal Revenue (BIR) must get their acts together and secure the assistance of other government agencies to support their drive against the proliferation of fake cigarettes. She explained that this illegal trade does not only deprive the government of billions of pesos but also adversely affects the business of licensed manufacturers which pay the appropriate government taxes.</p> <p>Rep. Jericho Jonas Nograles (Party-List, PBA) said that fake cigarette stamps are being sold through online selling platforms and advised the Department of Finance (DOF) to coordinate with the Department of Information and Communications Technology (DICT) to address this matter.</p>
	HR 556	Deputy Speaker Pichay	Inquiry into the unabated smuggling of goods into the country by unscrupulous operators of customs bonded warehouses to the detriment of local manufacturers and producers and the Philippine economy, with the end in view of recommending measures to stop smuggling using the warehousing system by revisiting the provisions of the Customs Modernization Tariff Act on bonded warehouses and limiting the type, nature, and number of bonded warehouses	<p>The Committee will deliberate further on the issues raised in HR 556.</p> <p>Deputy Speaker Prospero Pichay Jr. (1st District, Surigao del Sur), author of HR 556, said that his measure seeks to investigate the process of issuing Customs Bonded Warehouses (CBWs) a number of which are being used as conduits in the smuggling of goods into the country.</p> <p>BOC Deputy Commissioner Edward Dy Buco explained the application and accreditation process to operate a CBW. He also discussed the difference between a stand-alone or private CBW and a common CBW. At present, he said, there are 177 regular bonded warehouses and 302 common bonded warehouses operating in the country.</p> <p>Deputy Speaker Pichay said that the BOC should be the only agency authorized to issue bonded warehouse permits.</p> <p>When asked by Rep. Garin on how BOC monitors the warehouses, Dy Buco admitted that the BOC lacks the personnel to monitor these warehouses.</p> <p>Several Members were dismayed at the BOC's failure to efficiently and effectively manage and monitor the activities and transactions of CBWs.</p> <p>The Committee requested the BOC to present the overall process of accreditation and operation of CBWs. Likewise, it agreed to conduct an oversight inspection of the CBWs in the country.</p> <p>The Secretariat was directed to invite the Department of Trade and Industry-Garments Textile Industry Development Office (DTI-</p>

Continuation... Ways and Means				GTIDO) and PHILEXPORT in the Committee's next meeting.
	HR 227	Rep. Suansing (E.)	Inquiry into the implementation of Section 150-B of the National Internal Revenue Code of 1997, as amended by RA 10963, otherwise known as the Tax Reform for Acceleration and Inclusion (TRAIN)	The Committee deferred consideration of HR 227. For its next meeting, the Committee agreed to invite resource persons from the Food and Drug Administration (FDA), Sugar Regulatory Administration (SRA), DOF, BIR, and BOC.

TECHNICAL WORKING GROUP MEETINGS				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Basic Education and Culture (Technical Working Group)	Substitute Bill to HBs 54, 285, 614, 758, 1312, 1400, 1915, 2136, 3311, 4099, 4116, 4127, 4214, 4399 & 4667	Reps. Cabochan, Suansing (E.), Vargas, Biazon, Gatchalian, Olivarez, Castelo, Villar, Fortun, Villarica, Guico, Tambunting, and Dy (F.)	Instituting services for learners with disabilities in support of inclusive education, establishing inclusive learning resource centers in all school districts, providing for standards, and appropriating funds therefor	<p>The technical working group (TWG), presided by Pasig City Rep. Roman Romulo, terminated its discussion on the substitute bill. The bill will be presented to the mother Committee for its consideration and approval.</p> <p>As agreed upon during the meeting, the TWG will include in the bill a provision outlining the role of the Department of Labor and Employment (DOLE) in preparing learners with disabilities for employment, and a provision creating a support fund for learners with disabilities.</p> <p>Rep. Romulo asked the Department of Education (DepEd) to justify the exclusion of gifted and talented learners from the coverage of the proposed Inclusive Learning Resource Centers (ILRC).</p> <p>DepEd Bureau of Learning Delivery Director Leila Areola explained that DepEd already has a number of programs which cater specifically to the gifted and talented such as the Head Start Program for the Gifted and Talented Preschoolers in Public Elementary Schools – a preparatory program for 4 to 5-year old children who manifest superior intelligence beyond their age. The program “provides appropriate educational services, train teachers, administrators and supervisors on the early identification of gifted and talented preschoolers, and develops an enriched curriculum that nurtures, challenges and hones the multiple intelligences of these children, imbued with desirable value.” (Source: DepEd website)</p> <p>The DepEd was requested to provide pertinent data on the Head Start Program, such as the number of beneficiaries and the Program's accomplishments.</p>
Government Enterprises and Privatization (Technical Working Group)	HB 82	Rep. Garbin	Amending Sections 9 and 41 of RA 8291 or the Government Service Insurance Act of 1997, by defining "basic monthly pension" and increasing the membership of the Board of Trustees of the	The technical working group (TWG), chaired by Rep. France Castro (Party-List, ACT-TEACHERS), will deliberate further on the 14 bills in its next meeting.

Continuation... Government Enterprises and Privatization (Technical Working Group)			Government Service Insurance System (GSIS)	<p>The Secretariat was directed to come up with a substitute bill incorporating therein the points agreed upon during the meeting which include the following:</p> <ul style="list-style-type: none"> • The computation formula for the basic monthly pension (BMP) is 2.5% multiplied by the average monthly compensation (AMC), and multiplied by the periods with paid premiums, provided that the BMP shall not exceed 90% of the AMC; • For new entrants and those active members of the GSIS with less than 15 years paid premiums at the time of the effectivity of this Act, the BMP will be equal to 2% multiplied by the AMC, and multiplied by the periods with paid premiums, provided that the BMP shall not exceed 80% of the AMC; and • The composition of the GSIS Board of Trustees will be increased from 10 members to 12 members, including the President and General Manager of the GSIS. <p>Rep. Joey Sarte Salceda (2nd District, Albay), author of HBs 1033 and 5833, recommended that the Revised Charter of the GSIS must clearly reflect under its Declaration of Policy that the GSIS' mandate is mainly to promote and advance the welfare of its members by sustaining fiscal stability, and optimizing GSIS member benefits. He also suggested that the GSIS contributions be increased from 21% to 23%, wherein 1.5% of the additional 2% will come from the government and 0.5% will be shouldered by the government employees.</p> <p>The TWG also agreed to include in the bill a provision instituting a check and balance mechanism on the collection and remittance of contributions and the delivery of benefits to the members.</p>
	HBs 228, 1033 & 2787	Reps. Castro (F.L.), Salceda, and Rodriguez	Further strengthening the GSIS	
	HBs 1651 & 4537	Rep. Cabochan and Deputy Speaker Santos-Recto	Institutionalizing the rights of GSIS members, providing them additional representation in the GSIS Board	
	HB 2914	Rep. Castelo	Increasing the monthly income benefits for work-related permanent disability and death of workers and employees	
	HB 4780	Rep. Guico	Mandating the payment of retirement benefits to Social Security System (SSS) or GSIS members within a maximum period of 30 days from the retirement date	
	HB 4832	Rep. Nograles (J.J.)	Upgrading the pension benefits under the GSIS, further amending for the purpose PD 1146, as amended, also known as the Government Service Insurance Act of 1997	
	HBs 5540 & 5714	Reps. Momo and Datol	Providing for the automatic annual adjustment of the pension of retirees from the government who are members of the GSIS	
	HB 5587	Rep. Noel	Amending PD 1146, as amended (by extending the age of legal dependents from 18 to 23 years old)	
Justice (Technical Working Group)	HBs 5833 & 5962	Rep. Salceda and Deputy Speaker Pimentel	Revised Charter of the GSIS	<p>The technical working group (TWG), chaired by Deputy Speaker Henry Oaminal (2nd District, Misamis Occidental), will deliberate further on the seven bills in its next meeting.</p> <p>The Supreme Court (SC) and the Philippine Judges Association (PJA) agreed that the proposed Office of the Judiciary Marshals may conduct its own investigations, in coordination with the Philippine National Police (PNP) and the National Bureau of Investigation (NBI), on cases involving justices, judges, and court officials and personnel.</p> <p>As stated in the bills, the Office of the Judiciary Marshals shall be primarily responsible for the protection and security of the members of the judiciary and the courts, as well as the properties of the Judiciary.</p>
	HB 3409	Rep. Biazon	Establishing the Office of Judiciary Marshals and appropriating funds therefor	
	HBs 5403 & 5654	Deputy Speakers Pimentel and Garcia	Establishing the Office of the Philippine Marshals Service under the Supreme Court of the Philippines and appropriating funds thereof	
	HBs 5528, 5686, 5691 & 5736	Deputy Speakers Villafuerte and Hernandez, Rep. Rodriguez, and Deputy Speaker Oaminal	Creating the Philippine Marshal Service, defining its functions and powers, appropriating funds therefor	

Continuation... Rural Development		<p>malnourished children. The milk feeding program assures the local milk producers of a ready market for their produce, while helping address malnutrition among schoolchildren.</p> <p>The Bureau of Animal Industry (BAI) - Department of Agriculture (DA), Department of Budget and Management (DBM), Department of Science and Technology (DOST), and the Department of Trade and Industry (DTI) were requested to attend the Committee's next meeting.</p>
Visayas Development	Briefing by the Regional Development Councils (RDCs) of Regions V, VII and VIII on the development plans and programs in these regions	<p>The Committee, chaired by Rep. Vincent Franco "Duke" Frasco (5th District, Cebu), held a meeting in the Cebu Provincial Capitol, Cebu City on January 21 to discuss with the RDCs in Regions V, VII and VIII the economic and social development programs in the three regions. The RDC officials took turns in discussing these plans and programs which are funded under the FY 2019 and 2020 General Appropriations Acts (GAAs).</p> <p>The RDC is the highest policy-making body in the region and serves as the counterpart of the National Economic and Development Authority (NEDA) Board at the subnational level. It is the primary institution that coordinates and sets the direction of all economic and social development efforts in the region. It also serves as a forum where local efforts can be related and integrated with national development initiatives. (Source: NEDA website)</p> <p>Other House Members present in the public hearing were Deputy Speaker Pablo John Garcia (3rd District, Cebu) and Reps. Wilfredo "Willy" Caminero (2nd District, Cebu), Emmarie "Lolypop" Ouano-Dizon (6th District, Cebu), Jocelyn Sy Limkaichong (1st District, Negros Oriental), Jose "Jun" Ong Jr. (2nd District, Northern Samar), Jake Vincent Villa (Siquijor), and Sonny "SL" Lagon (Party-List, AKO BISAYA).</p> <p>After the meeting, the Committee also watched the festivities and visited tourist destinations as part of the celebration of the <i>Suroy Suroy sa Sugbo</i> in Cebu.</p> <p><i>Suroy Suroy sa Sugbo</i> is a tour activity offered by the Provincial Tourism Office (PTO) in Cebu as a means of promoting the province's tourist destinations to local and foreign tourists.</p>