



# Congressional Record

PLENARY PROCEEDINGS OF THE 18<sup>th</sup> CONGRESS, FIRST REGULAR SESSION

## House of Representatives

Vol. 3

Wednesday, September 25, 2019

No. 20a

### RESUMPTION OF SESSION

*At 3:00 p.m., the session was resumed with Deputy Speaker Johnny Ty Pimentel presiding.*

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

The Majority Leader is recognized.

REP. MACAPAGAL ARROYO. Mr. Speaker, I move that we proceed to the Additional Reference of Business.

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

The Secretary General will please read the Additional Reference of Business.

### ADDITIONAL REFERENCE OF BUSINESS

*The Secretary General read the following House Bills and Resolutions on First Reading, Communications, Subpoena Duces Tecum and Committee Report and the Deputy Speaker made the corresponding references:*

### BILLS ON FIRST READING

House Bill No. 4746, entitled:

“AN ACT MANDATORILY CREATING THE POSITION OF THE MUNICIPAL GENERAL SERVICES OFFICER, AMENDING FOR THE PURPOSE BOOK III, TITLE TWO, CHAPTER 2, SECTION 443 (A) OF REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE”

By Representative Pimentel

TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 4747, entitled:

“AN ACT INCREASING THE RECRUITMENT QUOTA REQUIREMENT OF FEMALE PNP OFFICERS, AMENDING SECTION 58 OF

REPUBLIC ACT 8551, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES”

By Representative Pimentel

TO THE COMMITTEE ON PUBLIC ORDER AND SAFETY

House Bill No. 4748, entitled:

“AN ACT INCREASING THE PATERNITY LEAVE FROM SEVEN (7) DAYS TO FIFTEEN (15) DAYS, AMENDING FOR THIS PURPOSE SECTIONS 2 AND 3 OF REPUBLIC ACT NO. 8187, OTHERWISE KNOWN AS ‘THE PATERNITY LEAVE ACT OF 1996’ ”

By Representative Pimentel

TO THE COMMITTEE ON LABOR AND EMPLOYMENT AND THE COMMITTEE ON CIVIL SERVICE AND PROFESSIONAL REGULATION

House Bill No. 4749, entitled:

“AN ACT INSTITUTING THE MAGNA CARTA NG PILIPINONG MARINO”

By Representative Espino

TO THE COMMITTEE ON LABOR AND EMPLOYMENT

House Bill No. 4755, entitled:

“AN ACT INSTITUTIONALIZING THE WARNING, ALERT, AND RESPONSE NETWORK 911 ACT OF 2016 OR THE ‘WARN 911’ AS THE NATIONWIDE EMERGENCY HOTLINE NUMBER AND PROVIDING PENALTY TO PRANK CALLS THEREOF”

By Representative Pimentel

TO THE COMMITTEE ON PUBLIC ORDER AND SAFETY

House Bill No. 4756, entitled:

“AN ACT PROVIDING FOR THE CONSTRUCTION OF PUBLIC RESTROOMS ALONG NATIONAL AND

PROVINCIAL HIGHWAYS THROUGHOUT THE COUNTRY, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES”

By Representative Nieto  
TO THE COMMITTEE ON PUBLIC WORKS  
AND HIGHWAYS

House Bill No. 4757, entitled:

“AN ACT TO INSTITUTE PERSONS WITH DISABILITIES (PWDs)-FRIENDLY TRANSPORTATION PROGRAM IN CITIES AND URBAN CENTERS OF THE COUNTRY, AND APPROPRIATING FUNDS THEREFORE”

By Representative Nieto  
TO THE COMMITTEE ON SOCIAL  
SERVICES

House Bill No. 4758, entitled:

“AN ACT PRESCRIBING THE HONORARIA OR ALLOWANCES OF BARANGAY OFFICIALS AT MINIMUM WAGE LEVELS, AMENDING FOR THE PURPOSE SECTION 393, PARAGRAPH (a) OF REPUBLIC ACT NO. 7160, AS AMENDED, OTHERWISE KNOWN AS ‘THE LOCAL GOVERNMENT CODE OF 1991’, AND FOR OTHER PURPOSES”

By Representative Nieto  
TO THE COMMITTEE ON LOCAL  
GOVERNMENT

House Bill No. 4759, entitled:

“AN ACT PROVIDING FOR A NATIONAL HOUSING DEVELOPMENT, PRODUCTION, AND FINANCING PROGRAM, REGULARIZING ITS APPROPRIATION FOR ITS IMPLEMENTATION”

By Representative Nieto  
TO THE COMMITTEE ON HOUSING AND  
URBAN DEVELOPMENT

House Bill No. 4760, entitled:

“AN ACT INCREASING THE MINIMUM WAGE OF KASAMBAHAYS AMENDING FOR THIS PURPOSE SEC. 24 OF REPUBLIC ACT NO. 10361, ALSO KNOWN AS THE ‘DOMESTIC WORKERS ACT’ OR ‘BATAS KASAMBAHAY’”

By Representative Nieto  
TO THE COMMITTEE ON LABOR AND  
EMPLOYMENT

House Bill No. 4761, entitled:

“AN ACT EXTENDING THE PERIOD OF

VALIDITY OF A DRIVER’S LICENSE FROM FIVE (5) TO TEN (10) YEARS, THEREBY AMENDING FOR THE PURPOSE SECTION 23 OF REPUBLIC ACT NO. 4136, AS AMENDED BY BATAS PAMBANSA BLG. 398 AND EXECUTIVE ORDER NO. 1011, OTHERWISE KNOWN AS THE ‘LAND TRANSPORTATION AND TRAFFIC CODE’”

By Representative Olivarez  
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 4762, entitled:

“AN ACT ALLOWING PETS TO BE TRANSPORTED IN PUBLIC UTILITY VEHICLES OPERATING IN THE PHILIPPINES”

By Representative Olivarez  
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 4763, entitled:

“AN ACT INCREASING THE BED CAPACITY OF THE TERESITA LOPEZ JALANDONI PROVINCIAL HOSPITAL IN THE CITY OF SILAY, PROVINCE OF NEGROS OCCIDENTAL FROM ONE HUNDRED (100) TO THREE HUNDRED (300) BEDS, UPGRADING ITS SERVICES AND FACILITIES, AUTHORIZING THE INCREASE OF ITS MEDICAL PERSONNEL, AND APPROPRIATING FUNDS THEREFOR”

By Representative Benitez  
TO THE COMMITTEE ON HEALTH

House Bill No. 4764, entitled:

“AN ACT INSTITUTIONALIZING THE COMMUNITY-DRIVEN DEVELOPMENT APPROACH AS A NATIONAL STRATEGY FOR INCLUSIVE GROWTH AND SOCIAL PROTECTION, MANDATING ALL NATIONAL GOVERNMENT AGENCIES AND DEPARTMENTS, INCLUDING THEIR ATTACHED AGENCIES, OFFICES AND BUREAUS, LOCAL GOVERNMENT UNITS, AND OTHER GOVERNMENT INSTRUMENTALITIES TO IMPLEMENT THEIR COMMUNITY-BASED PROGRAMS, ACTIVITIES, AND PROJECTS, APPROPRIATING FUNDS THEREFOR”

By Representative Mangaoang  
TO THE COMMITTEE ON SOCIAL  
SERVICES

House Bill No. 4765, entitled:

“AN ACT SETTING MINIMUM STANDARDS

FOR THE OPERATION OF INTERNET CAFES”

By Representative Delos Santos  
TO THE COMMITTEE ON TRADE AND INDUSTRY

House Bill No. 4766, entitled:

“AN ACT RECLASSIFYING CERTAIN PARCELS OF LAND OF PUBLIC DOMAIN LOCATED IN SITIOS FROM THE DIFFERENT BARANGAYS OF ANUPUL, SAN NICOLAS, SAN ROQUE AND LOURDES, ALL IN THE MUNICIPALITY OF BAMBAN, PROVINCE OF TARLAC FROM UNCLASSIFIED FOREST LANDS INTO ALIENABLE AND DISPOSABLE LANDS”

By Representative Villanueva (Noel)  
TO THE COMMITTEE ON NATURAL RESOURCES

House Bill No. 4767, entitled:

“AN ACT CREATING THE CLARK MEDICAL HUB, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Romero  
TO THE COMMITTEE ON HEALTH

House Bill No. 4768, entitled:

“AN ACT CREATING THE CLARK LUNG CENTER, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Romero  
TO THE COMMITTEE ON HEALTH

House Bill No. 4769, entitled:

“AN ACT CREATING THE CLARK CHILDREN CENTER, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Romero  
TO THE COMMITTEE ON HEALTH

House Bill No. 4770, entitled:

“AN ACT CREATING THE CLARK KIDNEY CENTER, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Romero  
TO THE COMMITTEE ON HEALTH

House Bill No. 4771, entitled:

“AN ACT CREATING THE CLARK HEART CENTER, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Romero  
TO THE COMMITTEE ON HEALTH

House Bill No. 4772, entitled:

“AN ACT CREATING THE CLARK CANCER CENTER, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Romero  
TO THE COMMITTEE ON HEALTH

House Bill No. 4773, entitled:

“AN ACT ESTABLISHING A DISTRICT OFFICE OF THE LAND TRANSPORTATION OFFICE IN THE MUNICIPALITY OF BALINGASAG, MISAMIS ORIENTAL AND APPROPRIATING FUNDS THEREFOR”

By Representative Unabia  
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 4776, entitled:

“AN ACT REGULATING THE IMPOSITION OF PARKING FEES IN SHOPPING MALLS, HOTELS AND SIMILAR BUSINESSES OR COMMERCIAL ESTABLISHMENTS AND PRESCRIBING PENALTIES THEREFOR”

By Representative Escudero  
TO THE COMMITTEE ON TRADE AND INDUSTRY

House Bill No. 4777, entitled:

“AN ACT ESTABLISHING A SYSTEM OF REGISTRATION FOR LEASE ON REGISTERED LANDS”

By Representative Escudero  
TO THE COMMITTEE ON JUSTICE

House Bill No. 4778, entitled:

“AN ACT INSTITUTING REFORMS IN LAND ADMINISTRATION”

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

House Bill No. 4779, entitled:

“AN ACT STRENGTHENING THE REGULATORY SYSTEM IN THE COUNTRY TO COMBAT COUNTERFEIT PHARMACEUTICAL PRODUCTS, DECLARING THE MANUFACTURE, IMPORTATION, DISTRIBUTION, SALE OR OFFER FOR SALE, OR POSSESSION OF COUNTERFEIT PHARMACEUTICAL PRODUCTS AS AN OFFENSE INVOLVING ECONOMIC SABOTAGE, PROVIDING PENALTIES FOR VIOLATIONS THEREOF, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 8203, OTHERWISE KNOWN AS

THE ‘SPECIAL LAW ON COUNTERFEIT  
DRUGS’ ”

By Representative Tan (Angelina)  
TO THE COMMITTEE ON HEALTH

House Bill No. 4780, entitled:

“AN ACT MANDATING THE PAYMENT OF  
RETIREMENT BENEFITS TO SSS OR  
GSIS MEMBERS WITHIN A MAXIMUM  
PERIOD OF THIRTY (30) DAYS FROM THE  
RETIREMENT DATE AND FOR OTHER  
PURPOSES”

By Representative Guico  
TO THE COMMITTEE ON GOVERNMENT  
ENTERPRISES AND PRIVATIZATION

House Bill No. 4781, entitled:

“AN ACT DECLARING THE ACACIA TREES  
IN THE MUNICIPALITY OF BINALONAN,  
PROVINCE OF PANGASINAN, AS LOCAL  
HERITAGE TREES AND APPROPRIATING  
FUNDS FOR ITS PROTECTION,  
PRESERVATION, AND CONSERVATION,  
AND OTHER PURPOSES”

By Representative Guico  
TO THE COMMITTEE ON NATURAL  
RESOURCES

House Bill No. 4782, entitled:

“AN ACT PROVIDING FOR ADDITIONAL  
BENEFITS, AMENDING FOR THIS  
PURPOSE REPUBLIC ACT NO. 8972  
OTHERWISE KNOWN AS THE ‘SOLO  
PARENTS’ WELFARE ACT OF 2000”

By Representative Guico  
TO THE COMMITTEE ON REVISION OF LAWS

House Bill No. 4783, entitled:

“AN ACT CONVERTING THE BATANES  
STATE COLLEGE IN THE PROVINCE OF  
BATANES, INTO A STATE UNIVERSITY,  
TO BE KNOWN AS THE BATANES STATE  
UNIVERSITY, AND APPROPRIATING  
FUNDS THEREFOR”

By Representative Gato  
TO THE COMMITTEE ON HIGHER AND  
TECHNICAL EDUCATION

House Bill No. 4784, entitled:

“AN ACT TO CONVERT BARANGAY ITBUD,  
MUNICIPALITY OF UYUGAN, PROVINCE  
OF BATANES, FROM ITS PRESENT  
CLASSIFICATION AS TIMBERLAND  
TO AN ALIENABLE AND DISPOSABLE  
RESIDENTIAL AREA/SITE, AND OTHER  
APPURTENANCE THERETO”

By Representative Gato  
TO THE COMMITTEE ON NATURAL  
RESOURCES

House Bill No. 4785, entitled:

“AN ACT DECLARING CERTAIN DRYLANDS  
OF THE PUBLIC DOMAIN, LOCATED  
IN THE ISLANDS OF PONSON, PORO  
AND PACIJAN, KNOWN AS CAMOTES  
GROUP OF ISLANDS, PROVINCE OF  
CEBU, AS ALIENABLE AND DISPOSABLE  
LAND OPEN TO DISPOSITION FOR  
AGRICULTURAL, COMMERCIAL,  
RESIDENTIAL, INDUSTRIAL, AND  
OTHER PURPOSES, AMENDING FOR  
THE PURPOSE PROCLAMATION NO. 2152  
DATED DECEMBER 29, 1981, ENTITLED  
DECLARING THE ENTIRE PROVINCE OF  
PALAWAN AND CERTAIN PARCELS OF  
THE PUBLIC DOMAIN AND/OR PARTS OF  
THE COUNTRY AS MANGROVE SWAMP  
FOREST RESERVES”

By Representative Frasco  
TO THE COMMITTEE ON NATURAL  
RESOURCES

House Bill No. 4786, entitled:

“AN ACT ESTABLISHING A DISTRICT  
BRANCH OF THE LAND  
TRANSPORTATION OFFICE (LTO) IN THE  
MUNICIPALITY OF LILOAN, PROVINCE  
OF CEBU AND APPROPRIATING FUNDS  
THEREFOR”

By Representative Frasco  
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 4787, entitled:

“AN ACT ESTABLISHING MULTISPECIES  
MARINE HATCHERIES IN THE CITY OF  
ZAMBOANGA AND APPROPRIATING  
FUNDS THEREFOR”

By Representative Dalipe  
TO THE COMMITTEE ON AQUACULTURE  
AND FISHERIES RESOURCES

House Bill No. 4788, entitled:

“AN ACT PROVIDING FOR THE  
ACQUISITION OF MATERIEL, SYSTEMS,  
FACILITIES, INTEGRATED MILITARY  
SYSTEMS AND SERVICES BY THE  
DEPARTMENT OF NATIONAL DEFENSE  
AND ITS BUREAUS AND FOR OTHER  
PURPOSES”

By Representative Biazon  
TO THE COMMITTEE ON NATIONAL DEFENSE  
AND SECURITY

House Bill No. 4789, entitled:

“AN ACT CONVERTING THE POBLACION–BANTAY–BURINGAL–ISABELA ROAD INTO A NATIONAL ROAD TO BE KNOWN AS MOUNTAIN PROVINCE–ISABELA ROAD VIA BURINGAL AND APPROPRIATING FUNDS THEREFOR”

By Representative Dalog  
TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4790, entitled:

“AN ACT DECLARING EVERY 30<sup>TH</sup> OF NOVEMBER EVERY YEAR AS A SPECIAL WORKING HOLIDAY IN RECOGNITION OF JESUS REIGNS NATIONAL WORSHIP DAY”

By Representative Gatchalian  
TO THE COMMITTEE ON REVISION OF LAWS

House Bill No. 4792, entitled:

“AN ACT INSTITUTIONALIZING THE PONDO PARA SA PAGBABAGO AT PAG-ASENSO (P-3) PROGRAM OF THE GOVERNMENT AND APPROPRIATING FUNDS THEREFOR”

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

House Bill No. 4793, entitled:

“AN ACT ESTABLISHING THE NATIONAL FINANCIAL LITERACY COUNCIL AND APPROPRIATING FUNDS THEREFOR”

By Representative Bolilia  
TO THE COMMITTEE ON POVERTY ALLEVIATION

House Bill No. 4794, entitled:

“AN ACT MANDATING LOCAL GOVERNMENT UNITS TO EARMARK A PORTION OF THEIR INTERNAL REVENUE ALLOTMENT FOR FREE MEDICINES TO INDIGENT PATIENTS IN THEIR JURISDICTIONS”

By Representative Abueg-Zaldivar  
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 4795, entitled:

“AN ACT REPEALING SECTION 4(C) AND 4(D), AND CHAPTER IV SECTIONS 89 TO 95 OF REPUBLIC ACT NO. 9593, ALSO KNOWN AS THE TOURISM ACT OF 2009, ABOLISHING FOR THE

PURPOSE THE DUTY FREE PHILIPPINES CORPORATION”

By Representatives Pineda and Romero  
TO THE COMMITTEE ON TOURISM

House Bill No. 4796, entitled:

“AN ACT ESTABLISHING A COMPREHENSIVE SYSTEM FOR REGISTRATION AND LICENSING OF SOCIAL WELFARE AND DEVELOPMENT AGENCIES AND ACCREDITATION OF SOCIAL WELFARE AND DEVELOPMENT PROGRAMS AND SERVICES, AND APPROPRIATING FUNDS THEREFOR”

By Representatives Eriguel and Canama  
TO THE COMMITTEE ON SOCIAL SERVICES

House Bill No. 4797, entitled:

“AN ACT REGULATING THE PRACTICE OF CIVIL ENGINEERING AND REPEALING FOR THAT PURPOSE REPUBLIC ACT NO. 544, AS AMENDED BY REPUBLIC ACT NO. 1582”

By Representative Gonzales (Aurelio)  
TO THE COMMITTEE ON CIVIL SERVICE AND PROFESSIONAL REGULATION

House Bill No. 4798, entitled:

“AN ACT CONVERTING THE PROVINCIAL ROAD STRETCHING FROM BARANGAY AMGANAD, MUNICIPALITY OF BANAUE–BARANGAY NORTHERN CABABUYAN, BARANGAY CABABUYAN, BARANGAY POBLACION AND BARANGAY PIWONG, MUNICIPALITY OF HINGYON, ALL IN THE PROVINCE OF IFUGAO INTO A NATIONAL ROAD AND APPROPRIATING FUNDS THEREFOR”

By Representative Chungalao  
TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4799, entitled:

“AN ACT CONVERTING THE APOLONIO MOLINA ELEMENTARY SCHOOL IN BARANGAY LABAKID, MUNICIPALITY OF SINDANGAN, PROVINCE OF ZAMBOANGA DEL NORTE INTO AN INTEGRATED SCHOOL TO BE KNOWN AS APOLONIO MOLINA INTEGRATED SCHOOL AND APPROPRIATING FUNDS THEREFOR”

By Representative Labadlabad  
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 4800, entitled:

“AN ACT ESTABLISHING A NATIONAL DISASTER RESILIENCE POLICY, CREATING THE DEPARTMENT OF DISASTER RESILIENCE, DEFINING ITS POWERS AND FUNCTIONS, AND FOR OTHER PURPOSES”

By Representative Romualdo

TO THE COMMITTEE ON GOVERNMENT REORGANIZATION AND THE COMMITTEE ON DISASTER MANAGEMENT

## RESOLUTIONS

House Resolution No. 368, entitled:

“RESOLUTION DIRECTING THE APPROPRIATE COMMITTEE TO CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION, ON THE DEATH OF PHILIPPINE MILITARY ACADEMY CADET DARWIN DORMITORIO WITH THE END OF PROBING INTO THE PROTOCOLS OF THE PMA INVOLVING THE PMA CADET CORPS”

By Representative Garbin

TO THE COMMITTEE ON RULES

House Resolution No. 369, entitled:

“A RESOLUTION URGING THE COMMITTEE ON APPROPRIATIONS TO RESTORE THE FY 2020 PROPOSED BUDGET OF THE DEPARTMENT OF AGRICULTURE (DA) AMOUNTING TO 333.2 BILLION PESOS THAT WAS REDUCED BY THE DEPARTMENT OF BUDGET AND MANAGEMENT TO 71.8 BILLION PESOS”

By Representative Cabatbat

TO THE COMMITTEE ON APPROPRIATIONS

House Resolution No. 370, entitled:

“A RESOLUTION DIRECTING THE COMMITTEE ON JUSTICE TO CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION, ON THE DEATH OF PHILIPPINE MILITARY ACADEMY (PMA) CADET DARWIN DORMITORIO DUE TO THE BARBARIC ACT OF HAZING ALLEGEDLY DONE BY HIS UPPERCLASSMEN”

By Representative Castelo

TO THE COMMITTEE ON RULES

House Resolution No. 371, entitled:

“RESOLUTION URGING THE HOUSE OF REPRESENTATIVES THROUGH THE

COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES TO INVESTIGATE, IN AID OF LEGISLATION, THE DREDGING ACTIVITIES IN THE MUNICIPALITY OF APARRI, CAGAYAN”

By Representative Nolasco

TO THE COMMITTEE ON RULES

House Resolution No. 372, entitled:

“A RESOLUTION URGING THE LOCAL WATER UTILITIES ADMINISTRATION (LWUA) TO IMMEDIATELY CONDUCT AN ASSESSMENT OF THE CURRENT SITUATION OF LOCAL WATER SUPPLY IN THE LONE DISTRICT OF BACOLOD AND FORMULATE AND IMPLEMENT A COMPREHENSIVE PLAN THAT WILL ENSURE QUALITY AND ADEQUATE WATER SUPPLY WITHIN THE DISTRICT”

By Representative Gasataya

TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Resolution No. 373, entitled:

“RESOLUTION CALLING FOR HOUSE INVESTIGATION ON THE DEATH OF PHILIPPINE MILITARY ACADEMY (PMA) CADET FOURTH CLASS DARWIN DORMITORIO AS A RESULT OF ALLEGED HAZING”

By Representative Yap (Eric)

TO THE COMMITTEE ON RULES

## COMMUNICATIONS

Letter dated August 18, 2019 of Marieta Bañez Sumagaysay, Ph.D., Executive Director III, National Research Council of the Philippines (NRCP), Department of Science and Technology, submitting to the House of Representatives the NCRP's Agency Action Plan and Status of Implementation (AAPSI) on the Audit Observations and Recommendations for CY 2018 as of August 31, 2019.

TO THE COMMITTEE ON SCIENCE AND TECHNOLOGY

Letter dated September 5, 2019 of Jennie Rosalie T. Uy, Municipal Mayor, Municipality of Villanueva, Province of Misamis Oriental, submitting to the House of Representatives their Report on Fund Utilization and Status of Program/Project Implementation for the Month ended July 31, 2019 on the Local Government Support Fund 2018.

TO THE COMMITTEE ON APPROPRIATIONS

Letter dated 13 September 2019 of Josue S. Gaverza, Jr., Assistant Secretary for Financial Management, Department of National Defense, endorsing the Philippine Air Force (PAF) Agency Action Plan and Status of Implementation (AAPSI) on the audit findings and recommendations for CY 2018 as of August 1, 2019.

TO THE COMMITTEE ON NATIONAL DEFENSE  
AND SECURITY

Letter dated 16 September 2019 of Benjamin R. Madrigal Jr., General, Armed Forces of the Philippines (AFP), submitting to the House of Representatives a copy of the consolidated Agency Action Plan and Status of Implementation (AAPSI) on the Audit Observations and Recommendations for CY 2018 together with the Status of Implementation of Prior Years' Audit Recommendations (SIPYAR) CY 2017 and earlier.

TO THE COMMITTEE ON APPROPRIATIONS

#### SUBPOENA DUCES TECUM

Pursuant to Section 151, Rule XXIII of the Rules of the House of Representatives transmitting the Subpoena Duces Tecum dated 7 August 2019 issued by Atty. Dennis E. Pulma, Executive Clerk of Court III, on Case No. SB-14-CRM-0124-0192, directing Ms. Divina S. Medina, Executive Director, Legislative Information Resources and Advocacy Bureau, House of Representatives, to appear before the Sandiganbayan, Third Division, Sandiganbayan Centennial Building, Batasan Road corner Commonwealth Avenue, Batasan Hills, Quezon City on August 15 and 16, 2019 at 8:30 in the morning to be present at the trial, then and there to testify in the above-entitled case/s pending therein.

Pursuant to Section 151, Rule XXIII of the Rules of the House of Representatives transmitting the Subpoena Duces Tecum dated September 5, 2019 issued by Ivy C. Ruiz-Regis, Assistant Special Prosecutor I, Office of the Ombudsman, on Case No. SB-17-CRM-0663 to 0664 and Case No. SB-17-CRM-0665 to 0666, directing Ms. Evelyn G. De Jesus, Director II, Human Resource Management Service, House of Representatives, to submit the Personal Data Sheet (PDS), Service Record and Oath of Office of Congressman Teodulo M. Coquilla on or before September 13, 2019 at the above specified address.

Pursuant to Section 151, Rule XXIII of the Rules of the House of Representatives transmitting the Subpoena Duces Tecum dated 9 September 2019 issued by Maricel M. Marcial-Oquendo, Acting Director, PIAB-C, Office of the Ombudsman,

on Case No. OMB-C-C-17-0100, directing Ms. Evelyn G. De Jesus, Director II, Human Resource Management Service, House of Representatives, to submit certified true and clear copies of the Personal Data Sheet and Service Record indicating the salary grade of the following respondents Fe M. Ligtas, Teofranco M. Mallari, Lolita D. Bolayog and Allan A. Plaza within five (5) days from receipt thereof to this Office through the Central Records Division (CRD), 2<sup>nd</sup> Floor, Ombudsman Bldg., Office of the Ombudsman, Agham Road, Diliman, Quezon City.

#### ADDITIONAL REFERENCE OF BUSINESS

#### COMMITTEE REPORT

Report of the Committee on Appropriations (Committee Report No. 30), re H.J.R. No. 19, entitled:

“JOINT RESOLUTION EXTENDING THE AVAILABILITY OF THE 2019 APPROPRIATIONS FOR MAINTENANCE AND OTHER OPERATING EXPENSES AND CAPITAL OUTLAYS TO DECEMBER 31, 2020, AMENDING FOR THE PURPOSE SECTION 65 OF THE GENERAL PROVISIONS OF REPUBLIC ACT NO. 11260, THE GENERAL APPROPRIATIONS ACT OF FISCAL YEAR 2019”

recommending its adoption without amendment  
Sponsors: Representatives Ungab, Legarda, Zamora (Ronaldo) and Almario  
TO THE COMMITTEE ON RULES

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

REP. MACAPAGAL ARROYO. Mr. Speaker, I move that we recognize Hon. Fredenil “Fred” H. Castro to rise on a question of personal and collective privilege.  
I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). Hon. Fred Castro, what is the nature of the question of privilege?

REP. CASTRO (F.H.). Everybody will like the nature of what I am going to address the Plenary of this institution.

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

REP. CASTRO (F.H.). I know, Mr. Speaker, that they would not want to be contaminated by the epidemic of African swine fever arising from the alleged pork

barrel in the General Appropriations Bill that was approved by the Plenary last week.

THE DEPUTY SPEAKER (Rep. Pimentel). Please proceed, Honorable Fred Castro.

QUESTION OF PRIVILEGE OF REP. CASTRO (F.H.)

REP. CASTRO (F.H.). Mr. Speaker, my dear colleagues, my address to the Members of this institution is brief but privileged, but initially, let me convey my commendation to the Members of the House, to the leadership, and to all those who exhibited the highest degree of statesmanship displayed by their cooperation and support for the record-time passage of the General Appropriations Bill which is supposed to be the 2020 General Appropriations Act of the Republic of the Philippines the moment that it is signed by the President of this country.

While I am enjoying the ecstasy of having commended all Members of this institution, I am sad, however, Mr. Speaker, my dear colleagues, because notwithstanding the sacrifices displayed by the Members of this House, here comes the reckless, irresponsible and imprudent accusation of a misguided member of supposedly a coordinate branch of the Legislative Department of our country. It is not unknown to the Members of this House that this supposedly gentleman and soldier—because he used to be a General in the Philippine National Police—came out with a statement accusing you, accusing everybody in this Hall, that the General Appropriations Bill that you signed to be transmitted for review and scrutiny of the Senate is contaminated with pork barrel which may contaminate you similarly with political swine fever.

Now, ladies and gentlemen, there is no truth to this pork barrel. Everybody knows that there is no truth to this and that any allegation of pork barrel as inserted in the General Appropriations Bill is nothing but a concoction or imaginary, if not fictional. You know that first hand. You know that as a matter of real evidence because you were here and you were the ones responsible for crafting and approving the General Appropriations Bill.

Senator Lacson is supposedly a venerable member of the Senate, but I am sad that he does not and he has not learned to observe the principle of parliamentary courtesy. I am similarly sad because Senator Lacson, a former General, is being too reckless. All that he should have done, in order to protect this institution from having its integrity and reputation eroded, was simply to ask the leadership of this House, his former colleague in the Senate, and to ask the former Finance Chairman in the Senate, in the person of Speaker Alan Peter Cayetano and former Senator Loren Legarda, respectively.

That notwithstanding, I still respect Senator Lacson but that respect does not mean that he is exonerated from

his responsibility. In order to confirm that, indeed, he is a soldier and a gentleman, perhaps Senator Lacson would be sensible enough to realize what he has done and how he has damaged this institution by extending a sincere apology to this institution and to all the Members of this House of Representatives.

Mr. Speaker, my dear colleagues, in one of the pronouncements of Senator Lacson, he said that the pork barrel which could have been inserted in the 2020 GAB or General Appropriations Bill was scrapped and worse, he said that this scrapping happened even before he addressed the matter in the media.

My dear Speaker and my dear colleagues, that makes him more irresponsible. He has not seen a single line of the General Appropriations Bill, he has not studied yet, as he claimed, the General Appropriations Bill approved by the House and therefore, he has absolutely no reason to accuse you and to accuse all Members of making pork barrel insertions in the proposed General Appropriations Act.

Mr. Speaker, my dear colleagues, if indeed, under the assumption, which I do not believe, that there was indeed a scrapping of this pork barrel in the approved GAB, why in the first place, if it was scrapped, would he still bring this matter to the attention of the media, an act that could not be interpreted as nothing than being reckless and irresponsible, if not intentional.

My dear colleagues, again, let me reiterate: I will only believe that Senator Lacson deserves to be called a soldier and a gentleman, because of this irresponsible and reckless act that has damaged not only the reputation of this institution but more importantly, the reputation and integrity of each and every Member of this House, especially the newcomers who have come with their idealism in this Hall intact, if he, as he should and must, apologize to this institution and to all of you, my dear colleagues.

Mr. Speaker, I end my statement with appreciation for the time that the leadership has given me. Thank you, Mr. Speaker. Thank you, my dear colleagues.

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

REP. MACAPAGALARROYO. Mr. Speaker, before I move to refer the question of privilege of Hon. Fred Castro, I move first to recognize the honorable Minority Floor Leader Bienvenido M. Abante Jr. so he may ask questions.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). Hon. Benny Abante is recognized.

REP. ABANTE. Mr. Speaker, would the distinguished orator in the person of Cong. Fred Castro allow me to please ask some questions?



REP. CASTRO (F.H.). It is always an honor to be interpellated by the distinguished Minority Leader of this House.

REP. ABANTE. Mr. Speaker, Your Honor, do you believe that Senator Lacson, whom you have said to be an officer and a gentleman, is a liar in his statement?

REP. CASTRO (F.H.). I do not believe that he is a liar but what I could say is that he is reckless and irresponsible. I say so because he came out with his statement without first verifying the authenticity of his statement.

REP. ABANTE. You mean to tell me, Mr. Speaker, Your Honor, when you said that Senator Lacson is irresponsible and reckless, it means that he is acting like a little child, Mr. Speaker?

REP. CASTRO (F.H.). He may not be acting like a little child but, perhaps, it could be more appropriate to say that he is thinking like a little child.

REP. ABANTE. So, Mr. Speaker, would it be appropriate to say that Senator Lacson is a picture of immaturity and irresponsibility?

REP. CASTRO (F.H.). Kung sa pulong na Tagalog, he may not be a picture of immaturity, but what I could say is that he is a picture of someone na isip-bata. Alam mo naman kung ano ang itsura ng taong isip-bata—mature, magandang lalaki, magandang tingnan, macho pero ang isipan ay isip-bata.

REP. ABANTE. Okay. Mr. Speaker, Your Honor, do you also believe that the irresponsible, reckless, immature, and isip-bata statements of Senator Lacson are more for grandstanding, Mr. Speaker?

REP. CASTRO (F.H.). Well, if someone or if a person is isip-bata, someone who is isip-bata could not even think of grandstanding.

REP. ABANTE. Ano po iyon, Mr. Speaker? Hindi ko masyadong nakuha iyong sinabi ninyo.

REP. CASTRO (F.H.). If someone is said to be an isip-bata, he could not even think of grandstanding.

REP. ABANTE. Ah, okay. All right now.

So, Mr. Speaker, Your Honor, what would be the political reason, if there is any politics to it, on the reckless statement of Senator Lacson?

REP. CASTRO (F.H.). I could not ascribe any political motive on the statement, which is irresponsible and reckless, of Senator Lacson. Perhaps, what I could

say is that, what he did is simply a misguided habituality. Why? For our 2019 GAA, he also accused the House of Representatives of having inserted pork barrel in the 2019 GAA. They had all the opportunity in the Senate to examine the line budget items and even the lump sum allocations in the 2019 General Appropriations Act, but they never came out or Senator Lacson never presented any item that could be pork barrel.

REP. ABANTE. Okay.

REP. CASTRO (F.H.). Therefore, considering his habituality to come out with reckless and irresponsible statements—as he came out with one on the General Appropriations Bill of 2020 or for the 2020 General Appropriations Act—this Representation could say that, being an anti-pork barrel crusader, whether or not his accusation is imaginary, whether or not what he believes in is fictional, he will just come out with a statement accusing the House of Representatives, it has become an irresponsible instinct or reaction of this person to accuse all the time the House of Representatives of misdoing or mistakes or culpability, of allegedly inserting pork barrel materials in any General Appropriations Bill.

REP. ABANTE. Mr. Speaker, the reason I asked my friend, Congressman Castro, the question of him being a liar is that Bishop Eddie Villanueva, being a Deputy Speaker, made a statement that what Senator Lacson said is a big lie, Mr. Speaker.

REP. CASTRO (F.H.). I still maintain that Senator Lacson, for me, is not a liar because I said that he acted and blurted an irresponsible statement. Why irresponsible? There was no verification of how authentic his source was. Therefore, had Senator Lacson been responsible, had Senator Lacson been prudent—as I said, he could have had asked former Senator Loren Legarda, he could have asked the leader of this institution, Speaker Alan Peter Cayetano, whether or not his information is verified, true and correct. However, he did not make any verification, that is why I said that he is reckless and irresponsible. Notwithstanding that his knowledge is not verified, he accused the Members of this House as well as this institution.

REP. ABANTE. Mr. Speaker, what does my friend, Congressman Castro, think when Senator Lacson said the reason he exposed that was that there were some Congressmen allegedly, in Tagalog, na “nagsumbong” sa kanya? Would you believe that?

REP. CASTRO (F.H.). Well, Mr. Speaker, distinguished Minority Leader, even in legal parlance,

and I know that the distinguished Gentleman from Albay, Cong. Edcel Lagman, who is a distinguished Member of this House and a distinguished lawyer, will agree with me that anyone who presents something or anyone who alleges or makes an affirmative statement not based on his personal perception is nothing but someone using hearsay evidence.

Therefore, on the basis of this observation, considering that he did not see whether indeed there is pork barrel, that he himself did not verify that there is written pork barrel in the approved General Appropriations Bill approved by the House of Representatives but simply relied on what was told him, it only confirms that he is reckless and irresponsible as he blurted out that accusation against the Members of the House without verification.

REP. ABANTE. Perhaps...

REP. CASTRO (F.H.). May I add that I sympathize with our good friend Senator Panfilo Lacson because he is a victim of misrepresentation that allegedly the Members of the House had inserted pork barrel in the approved General Appropriations Bill.

REP. ABANTE. A victim of misrepresentation, Mr. Speaker.

REP. CASTRO (F.H.). Well, it is misrepresentation by the alleged Member of the House who purportedly gave him the information that, indeed, the General Appropriations Bill approved by the House contains pork barrel.

REP. ABANTE. Well perhaps, Mr. Speaker, Your Honor, he realized later that it was a mistake for him to say that and he retracted his statement, pero mayroon siyang palusot na ang sabi niya it was withdrawn by the leadership. What do you think about that, Mr. Speaker, Your Honor?

REP. CASTRO (F.H.). To me, that is a downright lame excuse to escape the responsibility of what he accused the House of Representatives of. It is lame, it is unbelievable and perhaps, I will gamble to say that that explanation or that excuse is similarly fictional in the same way that his accusation against the House and against the Members of this House is fictional and put in simple terms, imaginary.

REP. ABANTE. Mr. Speaker, Your Honor, therefore, do you believe that Senator Lacson owes this House an apology for such an irresponsible and reckless statement?

REP. CASTRO (F.H.). Not only an apology because of that irresponsible and reckless statement, but more importantly, the apology is demanded as he is a soldier and a gentleman, and a Member of the Senate.

REP. ABANTE. Therefore, Mr. Speaker, Your Honor, as I end my interpellation of my good friend today, he said that Senator Lacson is both an officer and a gentleman. Therefore, Mr. Speaker, I demand that Senator Lacson issue an apology to this House, Mr. Speaker.

Thank you very much.

REP. CASTRO (F.H.). Mr. Speaker, Minority Leader, I would like to thank the distinguished Minority Leader for having given this Representation the honor of being interpellated.

REP. DEFENSOR (M.). Mr. Speaker.

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

REP. MACAPAGAL ARROYO. Mr. Speaker, I move to recognize Hon. Michael T. Defensor of Party-List ANAKALUSUGAN.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). Hon. Michael T. Defensor is recognized.

REP. DEFENSOR (M.). Thank you, Mr. Speaker. Thank you, Honorable Macapagal Arroyo.

First, I would like to commend our distinguished colleague from Capiz, former Majority Leader Fredenil "Fred" H. Castro for his speech.

Mr. Speaker, I join the Minority Leader in his request or demand for an apology from the good Senator.

May I ask, Mr. Speaker, is this the same demand being asked by the honorable privilege speaker?

REP. CASTRO (F.H.). Yes, Mr. Speaker, my dear colleague.

REP. DEFENSOR (M.). Mr. Speaker, I was listening to the interpellation by the Minority Leader to the Honorable Castro (F.), and he made mention that the statements were made by the honorable Senator without even checking, without even validating, whether there was indeed pork in the budget approved by this august Chamber, Mr. Speaker.

Is that correct, Mr. Speaker?

REP. CASTRO (F.H.). Yes, Mr. Speaker, my dear colleague.

REP. DEFENSOR (M.). Now, Mr. Speaker, if I may ask, I am a bit confused about how the honorable Senator defines pork. So, Mr. Speaker, may I ask my dear colleague, the Gentleman from Capiz, what exactly is pork within the budget?

REP. CASTRO (F.H.). I am as ignorant as the distinguished Gentleman, Hon. Mike Defensor, Mr. Speaker, because I myself, do not know, where in the General Appropriations Bill is the pork barrel alluded to by Senator Panfilo Lacson.

REP. DEFENSOR (M.). Is it correct to say, Mr. Speaker, that, for example, I was a Representative of Quezon City for some time, two decades ago, and if I initiate a budget, if I initiate a certain program or a certain project within my district, would that be interpreted as pork barrel, Mr. Speaker?

REP. CASTRO (F.H.). It depends, Mr. Speaker. The Supreme Court in a series of decisions defined what is covered by the term “pork barrel” in relation to the funds appropriated by the House of Representatives or by Congress as a whole.

REP. DEFENSOR (M.). Mr. Speaker, very briefly, may our dear colleague elucidate on the legal definition made by the Supreme Court on this?

REP. CASTRO (F.H.). Well, in brief, lump sums with no specific purpose may be considered as pork barrel according to the decision of the Supreme Court, or any lump sum amount inserted that is subject to the discretion of the Members of the House after the enactment of the budget is considered in the decision of the Supreme Court as pork barrel.

REP. DEFENSOR (M.). So, therefore, Mr. Speaker, if I will make an initiative to put up a hospital in my district based on the amendments that I may institute within the budget, that will not be considered pork barrel?

REP. CASTRO (F.H.). It is a line item, Mr. Speaker, my dear colleague, because the purpose is there. It is for the hospital that you would want to be constructed in your district.

REP. DEFENSOR (M.). Now, Mr. Speaker, if there will be, let us say, flood control projects or the maintenance of roads budget, would that be construed as pork barrel?

REP. CASTRO (F.H.). It depends, Mr. Speaker, my dear colleague, but if the line item states the area or the road that will have to be the subject of this allocation, then, it could not be pork barrel.

REP. DEFENSOR (M.). Now, Mr. Speaker, if I may dwell on this discussion a little longer, I am newly elected and now, immediately, the budget is presented just a month ago, and all of a sudden, Mr. Speaker, I say that as a health advocate, I want to set up a general fund for hospitals. Since I am just new, and I have not identified that particular hospital, but I know that there are certain hospitals that need this budget—in fact, Mr. Speaker, in Mindanao, in Tawi-Tawi where I constantly proceed and stay, there are, indeed, requirements for hospitals—if I put that lump sum amount, would that be construed as pork barrel?

REP. CASTRO (F.H.). I am afraid, Mr. Speaker, my dear colleague, that because the purpose is couched, in general, only for the construction of a hospital in Mindanao without being definite as to where it could be built or where it should be built, I am afraid that it might be construed as pork barrel.

REP. DEFENSOR (M.). Well, Mr. Speaker, I do not want to digress from the definition of the Supreme Court, but as a Representative, Mr. Speaker, if I am not mistaken, and my colleague can correct me on this, the first role that I have is to have representation when there is taxation. Is this not correct, Mr. Speaker?

REP. CASTRO (F.H.). Mr. Speaker, my dear colleague, you are perfectly right.

REP. DEFENSOR (M.). My second role as part of the constitutional mandate is that in the discussion of the budget, I, representing a certain district, should make sure that my district would have the services, the projects and the needs that are required and therefore, Mr. Speaker, as Representatives, as Members of the Lower House, we make sure that our respective districts, the sectors that we represent or the advocacies that we are fighting for are part of the budget that we approved, Mr. Speaker.

REP. CASTRO (F.H.). Well, I do not think, Mr. Speaker, my dear colleague that that could be interpreted as pork barrel because you do not have discretion. It is already specified and defined where your allocation will be used. In short, whenever a particular amount is earmarked, for example, for the use of each and every Member of the House, let us say, each and every Member of the House is given P100,000 and they identified the project that they would want, provided that that project is within the menu given by the Department, it could not be considered pork barrel because you do not have discretion to indiscriminately apply that P100 million, for example, but you are limited to the menu provided for by the concerned Department and as such, you are only given access and choice, but you are not given discretion.

REP. DEFENSOR (M.). Therefore, Mr. Speaker, as you mentioned, that P100 million in fact, will be directed to the needs and requirements of your district based on a menu that is stipulated or provided by the Executive to the Members of this august Chamber.

REP. CASTRO (F.H.). Yes, it is because it is not your choice whenever you select any of those stated in the menu. You are simply choosing what your constituents dictate on you to choose and it is not even your own choice. Your choice is the choice of your constituents.

REP. DEFENSOR (M.). Now, Mr. Speaker, in the case of the Senate do they have a constituency that they have to protect, that they have to take care of?

REP. CASTRO (F.H.). Well, allegedly, their constituency...

REP. DEFENSOR (M.). Is there a certain district, Mr. Speaker, or a certain sector that is part of the constituency of the Senate?

REP. CASTRO (F.H.). Well, if you listen to them, while we have our district, they have the whole Republic of the Philippines.

REP. DEFENSOR (M.). Is it not true, Mr. Speaker, that...

REP. CASTRO (F.H.). Strictly speaking, it could not be considered like the constituency of the Members of the House.

REP. DEFENSOR (M.). I agree with the honorable distinguished Member, Mr. Speaker, that here, you really have a district for each and every individual but in the Senate, there is none, Mr. Speaker.

REP. CASTRO (F.H.). Perhaps, as an icing to their position, they say that their constituency is the whole Republic of the Philippines.

REP. DEFENSOR (M.). So, besides, Mr. Speaker, from demanding an apology from Honorable Lacson, would you also advocate taking out a budget from the Senate? There should be no initiative coming from them since they do not have a constituency anyway.

REP. CASTRO (F.H.). Well, if that is provided for by the Constitution and considering that they do not have any constituency, I do not see the logic why they should be given funds to be disposed of in the same manner that Congressmen are given the access and choice for their constituents.

REP. DEFENSOR (M.). I hope, Mr. Speaker, that the honorable privilege Speaker be given a chance to sit in the Conference Committee so that all initiatives coming from the Senators will be taken out, because the budget for them should be given to the district Representatives and the different Representatives here advocating for certain sectors and protecting certain services.

REP. CASTRO (F.H.). Yes, as may be requested by the Gentleman from the Party-List, I am willing to sit down as a Member of the Conference Committee although ever since, it has never been my obsession to be a member of the Bicameral Committee.

REP. DEFENSOR (M.). In ending Mr. Speaker, I would like to congratulate and commend the honorable privilege speaker and I join the Minority Leader and Hon. Fred Castro in demanding an apology not only from Senator Lacson but even from the Senate who cannot discipline a member amongst their ranks.

Thank you, Mr. Speaker. Thank you, honorable privilege speaker.

REP. CASTRO (F.H.). Thank you, Mr. Speaker. Thank you, my dear colleague. (*Applause*)

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

REP. ROMUALDO. Mr. Speaker, I move that the question of privilege of Rep. Fred Castro as well as the interpellations thereon be referred to the Committee on Rules.

I so move.

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

The Majority Leader is recognized.

REP. DE VENECIA. Mr. Speaker, we move to acknowledge the presence of some guests in the gallery. They are the guests of Hon. Edcel C. Lagman, Hon. Joey Sarte Salceda and Hon. Fernando T. Cabredo from the First, Second and Third District of Albay, respectively: Vice Governor Edcel Greco "Grexx" Lagman; Board Members Jesus Salceda Jr., Reynaldo Bragais, Baby Glenda Bongao, Dante Arandia, Melissa Abadeza-Armadilla, Neil Montallana and Eva Ribaya; ABC President Joseph Philip Lee; Grace Magdamit, Sangguniang Panlalawigan Secretary; and PCL President Jesciel Richard Salceda.

THE DEPUTY SPEAKER (Rep. Pimentel). To the guests of Rep. Lagman, Rep. Cabredo and Rep. Salceda, welcome to the House of Representatives. (*Applause*)

The Majority Leader is recognized.

REP. DE VENECIA. Mr. Speaker, we also move to acknowledge the presence of the guests of Hon. Eddiebong G. Plaza of the Second District of Agusan del Sur and Hon. Alfel M. Bascug of the First District of Agusan del Sur. They are guests from the Bayugan Water District, Bayugan City, Agusan del Sur: General Manager Felipa M. Asis; Chairman of the Board Fortunato V. Paway; and Board of Directors Allan Santiago, Felix Uy, Abelardo Reyes; Arnold Madula and Gilmarie De Claro.

THE DEPUTY SPEAKER (Rep. Pimentel). To the guests of Honorable Bascug and Honorable Plaza, welcome to the House of Representatives. (*Applause*)

The Majority Leader is recognized.

REP. DE VENECIA. We move also to acknowledge the presence of the guests of Hon. Angelo Marcos Barba of the Second District of Ilocos Norte. They are Grade-12 students from Miriam College: Ms. Franchesca Garvida and Ms. Ana Karylle Mendoza.

THE DEPUTY SPEAKER (Rep. Pimentel). To the guests of Honorable Barba, please rise. You are welcome to the House of Representatives.

The Majority Leader is recognized.

REP. DE VENECIA. Finally, Mr. Speaker, we move to acknowledge the presence of the guests of Hon. Manuel “Way Kurat” E. Zamora from the First District of Compostela Valley and Hon. Ruwel Peter S. Gonzaga from the Second District of Compostela Valley. They are guests from the Schools Division Office of that province: OIC-SDS Reynante Solitario, OIC-ASDS Phoebe Gay Refamonte, Chief-CID Josie Bolofer, Chief-SGOD Ruben Reponte, EPS Eldecris Calzadora, Noemi Canales, Grace Pontillas, PSDS/DCP Diomedes Calicdan, Noel Canales, Donato Juayang, SPIV Geraldine Perez, SPII Felixberto Leray, AOV Norberto Manlangit, Nisan Lejan Cal, Engr. Marie Cris Dalumpines, AOIV Randy Cañeda, Marion Espenoza, Earle Tumampos, Luz Comonal, SEPS Lynard Bobby Asirit, Nurse II Rosalie Maghinay and Compostela Valley Provincial Board Member Nena Atamosa.

THE DEPUTY SPEAKER (Rep. Pimentel). To the guests of Honorable Gonzaga and Honorable Zamora (W.), welcome to the House of Representatives. (*Applause*)

The Majority Leader is recognized.

REP. ROMUALDO. Mr. Speaker, our Minority

Leader, Rep. Bienvenido M. Abante Jr. of the Sixth District of Manila, wishes to rise on a matter of privilege. I move that he be recognized.

THE DEPUTY SPEAKER (Rep. Pimentel). Honorable Abante, what is the nature of the question of privilege?

REP. ABANTE. Mr. Speaker, I rise on a matter of personal and collective privilege. I am being bothered by what is happening here according to some news reports, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). Honorable Abante, please proceed.

#### QUESTION OF PRIVILEGE OF REP. ABANTE

REP. ABANTE. Well, I believe that each one of us ought to be bothered by this. This is really worrisome, Mr. Speaker. For example, I am holding here in my hand a news report, dated September 16, 2019, *CNN Philippines*: “Recycling of illegal drugs seized during buy-bust operations is still rampant among some corrupt cops.” This was according to the head of the agency at the forefront of the administration’s drug war. It further says, Mr. Speaker, “When they seize drugs, maybe half of those will be surrendered or *iyon lang ang ipapalabas na na-seize nila*. The other ones are being kept either for future operations or worst, they sell the drugs.” That is according to Philippine Drug Enforcement Agency Director-General Aaron Aquino who said that the P22 billion worth of illegal drugs remain in the government’s inventory.

Ang hindi po natin alam, Mr. Speaker, kung talagang totoo itong P22 billion worth of illegal drugs, baka ang kalahati po nito, Mr. Speaker, ay na-recycle na. Well, the Philippine Drug Enforcement Agency is blaming the slow issuance of court orders that prevented the PDEA from destroying the drugs on time, Mr. Speaker.

Based on the September 17 news report of *CNN Philippines*, President Rodrigo Roa Duterte confirmed that the recycling of illegal drugs by some police officials is still happening. Although *binanggit po niya na wala po siyang evidence*, yet *iyon po ang sinasabi sa kanya ng mga authorities*. Duterte made the remarks after Philippine Drug Enforcement Agency Director General Aaron Aquino revealed that the recycling of illegal drugs seized during buy-bust operations, at ang *sabi niya po rito*, “is still rampant among some corrupt cops,” Mr. Speaker.

Based on the September 24, 2019 report, National Capital Region Police Office Chief Major General Guillermo Eleazar on Tuesday linked 16 *ninja cops* to a drug syndicate operating in Metro Manila. Mr.

Speaker, it is not operating somewhere in Mindanao or somewhere in a faraway area in the Philippines, but right here in Metro Manila.

According to news reporter Ivan Mayrina of *Balitanghali*, Major General Eleazar revealed the information during a meeting with 44 heads of police drug enforcement units in the region. He said that 9 of the 16 alleged ninja cops are already dead, 2 are retired, 2 have been dismissed, 2 have gone AWOL and 1 is in jail. Now, this is somewhat questionable because kahit na po namatay na ang ilan, ang dalawa ay retired, subalit rampant pa din po ito na nangyayari sa ating mga police officers, Mr. Speaker.

Major General Eleazar said the police have already conducted five operations against the syndicate run by an alleged drug queen identified by the Philippine Drug Enforcement Agency. A number of people have been killed, convicted and jailed in connection with these operations. Sino po iyong mga namatay dito? Baka po iyon lang mga mabababa na puwede nating sabihing expendable? Ano pong nangyari doon sa drug queen, Mr. Speaker? Ang sabi dito ni Major General Eleazar, she is a current barangay chairperson in Sampaloc, Manila, habang ang kaniyang asawa is a former barangay chief as well and her sibling is a dismissed ninja cop.

Based on *CNN Philippines* news report dated September 24, ang Senado po allowed the Blue Ribbon and Justice Committees to publicize the names of police officers allegedly involved in the so-called drug recycling, and former Chief of the PNP Criminal Investigation and Detection Group Benjamin Magalong, who is now the new Mayor of Baguio City, revealed the names of rogue cops involved in recycling drugs and extorting from Chinese syndicates.

Mr. Speaker, here also in the *GMA* news just today, September 25, the Philippine National Police gave the assurance that authorities are continuing to build up a case against alleged drug queen Guia Gomez Castro, no relation to the well-known Guia Gomez. Mr. Speaker, the latest information from the National Capital Region PNP Office indicated that the alleged drug queen, who is an elected barangay captain of Barangay 484, Zone 48 in Sampaloc, Manila, is already out of the country. Ang tanong ko po dito, totoo po ba na out of the country na po ito? Bakit maraming napapatay na mga expendable na mga mahihirap na sinasabi po natin na mga drug pushers subalit ang malalaking mga tao tulad nitong drug queen ay nakakawala pa sa dragnet ng ating kapulisan?

Mr. Speaker, the Bureau of Immigration confirmed that the woman had recently left the country and was allowed to depart. Ano po ang dahilan? Because she had no derogatory records.

I remember, Mr. Speaker, that when President Rodrigo Roa Duterte ascended to become the President of the Philippines, the first thing he said was, he is going to make war with drugs in this country. It is now more than three years, Mr. Speaker, sa palagay ko, itong drug queen Guia Gomez Castro ay matagal na po itong nagpe-peddle ng drugs at ginagamit po nito ang ilang mga kapulisan. Bakit ngayon lang po ito na-expose at ang tanong ay bakit po nakawala na ito sa ating bansa? This is a nagging question, Mr. Speaker, that should be answered not only by the Philippine National Police, the PDEA, but also by the Bureau of Immigration, Mr. Speaker.

Mr. Speaker, I am here speaking out in a privilege speech sapagkat kung nakakawala po ang drug queen na ito at siya ay nakakaalis ng bansa na ang sabi ay nagpunta po roon sa Thailand, how many more big drug lords in this country are able to escape prosecution, Mr. Speaker?

I am going to file a resolution, Mr. Speaker, to investigate, in aid of legislation, this nagging problem that we have and ought to worry about for our children, our young people and our countrymen.

Sana po sa aking pagsiwalat ng mga bagay na ito, ang atin pong mga colleagues dito sa House of Representatives ay gumawa po ng isang batas o sumama po sa resolution na ito upang atin na pong masolusyonan ang talagang problema sa drugs. Tulungan po natin ang ating Pangulo na i-expose ang mga pulisya na itinatago marahil ang drug queen na ito, na palagay ko, ang paniniwala ko, hanggang ngayon ay nasa atin pang bansa, Mr. Speaker.

Maraming, maraming salamat po, Mr. Speaker.

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

REP. DE VENECIA. Mr. Speaker, I move that the question or matter of personal and collective privilege delivered by Hon. Bienvenido M. Abante Jr. be referred to the Committee on Rules for its appropriate action.

I so move.

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

The speech of Honorable Abante is hereby referred to the Committee on Rules for its appropriate action.

REP. DE VENECIA. Mr. Speaker, I move that we recognize the honorable Gentleman from BAYAN MUNA Party-List, Rep. Carlos Isagani T. Zarate, for a matter of personal and collective privilege.

I so move.

THE DEPUTY SPEAKER (Rep. Pimentel). Honorable Zarate, what is the nature of the question of privilege?

REP. ZARATE. G. Ispiker, magandang hapon.

Ako po ay tumatayo para sa isang personal at kolektibong pribilehiyo upang talakayin ang ika-20 anibersaryo ng aming partido, ang BAYAN MUNA Party-List.

THE DEPUTY SPEAKER (Rep. Pimentel). Please proceed, Honorable Zarate.

#### QUESTION OF PRIVILEGE OF REP. ZARATE

REP. ZARATE. Maraming salamat, G. Ispiker.

Mga kapwa ko Mambabatas, mga kasama at mga kaibigan. Laban bayan! Laban bayan!

Iyan po ang madagundong at maipagmamalaking binabandera, tinatambol at pinapanawagan ng aming partido, ang BAYAN MUNA Party-List, bilang pagdiriwang sa maningning na dalawang dekada ng pagsusulong at pananagumpay nito, dalawang dekada ng paglilingkod at pagkilos kasama ng mamamayang Pilipino.

Noong ika-25 ng Setyembre 1999, nang itinatag ang BAYAN MUNA. Dala namin ang pulitika ng pagbabago, naging boses ang aming partido ng mga mahihirap at inaapi.

Itinakwil ng BAYAN MUNA ang tradisyonal at maduming pulitikang namamayani sa ating bayan at isinulong nito ang bagong pulitika, na ibig sabihin, ang interest ng mayoryang mahihirap, hindi ng iilang naghaharing uri. Ang pulitikang nakabatay sa prinsipyo at programa, hindi sa personalidad at utang na loob. Ang tapat at malinis na paglilingkod sa bayan, hindi ang pangungurakot at pandarambong ang ipinakita ng BAYAN MUNA sa loob ng dalawang dekada.

Ipinamalas din, G. Ispiker, ng BAYAN MUNA ang paglalantad sa katotohanan at paghaharap sa mga isyung pambayan, hindi ang panlilinlang at pag-iwas sa daing ng mga mamamayan. Ang pag-unlad ng mapagpalaya at militanteng kilusang masa, hindi ang pag-aatake dito at pagpapailalim sa lumang pulitikang elitista.

G. Ispiker, ang pagkakatatag at pagkabuo ng BAYAN MUNA ay batay sa isang pagtataya mula noong 1995 hanggang 1999 kung saan pormal na itong naitayo bilang partido, na ang puwersa ng kilusang progresibo at patriyotiko ay may sapat ng puwersa para matransporma ito sa mga boto at makapagpanalo ng mga Kinatawan sa loob ng Kongreso, at hindi nga nagkamali ang masusing pagtatayang iyon, G. Ispiker. Nagrehistro ng makasaysayang tagumpay o historic victory ang BAYAN MUNA sa halalang 2001 kung saan una itong lumahok. Sa unang pagkakataon sa ilalim ng party-list system, may isang partido na nakapagpanalo

ng 1.76 million o halos dalawang milyong boto mula sa ating mga mamamayan.

Mula noon hanggang ngayon, tuloy-tuloy na itinulak ng mga Kinatawan ng BAYAN MUNA ang interes, kahingian at kahilingan ng ating mamamayan sa loob at labas ng Kongreso.

Sa katunayan, mula sa tagumpay na nakamit ng BAYAN MUNA sa kauna-unahang pagtakbo nito noong 2001, iniluwal din ng BAYAN MUNA noong mga sumusunod na taon ang iba pang mga makabayan at patriyotikong party-lists ng iba't ibang sektor katulad ng GABRIELA Women's Party, ANAKPAWIS, ANAK NG BAYAN o KABATAAN Party-List at ang ACT TEACHERS Party-List. Mula sa tatlong Kinatawan noong 2001, may anim na Kinatawan na ang mga progresibong grupo sa Eighteenth Congress sa ilalim ng blokeng Makabayan o ang Makabayan bloc sa loob ng Kongreso.

Kaya, G. Ispiker, maipagmamalaki ng BAYAN MUNA na hindi nito binigo ang mamamayan magmula pa sa mga unang taon ng pagkaupo nito sa loob ng Kongreso hanggang sa kasalukuyan. Buong katapangan nitong nilabanan ang mga kontra-mamamayang patakaran at programa ng pamahalaan mula sa mga administrasyong nagdaan hanggang sa kasalukuyang administrasyon ni Pangulong Duterte.

Pinanindigan ng mga Kinatawan ng BAYAN MUNA ang plataporma para sa tapat at maka-mamamayang paglilingkod. Maipagmamalaki ng BAYAN MUNA ang matatag nitong paninindigan at pakikibaka kasama ang mamamayan. Hindi nangimi ang mga Kinatawan nito sa loob ng Kongreso na igiit ang mga panawagan ng ating inaaping sektor sa lipunan.

Ipinagtatangol ng BAYAN MUNA ang interes ng mga mahihirap at inaapi. Makikita ito sa katotohanan ng kanyang paninindigan, halimbawa, sa pagtatanggol ng ating foreign policy, paninindigan laban sa giyera, laban sa mga imperyalistang pandirigma para sa kapayapaang nakabatay sa katarungan, at ganoon din sa mga sibiko at ekonomikong mga isyu.

Subalit noon pa man at maging hanggang ngayon, pagkalipas ng dalawang dekada, sa halip na tugunan ng ating pamahalaan ang hinaing ng ating mga mamamayan, sinasagot nito ng mga paniniil, pasismo at malawakang paglabag sa karapatang pantao ang lumalakas na paglaban ng ating mamamayan.

Pero, G. Ispiker, hindi po tayo natinag, natakot o napaatras. Halimbawa, tinuligsa at inilantad ng BAYAN MUNA ang malubhang paglabag sa karapatang pantao sa ilalim ng rehimen ng dating Pangulong Gloria Macapagal Arroyo, partikular ng berdugong si Heneral Jovito Palparan na ngayon ay humihimas na ng malamig na rehas.

Napagtagumpayan din ng BAYAN MUNA ang mga direktang atake sa mga Kinatawan nito katulad ng mga tangkang pagpapakulong na naranasan ng mga tinaguriang "Batasan Five" na sina Ka Satur Ocampo,

ang namayapang si Ka Paeng Mariano, Teddy Casiño, ang namayapang si Ka Crispin Beltran, ang namayapang si Joel “JV” Virador at si Ka Liza Maza.

Nitong nakaraang eleksiyong 2019, nasaksihan din ang matindi at malawakang paninira, red-tagging at black propaganda ng mga elemento ng iba’t ibang ahensiya ng pamahalaan laban sa BAYAN MUNA, mga Kinatawan, opisyal at mga kasapi nito.

Makikita natin dito, G. Ispiker, na sa kabila ng ganyang pagtatangka na alisin, talunin ang BAYAN MUNA at ang mga kapanalig nitong partido, taon-taon sa nakaraang pitong eleksiyon, dumadami ang voting base ng BAYAN MUNA at mga kapatid nitong partido sa loob ng koalisyong Makabayan.

Sa nakaraang dalawang dekada, iginuhit ng BAYAN MUNA ang malaking pagkakaiba nito sa mga tradisyonal na partido pulitikal. Isinulong nito ang mapangahas at makamasang lehislatura.

Isinulong nito ang mga panukalang batas at resolusyon na tumutugon sa malalalim na mga problema ng ating bayan para sa kapakanan at kagalingan ng ating mamamayan. Kasama na dito, G. Ispiker, ang pagpapababa natin sa presyo ng serbisyo at bilihin, pagpapataas ng suweldo at benepisyo ng mga kawani, pampubliko man o pang-pribado, reporma sa lupa, pinansyal at industriya, at karapatang demokratiko at pantao.

Ilan sa mga naisabatas na panukala ng BAYAN MUNA ay ang mga sumusunod: Republic Act No. 9406 or Reorganizing and Strengthening the Public Attorney’s Office Act of 2007; Republic Act No. 9504 or The Tax Exemptions for Minimum Wage Earners; Republic Act No. 9653 or The Rent Control Act of 2009; Republic Act No. 9745 or The Anti-Torture Act; Republic Act No. 10069 or The Health Workers’ Day Act; Republic Act No. 10353 or The Anti-Enforced or Involuntary Disappearance Act; RA 10639 or The Free Mobile Disaster Alert Act; Republic Act No. 10653 or The Increased Ceiling for Tax Exempt Benefits; Republic Act No. 10862 or The Nutrition and Dietetics Law of 2016; Republic Act No. 10931 or The Universal Access to Quality Tertiary Education Act; RA 11036 or The Mental Health Act; RA 11037, Ang Masustansiyang Pagkain para sa Batang Pilipino Act; at marami pang iba.

G. Ispiker, hindi po puro rally lang ang ginagawa ng BAYAN MUNA kagaya ng sinasabi ng iilang makikitid ang pag-iisip. May mga limitasyon man sa rekurso, masipag pa rin na pinatutupad ng BAYAN MUNA ang mga programa at proyekto nito para sa kalusugan, edukasyon, pangkabuhayan at iba pa. Taon-taon ding itinutulak ng ating mga Kinatawan sa BAYAN MUNA ang sapat na budget sa mga batayang serbisyong panlipunan. Puspulang naglilingkod at hindi nagpapayaman sa Kongreso ang mga Kinatawan ng BAYAN MUNA.

Ipinagmamalaki ng BAYAN MUNA ang simpleng pamumuhay, puspusang paglilingkod at pakikibaka ng mga kinatawan nito. Mula noon hanggang ngayon, ang mga kinatawan nito ay nangungunang tinig ng oposisyon sa Kamara de Representante.

Bilang partido ng mga inaapi at pinagsasamantalang uri at sector ng lipunan, kasabay ng BAYAN MUNA ang sumusulong na nakikibakang masa.

Hindi nagpakahon ang BAYAN MUNA sa loob ng Kongreso. Sa katunayan, ang mahusay na trabaho ng BAYAN MUNA dito sa loob ng Kongreso ay dahil sa masigasig na paglahok ng kanyang mga Kinatawan, liderato at mga miyembro sa araw-araw na pakikibaka ng mamamayan. Maging ito man ay sa mga komunidad, sakahan, lansangan, pabrika, eskuwelahan, ospital, basta kung saan may ipinaglalaban ang karapatan ng mamamayan, nandoon po ang BAYAN MUNA.

Kabahagi ang BAYAN MUNA sa mga laban ng karaniwang tao. Halimbawa, kasama at kabahagi tayo sa laban ng mamamayan sa paglaban sa napakataas na singil ng kuryente at tubig. Malaking panalo ang nagawa natin, G. Ispiker, nang ating mapahinto o nabigyan ng temporary restraining order sa dagdag singil sa kuryente noong 2013. Bunga ito sa pangunahing protesta ng mamamayan na sinabayan ng ating pagsampa ng kaso sa Korte Suprema. Ganunpaman, nariyan pa rin ang mga banta ng mga panibagong pagtaas sa singil ng kuryente, tubig, maging tuition at miscellaneous fees sa mga eskuwelahan, serbisyong pangkalusugan, pasahe sa MRT at LRT at iba pang mga bayarin.

Sinusustini din natin ang kampanya at pinalakas ang pressure ng publiko hanggang ma-obliga ang pamahalaan na ipatupad ang P1,000 na dagdag na SSS pension.

Isinusulong din ng BAYAN MUNA, G. Ispiker, ang panukalang batas para sa regularisasyon ng mga kontraktwal at P16,000 kada buwan na pambansang minimum na sahod ng mga kawani ng pamahalaan. Iginigiit din natin ang pagbabawal sa kontraktwalisasyon sa paggawa at pagsabatas ng P750 kada araw na pambansang minimum na sahod.

Sa kabuuan, nakasandig ang lakas ng BAYAN MUNA sa masiglang kilusang masa. Buo ang tiwala nito sa sama-sama at kolektibong pagkilos ng mamamayan. Naninindigan at kumikilos ang BAYAN MUNA sa loob at labas ng Kongreso kasama ng mamamayan.

G. Ispiker, tuloy-tuloy pa rin ang ating laban. Wala pa ring makabuluhan at tunay na pagbabago sa ating lipunan, maging sa kasalukuyang panahon sa ilalim ng administrasyon ni Pangulong Duterte. Lalong lumulubha pa rin ang kalagayan ng ating nakararaming mamamayan.

Taliwas sa sinasabi nitong “change is coming” noong ito ay maluklok o bago maluklok sa Malacañang. Itinutuloy lamang at pinasahol pa nga ng kasalukuyang administrasyon ang mga neoliberal na patakarang



liberisasyon, deregulasyon at pribatisasyon ng mga nakalipas na administrasyon. Ito ang nasa likod ng abot-langit at tumataas pang presyo ng bigas, pangunahing bilihin, langis, bayarin, serbisyong pangkalusugan, at iba pang mga pangunahing produkto katulad ng palay at niyog na bumabagsak ang presyo sa kasalukuyan.

Tuloy-tuloy pa rin ang paglala ng kahirapan at pagkawala ng batayang serbisyong panglipunan, samantalang lalong sumasahol din naman ang korapsyon at katiwalian sa pamahalaan.

Samantala, G. Ispiker, katulad ng nakalipas na mga rehimen, lantaran din ang pagsunod-sunod ni Pangulong Duterte sa pagsuko nito sa ating soberaniya at pambansang patrimonya sa mga dayuhan, lalong higit ang dalawang imperyalistang bansa na Estados Unidos at Tsina.

Mas masahol pa sa kasalukuyan ang lantad na pasistang kalupitan at tiraniya ng pamahalaang Duterte sa ating mga mamamayan na sinasalamain sa mga mapanupil na mga patakaran katulad ng Memorandum Order No. 32, Executive Order No. 70, martial law sa Mindanao, at ang iniresulta nitong mga libo-libong naging biktima ng extrajudicial killings, mga sapilitang pagdukot, dislokasyon at iba pang malawakang paglabag sa mga karapatang pantao.

Sobra na ang paghihirap ng ating mga mamamayan, G. Ispiker. Nagdurusa pa rin sa mataas na bayarin, mataas na dis-empleyo, kawalan ng trabaho at lupa, lumalala pa rin ang korapsyon at ang sistemang patronage at pork barrel.

Sa kabilang banda, nakaamba rin sa kasalukuyan tulad din ng mga nakaraang administrasyon ang Chacha or Charter change na tanging ang makikinabang lamang ay ang kasalukuyang administrasyon ni Pangulong Duterte, mga kaalyado nito, mga lokal na burgisya at dayuhang kapitalista na siyang makikinabang.

Sa yugtong ito, G. Ispiker, gusto ko pong pagpugayan ang mga dating Kinatawan ng BAYAN MUNA sa nakaraang dalawang dekada, na siyang naghawan ng isang maningning at kapuri-puring daan ng paglilingkod bayan para sa aming mga kasalukuyang Kinatawan ng aming partido: sina Ka Satur Ocampo, Ka Crispin Beltran, Ka Liza Maza, Ka Siegfred Deduro, Ka Joel JV Virador, Ka Teddy Casiño at si Ka Neri Colmenares.

Pinagpupugayan din natin, G. Ispiker, ang aming mga kasamahang nakakulong sa kasalukuyan dahil sa mga gawa-gawang kaso at patuloy na paniniil ng ating pamahalaan, katulad ni Kasamang Vicente Ladlad, ang aming National Director for Organization na kasalukuyan ay nakapiit sa Bicutan kasama ng ilan pang mga bilanggong pulitikal.

Taas-kamao rin akong nagpupugay sa mga kasapiang at pamunuan ng BAYAN MUNA na naging mga martir at nag-alay ng kanilang mga buhay para sa pagsulong ng pulitika ng pagbabago katulad nina: Nicanor Delos Santos, Atty. Juvy Magsino, Leima Fortu, Jose “Pepe”

Manegdeg III, Noli Capulong, Neptali Morada, Alyce Claver, Cristina Jose, Fernando Baldomero, Rafael Markus Bangit, Randy Malayao, Toto Patigas at si Bai Leah Tumbalang at daan-daan pang iba.

Sa loob ng dalawang dekada, G. Ispiker, marami nang nagawa ang BAYAN MUNA upang isulong ang mga kagyat at pangmatagalang kahilingan ng ating mamamayan, pero marami pa tayong dapat gawin.

Kasama ang malawak na mamamayan, nakapagkamit ang BAYAN MUNA ng mga tagumpay, mayamang karanasan at mahalagang aral nitong nakaraang dalawang dekada.

Kaya bitbit ang dalawang dekadang pagsasabuhay ng pulitika ng pagbabago, handa ang BAYAN MUNA at laging magiging handa para suungin pa ang mas malalaking laban tungo sa tunay na pagbabago.

BAYAN MUNA ang ating partido. BAYAN MUNA ang ating panawagan.

Kampeon ng mahihirap at api!

Laban sa korapsyon at abuso ng gobyerno!

Sulong sa ibayong tagumpay! Laban bayan!

Maraming salamat, G. Ispiker.

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

REP. MACAPAGAL ARROYO. Mr. Speaker, I move that we refer the speech of Hon. Carlos Isagani T. Zarate to the Rules Committee for appropriate action.

THE DEPUTY SPEAKER (Rep. Pimentel). Is there any objection? (*Silence*) The Chair hears none; the speech of Honorable Zarate is hereby referred to the Committee on Rules for its appropriate action.

The Majority Leader is recognized.

REP. MACAPAGAL ARROYO. Mr. Speaker, before we approve the Journal of the previous sessions, specifically Journals No. 18 and 19, dated September 10, 13, 16 to 20 and September 23, may we first recognize the Honorable Dagooc for his specific corrections.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). The Hon. Sergio C. Dagooc is recognized.

REP. DAGOOC. Thank you, Mr. Speaker.

As mentioned by the Majority Leader, I have some corrections on the interpellation I made in the proposed budget of the Energy Regulatory Commission which, under the Journal states that “I moved to investigate electric cooperatives violating the allowable range of voltage magnitude and to revisit the existing Grid Code.”

The correct statement in my interpellation, Mr. Speaker, is that “I am conveying to the Energy

Regulatory Commission to investigate the players of the grid in the power industry, particularly the grid operator, the National Grid Corporation of the Philippines” which many times delivers low voltage in their transmission lines, wherein the electric cooperatives are blamed for low voltage.

So, it should be the “investigation of the grid operator” and not the electric cooperatives, Mr. Speaker.

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

#### APPROVAL OF THE JOURNALS AS CORRECTED

REP. MACAPAGAL ARROYO. Mr. Speaker, the Majority accepts the corrections to the Journal.

Mr. Speaker, there being no more corrections to the Journal, I move that we approve Journals No. 18 and 19 as corrected, specifically dated September 10 to 13 and September 16 to 20, 2019 for Journal No. 18, and September 23, 2019 for Journal No. 19.

THE DEPUTY SPEAKER (Rep. Pimentel). Is there any objection? (*Silence*) The Chair hears none; Journals Nos. 18 and 19, as corrected, are approved.

The Majority Leader is recognized.

REP. CASTELO. Mr. Speaker, may we acknowledge the presence of the guests of the Majority Leader, Hon. Ferdinand Martin G. Romualdez and TINGOG SINIRANGAN Party-List Representative, Hon. Yedda Marie K. Romualdez.

They are from the Young Women’s Christian Association of the Philippines or the YWCA: Ms. Juanita A. Ferido, Ms. Josephine Francisco, Dr. Angelica Abella, Ms. Felisa Sy, Ms. Adelaida Hernandez, Dr. Nona Ricafort, Ms. Macrina B. Gutierrez, Ms. Virginia M. Peralta, Ms. Lorna M. Deles, Ms. Myra Doncila, Dr. Cindy Dollente Ang, Ms. Erika Romana Doctor and Ms. Leila G. Sarol.

We also have the officials from Barangay 41 of Tacloban City, namely: Hon. Nicholas Jason F. Go, Barangay Chairman; Barangay Councilors Hon. Alberto Francisco, Hon. Joyce Cloa, Hon. Anacorina Abulencia, Hon. Silverio Soledad Jr., Hon. Ylenor Odeserte, Hon. Aldrine Peñaña, and Hon. Abegael Antoni; Mary Grace Odejerte, Barangay Secretary; and Ruben Abulencia, Barangay Treasurer.

THE DEPUTY SPEAKER (Rep. Pimentel). To the guests of Majority Leader Ferdinand Martin Romualdez and Rep. Yedda Marie Romualdez, welcome to the House of Representatives. (*Applause*)

#### CONSIDERATION OF H. JT. RES. NO. 19 ON SECOND READING

REP. ROMUALDO. Mr. Speaker, I move that we consider House Joint Resolution No. 19, contained in Committee Report No. 30, as reported out by the Committee on Appropriations.

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

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

The Secretary General is directed to read only the title of the measure.

*With the permission of the Body, and since copies of the measure have been previously distributed, the Secretary General read only the title thereof without prejudice to inserting its text in the Congressional Record.*

THE SECRETARY GENERAL. House Joint Resolution No. 19, entitled: JOINT RESOLUTION EXTENDING THE AVAILABILITY OF THE 2019 APPROPRIATIONS FOR MAINTENANCE AND OTHER OPERATING EXPENSES AND CAPITAL OUTLAYS TO DECEMBER 31, 2020, AMENDING FOR THE PURPOSE SECTION 65 OF THE GENERAL PROVISIONS OF REPUBLIC ACT NO. 11260, THE GENERAL APPROPRIATIONS ACT OF FISCAL YEAR 2019.

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

#### PERIOD OF SPONSORSHIP AND DEBATE

REP. ZUBIRI. Mr. Speaker, I move to open the period of sponsorship and debate.

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

REP. ZUBIRI. Mr. Speaker, may we recognize the distinguished Chairman of the Appropriations Committee, Rep. Isidro T. Ungab from the Third District of Davao City, to begin sponsorship of the measure.

THE DEPUTY SPEAKER (Rep. Pimentel). Hon. Isidro Ungab, Chairman of the Committee on Appropriations, is hereby recognized to begin sponsorship of the measure.

\* See MEASURES CONSIDERED (printed separately)

## SPONSORSHIP SPEECH OF REP. UNGAB

REP. UNGAB. Thank you, Mr. Speaker.

Mr. Speaker, House Joint Resolution No. 19, entitled: JOINT RESOLUTION EXTENDING THE AVAILABILITY OF THE 2019 APPROPRIATIONS FOR MAINTENANCE AND OTHER OPERATING EXPENSES AND CAPITAL OUTLAYS TO DECEMBER 31, 2020, AMENDING FOR THE PURPOSE SECTION 65 OF THE GENERAL PROVISIONS OF REPUBLIC ACT NO. 11260, THE GENERAL APPROPRIATIONS ACT OF FISCAL YEAR 2019.

The objective is to extend the validity of the appropriations for MOOE and Capital Outlays to December 31, 2020. The key provision is to amend Section 65 of the General Provisions of Fiscal Year 2019 General Appropriations Act, which provides for a one year validity of appropriations, thereby extending the availability of appropriations until December 31, 2020. It also provides that the unobligated and unreleased appropriations for MOOE and Capital Outlay for 2019 are urgently needed for the implementation of priority programs and projects such as aid and relief activities, as well as for the maintenance, construction/repair and rehabilitation of schools, hospitals, roads, bridges and other essential facilities of the national and local government.

Thank you, Mr. Speaker.

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

REP. ZUBIRI. Mr. Speaker, I move that we recognize Hon. Joel Mayo Z. Almario from the Second District of Davao Oriental for his sponsorship speech.

THE DEPUTY SPEAKER (Rep. Pimentel). Hon. Joel Almario is recognized.

## SPONSORSHIP SPEECH OF REP. ALMARIO

REP. ALMARIO. Thank you, Mr. Speaker.

Mr. Speaker, I coauthored House Joint Resolution No. 10 together with Cong. Ronaldo Zamora and I ask this august Chamber to support the passage of the Committee Report on the Joint Resolution.

As a brief backgrounder, Mr. Speaker, we all know that there is a need to extend the validity and period of availability of the Fiscal Year 2019 Appropriations for Maintenance and Other Operating Expenses and Capital Outlays from December 31, 2019 to December 31, 2020.

Mr. Speaker, from 2014 to 2017, the MOOE and CO were always good for two years or available for release until after the fiscal year in which said items

were appropriated. The MOOE and CO in the 2019 General Appropriations Act had a validity of one year, but was eventually extended to two years or until the end of 2019 with the approval of House Joint Resolution No. 3. This was also true in 2002 with the approval of House Joint Resolution No. 1; and in 2013 with the approval of House Joint Resolution No. 1.

In Republic Act No. 11260 or the General Appropriations Act of Fiscal Year 2019, the validity of the MOOE and the CO is limited to one year or until the end of this year in view of the full migration to the Cash-Based Budget System.

Mr. Speaker, it is important to note that the delay in the passage of the 2019 GAA caused tremendous problems for the country. It was signed only on April 15, 2019 or a delay of four and a half months. As if that deferment was not enough, the May 2019 national and local elections ban on the implementation of infrastructure projects and basic social services further hindered the execution of projects. Soon after that, the typhoon season started and this resulted to postponing even further the start or implementation of projects. As a result, Mr. Speaker, we still have appropriations that have not been released and allotments issued that have not yet been obligated.

As we speak, there are only three months left before the end of the year. If the MOOE and CO allotments are not obligated, they will result in the automatic reversion of the unexpended appropriations to the unappropriated surplus of the General Fund. This will be, as mentioned earlier by Appropriations Chairman Congressman Ungab, to the detriment of our constituents because the implementation of much-needed projects will be affected.

Therefore, Mr. Speaker, I again plead to this august Chamber to support the Joint Resolution.

Thank you, Mr. Speaker.

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

REP. ZUBIRI. Mr. Speaker, I move to recognize Rep. Loren Legarda from the Lone District of Antique.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). Hon. Loren Legarda is recognized.

## SPONSORSHIP SPEECH OF REP. LEGARDA

REP. LEGARDA. Thank you, Mr. Speaker. Mr. Speaker na pala ho hindi na Mr. President. Just as —oh the Speaker is on the floor, you recognized Speaker Alan Cayetano. I must not forget that I am no longer in the Senate sponsoring the budget of the DBM and

the whole budget and I am here helping the Chairman of the Appropriations Committee.

I wish to thank the House Committee on Appropriations for taking the time to consider House Joint Resolution No. 19 which seeks to extend the availability of the 2019 appropriations for Maintenance and Other Operating Expenses or MOOE and Capital Outlays (CO) to December 31, 2020. We introduced this amendment of Section 65 of the General Provisions of Republic Act No. 11260, the General Appropriations Act of 2019, to respond to the needs of our people.

Government agencies have become accustomed to the slow pace of the budget cycle despite efforts to speed up the implementation of government programs and projects. For this current Fiscal Year, this perennial problem was compounded by two circumstances: first, the delayed enactment of the budget signed only last April, and the election period held in the first part of the year and prohibited the implementation of infrastructure projects for the duration of that period.

While government agencies are expected to have their respective catch-up plans with regard to the delivery of goods and services, the available data indicated that for the first half of the year, only 41.5 percent of the total allotment of the national government agencies have been obligated and only 60.4 percent of this had been disbursed. Of the total annual appropriations, 44.9 percent had been obligated and 72.6 percent of these have been disbursed.

There are still appropriations that have not been released and allotments issued that have not been obligated, which will revert to the unappropriated surplus of the General Fund after December 31 of this year. However, we are still in need of funds for priority projects as well as for aid and relief activities, maintenance, construction, repair and rehabilitation of schools, hospitals, roads, bridges and other essential facilities of the national government.

The onslaught of several devastating calamities, the dengue outbreak affecting many provinces, in fact the whole country, the African swine flu that is now plaguing the markets as well as the effects of the southwest monsoon are only some of the critical problems that we need to immediately address.

We do acknowledge that we still have this last quarter of the year for government agencies to still try and implement whatever programs and projects they can. However, I believe that it would be more prudent to push for the extension of the availability of funds for the benefit and welfare of our people, instead of risking it which may eventually lead to funds being reverted to the unappropriated surplus of the General Fund.

Mr. Speaker, Congress passed joint resolutions of the same nature in the previous years and these were done in year 2002, 2013 and last year.

I, therefore, seek the support of our esteemed colleagues for the approval of this measure.

Thank you very much, Mr. Speaker.

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

REP. ZUBIRI. Mr. Speaker, there being no other Member who registered to interpellate on or speak against the measure, I move to 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.

REP. ZUBIRI. Mr. Speaker, I move to open the period of amendments.

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

REP. ZUBIRI. Mr. Speaker, there being no Committee or individual amendment, I move that we close the period of amendments.

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

REP. ZUBIRI. Mr. Speaker, I move to vote on Second Reading House Joint Resolution No. 19.

I so move, Mr. Speaker.

#### VIVA VOCE VOTING

THE DEPUTY SPEAKER (Rep. Pimentel). As many as are in favor, please say *Aye*.

SEVERAL MEMBERS. *Aye*.

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

#### APPROVAL OF H. JT. RES. NO. 19 ON SECOND READING

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

House Joint Resolution No. 19 is approved on Second Reading.

The Majority Leader is recognized.

REP. DE VENECIA. Mr. Speaker, we move to

acknowledge the presence of some guests in the gallery. They are the guests of Hon. Godofredo N. Guya of RECOBODA Party-List: Alan Guya Bagay of San Nicolas, Ilocos Norte; Romulo Gabriel, Barangay 2, Laoag City, Ilocos Norte; Tony and Maria Cristina Guzon, Dingras, Ilocos Norte; and Mrs. Edna Guya, Digos City, Davao del Sur.

THE DEPUTY SPEAKER (Rep. Pimentel). To the guests of Honorable Guya, welcome to the House of Representatives. *(Applause)*

The Majority Leader is recognized.

#### CONSIDERATION OF H.B. NO. 78

##### *Continuation*

#### PERIOD OF SPONSORSHIP AND DEBATE

REP. TADURAN. Mr. Speaker, I move that we resume the consideration of House Bill No. 78, and that the Secretary General be directed to read 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 hereby 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. Pimentel). The Majority Leader is recognized.

REP. TADURAN. Mr. Speaker, the parliamentary status of the measure is that it is still in the period of sponsorship and debate. I move that we recognize Hon. Sharon S. Garin to continue her sponsorship of the measure.

THE DEPUTY SPEAKER (Rep. Pimentel). Hon. Sharon Garin is recognized to continue her sponsorship of the measure.

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

REP. TADURAN. Mr. Speaker, I move that we recognize Hon. Stella Luz A. Quimbo from the Second District of Marikina City for her interpellation.

THE DEPUTY SPEAKER (Rep. Pimentel). Honorable Quimbo is recognized.

REP. QUIMBO. Mr. Speaker, will the distinguished Sponsor yield to some questions?

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

REP. QUIMBO. Mr. Speaker, this is a very important economic bill. The Public Service Act is archaic and requires modernizing and as the saying goes, "the world is now flat." Tulad din ng sinabi ni Hon. Joey Salceda, "Panahon na para buksan ang ating pintuan para makita ang kagandahan ng ating bahay."

Mr. Speaker, our economy will, in general, benefit from increased competition from foreign firms, while at the same time protect national security.

So, my question, Mr. Speaker, is only for purposes of clarification towards reducing possible inconsistencies or increasing clarity in the language of the law. Again, Mr. Speaker, some observations: the approach of the Bill is ingenious as it defines public utilities via enumeration and then allows this list to change with recommendations by the NEDA in consultation with the Philippine Competition Commission.

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

REP. QUIMBO. So, the effect of the Bill or the proposed law is that only four public services will be considered public utilities and therefore, subject to restrictions on foreign ownership. All other public services can be opened up to foreign investments with some exceptions when national security is a concern.

So, the nice thing about this Bill is that it recognizes that technology can change the dynamics of competition in a market so that at any point in time, public services can become public utilities or public utilities can be downgraded to public services.

REP. GARIN (S.). That is correct, Mr. Speaker.

REP. QUIMBO. Mr. Speaker, for clarity, there are four criteria for public services to qualify as public utilities as enumerated in the Bill. One is a technology test, meaning, the distribution requires a network. Then we have necessity tests; and the last one is a competition test, whether or not the firm is a natural monopoly. Did I correctly summarize the approach, Mr. Speaker?

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

REP. QUIMBO. So, with respect to the first criteria which public utilities must satisfy, is it imperative, Mr. Speaker, that the person must directly transmit the commodity through a network? For example, in the case of the NGCP as the transmission grid for Luzon and

Visayas, it actually does not transmit directly to the public, but rather through the distribution utility as well as the retail electricity suppliers. In the case of Meralco, it physically distributes indirectly as well to the customers of your retail electricity suppliers. So, I am wondering, Mr. Speaker, distinguished Sponsor, would you consider amending the provision by removing the qualifier “directly” so that this would allow flexibility in the public utility in choosing business models?

REP. GARIN (S.). Mr. Speaker, considering that the language of the Bill states that what is considered a public utility is “distribution of electricity” and transmission of electricity, and in the definition of terms, we will eventually consider in the period of amendments what we do not want to include is the generation. That is clearly the intent of the Bill and if the proposal of the Honorable Quimbo would prevent us from including, whether directly or indirectly, as long as they are not just mere generators of electricity, then the Committee can consider the proposal of Honorable Quimbo, Mr. Speaker.

REP. QUIMBO. Thank you, Mr. Speaker, and then we know that electricity generation is clearly going to fail, the natural monopoly does anyway; but if you keep directly as a qualifier here, you would lose your electricity distribution in your list of public utilities.

REP. GARIN (S.). Well, noted, Mr. Speaker. Thank you, Honorable Quimbo.

REP. QUIMBO. Mr. Speaker, there has been a debate on the floor as to whether electricity distribution should be considered a public utility considering, as mentioned by Honorable Zarate last night, that there are several firms actually distributing electricity. So the question arises as to whether or not electricity distribution is a natural monopoly.

So, Mr. Speaker, distinguished Sponsor, would you agree that the definition of natural monopoly is highly technical? It is based on technology and the cost patterns of a firm as well as the size of market demand as I have shown here in this slide.

In other words, Mr. Speaker, it requires a technical determination. Would you agree with this textbook definition of a “natural monopoly” which is “A firm whose average and marginal costs decline continuously such as a scale of activity at which the firm can operate efficiency is so large relative to what the market requires or demands. That only one firm can be accommodated in the market.”? In other words, if we allow another firm to supply the demand, it would be wasteful as far as society is concerned.

REP. GARIN (S.). Mr. Speaker, I am not an economist but based on our findings, in our research on what natural monopoly is, what happens to the area with two legislative franchises in the same area for electricity distribution or transmission? I am not sure. That is a question of legality.

What we are talking about here is natural monopoly. By the nature of it, it is a monopoly, not a legal monopoly per se. That by law, you are only supposed to give it to only one person or one business or entity.

Now what we are talking about natural monopoly is that in an area for example, electricity, there is natural monopoly only when the demand is inelastic. That is based on our legal readings. There is an inelastic demand and there is a monopoly of supply. It is just, probably, the layman’s way of understanding of what is a natural monopoly. But the description should be there, a technical description, and I welcome it considering that we have a much-respected expert here in terms of economics, Mr. Speaker.

REP. QUIMBO. Mr. Speaker, I have been a practicing economist for close to three decades. This is the standard definition of a natural monopoly.

REP. GARIN (S.). All right.

REP. QUIMBO. It requires that the technology is such that the average costs decline and therefore require a very large scale for the facility to operate efficiently.

Having said that...

REP. GARIN (S.). In fact, I think in a natural monopoly if there is competition that is not advantageous to the consumers, that is the economic effect.

REP. QUIMBO. So, I suppose, Mr. Speaker, you would agree that electricity distribution is indeed represented by this kind of a graph.

REP. GARIN (S.). I think so.

REP. QUIMBO. Would you agree, Mr. Speaker, that in the Philippines, because of the EPIRA, we actually have two markets for electricity distribution? The first is the captive market where a single firm, meaning Meralco, distributes electricity to all its captive customers. The second is the contestable market where sufficiently large customers can choose a retail electricity supplier or RES. So, it is in the contestable market where there are several firms distributing electricity although all of these RESs physically use the distribution system of Meralco. So would you agree, Mr. Speaker, that while Honorable Zarate was correct in pointing out that there is more

than being a distributor of electricity and arguably, this fails the natural monopoly test. It can also be clarified that for the captive market, there is only one distributor of electricity and hence, this clearly constitutes a natural monopoly.

REP. GARIN (S.). That is correct, Mr. Speaker.

REP. QUIMBO. Perhaps, just to point out as well that the current setup where Meralco is treated as a natural monopoly, while RESs are not treated as such, is actually faithful to the definition of public utility as contemplated in the Bill. Is that correct, Mr. Speaker?

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

REP. QUIMBO. As mentioned yesterday, Mr. Speaker, during the interpellation of Hon. Rufus Rodriguez, he mentioned that Section 5 of the substitute Bill would provide for the power of the President to suspend or prohibit mergers and acquisitions or direct investments that will result in direct or indirect control by a foreigner in the interest of national security. Is this correct, Mr. Speaker?

REP. GARIN (S.). That is correct, Mr. Speaker. In fact, we have already drafted that and it is—yes, that is correct that is in Section 5 of the proposed substitute bill.

REP. QUIMBO. So, Mr. Speaker, thank you for this. I also think it is wise to have this exception.

My only concern has to do with the jurisdiction of the Philippine Competition Commission—and for transparency, I wish to disclose that I was a former member of the Commission—and under RA 10667 or the Philippine Competition Act, the PCC or the Philippine Competition Commission has the primary and original jurisdiction over all competition concerns, including mergers and acquisitions. The doctrine of primary jurisdiction is particularly invoked for the PCC because Congress, when it passed the law, recognized that competition matters are highly technical and would, therefore, require consultation with an agency that would have the capacity to decide on those technical issues.

So, Mr. Speaker, just for purposes of clarification, I would like to ask if the phrase “relevant government department or administrative agency” in this particular provision which is mandated to make recommendations to the government especially with respect to possible suspensions or prohibitions of MNAs would include the PCC, Mr. Speaker?

REP. GARIN (S.). Mr. Speaker, the proposal is the power of the President. I will just read the proposed section:

IN THE INTEREST OF NATIONAL SECURITY, THE PRESIDENT, AFTER REVIEW, EVALUATION AND RECOMMENDATION OF THE RELEVANT GOVERNMENT DEPARTMENT OR ADMINISTRATIVE AGENCY, MAY SUSPEND OR PROHIBIT ANY MERGER OR ACQUISITION, TRANSACTION, OR ANY INVESTMENT IN A PUBLIC SERVICE THAT EFFECTIVELY RESULTS IN THE GRANT OF CONTROL, WHETHER DIRECT OR INDIRECT, TO A FOREIGNER OR A FOREIGN CORPORATION” and following that: “THE NEDA SHALL PROMULGATE THE RULES AND REGULATIONS TO IMPLEMENT THE PROVISIONS OF THIS SECTION.

Now, the basic consideration is when can the President intervene in the interest of national security and not when there is unfair competition in which the primary venue would be the PCC? Although, in my opinion, it would not hinder the PCC from recommending to the President that such action could be—because unfair competition can also be of national interest but not all or everything that is of national interest or of national security is unfair competition. So I would venture to say that yes, the PCC can also submit to the President and question a transaction or a merger that would involve the transfer of equity of more than 40 percent to a foreigner or a foreign corporation, Mr. Speaker.

REP. QUIMBO. So are you saying, Mr. Speaker, that what is being contemplated in this provision is a kind of *motu proprio* giving of recommendation?

REP. GARIN (S.). Mr. Speaker, when crafting this provision, we have reviewed what is being done in the European Union as well as in the United States of America and there you have a Committee on Foreign Investment in the US which actually could be *motu proprio* as well, as it could be *motu proprio* by the committee itself or it can be the company itself that can get the clearance. We have decided to leave it to the NEDA to formulate as it is the proper, the more appropriate committee for the Philippines, because if we just follow what is being done in the US, they have a different political environment as well as economic environment, so, we left the decision or the design of such procedure to the IRR that will be crafted by the NEDA, Mr. Speaker.

REP. QUIMBO. Thank you for the clarification, Mr. Speaker. I just wanted to point out this concept or this doctrine of primary jurisdiction ...

REP. GARIN (S.). Yes.

REP. QUIMBO. ... so that, at least, on record, there

is some clarity as to when or not the PCC can intervene especially when it comes to an MNA that can potentially be anti-competitive.

REP. GARIN (S.). Mr. Speaker, I just want to clarify in this Bill that only when there is national security concern involved when there is a transfer of the ownership to a foreigner or foreign corporation, can this have primary jurisdiction, but any case that would involve anti-competition, then that would be the PCC. In fact, one of the safeguards in this Bill, considering the fact that foreigners or unwanted foreigners might invest in the Philippines, is the PCC. We have the National Privacy Commission. We have the National Security Council. So all of these agencies are still in place to make sure that despite such investments in the Philippines, we are still protecting the interest of the Filipino people.

REP. QUIMBO. Yes. Thank you, Mr. Speaker. Clearly, this is a situation where you have a policy objective such as national security which clearly trumps competition, and the general principle that is applied in cases where you have seemingly conflicting policy objectives is that one should endeavor to attain the more important concern. In this case, national security but in the least anti-competitive way, so, I just want to include that in the record, Mr. Speaker.

REP. GARIN (S.). Yes, Mr. Speaker. In fact, the design in some countries is that before you can invest, you have to get a clearance from the National Security Council or whatever kind of agency they have that we have not incorporated here because we want to avoid such cases, Mr. Speaker.

REP. QUIMBO. Mr. Speaker, again, pertaining to this provision, is there any time frame contemplated for the suspension or prohibition of a transaction that potentially undermines national security?

REP. GARIN (S.). We ...

REP. QUIMBO. Mr. Speaker, napakahirap naman po na nag-invest na ang isang entity, sila ay nag-acquire ng isa pang entity, at sila ay nagnenegosyo na ng limang taon, anim na taon, only to find out later that such transaction would be considered void at one point in the future. So have you considered the possibility of putting some sort of statutory limitation on this?

REP. GARIN (S.). Mr. Speaker, in our discussions, we have not discussed the issue of the time frame, but I think the NEDA, upon crafting the IRR, can tackle it because the expertise should be with the NEDA or the PCC itself. I personally believe that it is beyond the scope or the technical capacity of this Bill that we are tackling now.

REP. QUIMBO. Okay, Mr. Speaker, but I just hope that this is something that you will think about because this is very important for purposes of reducing uncertainty in the business environment.

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

REP. QUIMBO. So, let me move on, Mr. Speaker, to the proposed Section 7 (c), which is on rate regulation. Mr. Speaker, the proposed approach to rate regulation is that all public utilities will be subject to rate regulation but in the case of public services that are not public utilities, rate regulation will apply only when public interest so requires. Is this a correct statement, Mr. Speaker?

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

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

REP. QUIMBO. Mr. Speaker, may I know as to why the proposed approach to rate regulation would require the fixing of a maximum rate? I would like to point out that some sectors in more mature jurisdictions are subject to rate regulation, not on the basis of a maximum. For example, the rates of health care in the US are subject to a standard which is called URC or usual, reasonable and customary. So in this case, "usual" would refer loosely to an average rather than a maximum.

So, Mr. Speaker, will fixing and determining a maximum rate not unduly restrict the options that are available to a regulator? As far as I know, in the original law, there is no mention of the word "maximum."

There is mention of the mandate to fix and determine a rate and those rates are enumerated, but there is no qualifier such as "maximum," Mr. Speaker.

REP. GARIN (S.). Mr. Speaker, the original proposal in this Bill was actually based on the Meralco case in which they imposed 12 percent rate of return for public services and public utilities. Upon deliberation in the previous Congress, we have removed the 12 percent because it was cited that in some industries, even six percent is reasonable. So the Committee has decided to do away with specifying the rate of return and in this case, despite the mention of rate setting here, if the industry is already deregulated, then they are not forced to regulate again. We are just giving them the option which they can set. We are just giving a standard on how to set the rate setting based on the weighted average cost of capital which its maximum was meant to address the decision wherein it did not allow the LTFRB to set flexible rates. In that case, flexible pricing of Grab, et cetera would be on shaky grounds.



So parang what we are trying to do here is standardize the rate setting para the industry or any kind of investment would be attractive enough for investors because it is a huge capital investment and at the same time, we are also protecting the interest of the consumers. It is not too high that it is exorbitant in the case of our consumers, and not too low that it will be confiscatory in terms of the investors. I just want to state again that this is not regulating those that are not regulated already. This is just a standard so that we are at par with whatever international acceptable rate setting systems and methodologies they have. That is why we made sure to specify it here in the proposed Bill, Mr. Speaker.

REP. QUIMBO. Perhaps, Mr. Speaker, I should ask a few more questions so you can probably think about this word “maximum” a bit more. For example, will this maximum rate be known to the public service that is being regulated? Is it going to be known to the public? If the maximum rates are fixed and known, will there not be a danger of public services maximizing that rate anyway? In the case of public services with more than one service provider, will there not be a danger of collusion where service providers can implicitly or explicitly agree to fix prices at a maximum rate precisely designated by the regulator? Again, this is a violation under the Philippine Competition Act.

So, we do not have to look far to think about examples. Let me give you a very concrete example. The Department of Energy’s approach to rate regulation for fuel prices sets a kind of maximum rate. The DOE imposes a formula on oil companies using parameters that are constant or the same for oil companies. So kasama diyan ang MOPS, kasama diyan ang exchange rate, ang tariffs, ang value-added tax. So it now becomes a kind of maximum.

Now, the problem here is that the companies end up maximizing that rate anyway. So if they say, “allow us to increase our price up to one peso,” why will they increase their price up to P90 unless, of course, there is vigorous competition in a particular geographic market.

So apart from that, companies end up maximizing the rate. The other problem is that oil companies seem to be engaged in tacit collusion or price fixing over this maximum rate, Mr. Speaker.

REP. GARIN (S.). Mr. Speaker, should Honorable Quimbo propose to amend by deleting the word “maximum,” then this Representation is amenable.

REP. QUIMBO. Thank you, Mr. Speaker.

I will propose individual amendments at the appropriate time, Mr. Speaker. Anyway, just to justify why one can remove the word “maximum” there—anyway, Mr. Speaker, the succeeding proviso

fairly describes what an appropriate rate should we be invoking in terms of important benchmarks such as efficiency, prudence and reasonableness. All of these words are in that proviso. For example, Section 7(C) states that “the rates must be such as to allow the recovery of prudent and efficient costs and a reasonable rate of return to enable the public service to operate viably,” Mr. Speaker.

REP. GARIN (S.). Yes, Mr. Speaker. Those were words actually that were inputted by the different administrative agencies as well as those responsible for the rate setting.

REP. QUIMBO. It might be good, Mr. Speaker, to define what “operating viably” means. So those are the last two words of this proviso on rate regulation. So the idea is to find that rate that would be consistent with the public service operating viably.

Ano po ba ang naisip natin? Ano ang ibig sabihin ng “operating viably”? I think, Mr. Speaker, it is important to know what this means—what is the specific price that would be consistent with viable operations. We have to remember, Mr. Speaker, that as soon as this Bill becomes a law, the regulator will no longer have to seek prior approval from Congress when it sets a price. So, kinakailangan malinaw ang language dito sa section na ito, Mr. Speaker. So, again, what is a viable price?

(Slide presentation)

REP. GARIN (S.). Mr. Speaker, “operating viably” is, actually, in reference to the *Republic of the Philippines vs. Meralco* case, in which, as I mentioned, it was mentioned that the reasonable rate of return for rate setting purposes is 12 percent and that income tax is not a recoverable expense for rate setting purposes. The point in that decision was that the rate should not be confiscatory but should meet the required rate of return in the market for investments of similar risk. That is how the decision was made and that is why we have placed that terminology in the rate setting section, Mr. Speaker. However, we do not have any technical description of the terminology, Mr. Speaker.

REP. QUIMBO. Mr. Speaker, if I may share some information, in the economics literature, particularly on regulating natural monopolies, when you speak of a viable price, it is the price that is equal to the average cost. In other words, unit cost. So that is typically what is construed as what is viable in a natural monopoly.

REP. GARIN (S.). Okay. It is the average cost.

REP. QUIMBO. The average cost of producing the service.

REP. GARIN (S.). The service.

REP. QUIMBO. In other words, take total cost and divide it by the number of units produced, that would be the average cost. So the idea is, if you impose the price that is efficient, ang mangyayari po niyan, malulugi ang natural monopoly and so pinapayagan ng regulator na i-set ang price sa average cost bagamat siya ay mas mataas sa efficient price. So my question is that, will this concept of a viable price, which is well known in the economics literature, also going to be applied to the situation of public services that are not public utilities? So, kasama na po diyan ang telcos, kasama na rin diyan ang transport...

REP. GARIN (S.). Yes.

REP. QUIMBO. ... kasama diyan ang LRT?

REP. GARIN (S.). Yes, Mr. Speaker. In fact, I think the average cost pricing is—what we call the weighted average cost of capital—on the return on the weighted average cost of capital which is, actually, already applied by some of the industries, Mr. Speaker, especially in the ERC.

REP. QUIMBO. Mr. Speaker, mayroon po akong nakikitang problema na kung ang average cost ay ginamit na basehan para sa konsepto ng viable operations para sa dalawang sets na ito, ibig sabihin ang public utilities versus public services na hindi public utility, baka magkaroon tayo ng problema doon sa pangalawang set—pinakita ko po iyan diyan sa slide na iyan.

I have made a distinction between a natural monopoly and a standard monopoly and as you can see, the difference is in the nature of the cost. Ang problema po is that kung mayroon tayong captured regulator, puwedeng maabuso ang konsepto ng viable price. Puwede niyang payagang umiral ang monopoly price na mas mataas sa efficient price at baka gawin niyang palusot na ito ay ang viable price. Sasabihin niya na iyong mataas na presyo ay ang viable price dahil iyan ay ang presyo para maging isang going concern ang negosyo. So iyon po ang fear ko lang na hindi maliwanag ito. Dapat yata, sa aking palagay, we should make a distinction on what are the acceptable prices in these two different situations, Mr. Speaker.

REP. GARIN (S.). Yes, Mr. Speaker. Should the honorable Representative have recommendations or amendments in the specific provision, then the Committee would consider such, Mr. Speaker.

REP. QUIMBO. So, Mr. Speaker, just maybe a quick fix—although again, I would propose it in the appropriate time—perhaps, one can simply make this

distinction by adding a few words, for example, to say that the reasonable rate of return should enable the public service to operate efficiently and in the case of a public utility, to operate viably. I think those additional few words would already address this concern, something that we can probably consider, Mr. Speaker.

REP. GARIN (S.). Yes, Mr. Speaker. Thank you very much.

REP. QUIMBO. Now, Mr. Speaker, I would like to move on to Sections 4, 5, and 6, amending Sections 13, 14, 15.

REP. GARIN (S.). Sections 4, 5, and 6?

REP. QUIMBO. Yes, Mr. Speaker. So this is on the necessity of franchises for public services. Part of the reason, Mr. Speaker, why franchises need to be issued is clearly economic in nature. A regulator decides on the number of franchises to issue to limit the number of players in the market and this is usually to guard against over-investment and wasteful duplication in natural monopolies. A regulator would also decide which entities would receive the franchise. So, Mr. Speaker, both decisions, whether the number of franchises to issue or the identity of the franchise holders, these are precisely for the protection of public interest like, for example, the promotion of public safety or the avoidance of public inconveniences such as traffic or pollution. Would the good Sponsor, Mr. Speaker, agree that these are, in fact, the merits of franchise issuance?

REP. GARIN (S.). My apologies, Mr. Speaker, I was just looking for the section.

Yes, I agree with the observation of Honorable Quimbo.

REP. QUIMBO. Mr. Speaker, I was actually referring to Sections 5, 6, and 7 rather than Sections 4, 5, and 6.

REP. GARIN (S.). Sections 5, 6, and 7?

REP. QUIMBO. So, thank you, Mr. Speaker.

Would the good Sponsor please confirm that the amended Section 13 of the substitute Bill does not require GOCCs that provide public services to secure franchises from Congress.

REP. GARIN (S.). No, Mr. Speaker. The GOCCs need to have a franchise or an authorization.

REP. QUIMBO. Mr. Speaker, I am looking at Section 6 of the substitute Bill. Is that something that we can refer to?

REP. GARIN (S.). Yes.

REP. QUIMBO. So if I may read the relevant phrases: No public service shall operate in the Philippines”— sorry.

REP. GARIN (S.). Section 15 of the original of PSA, and Section 6 in the substitute Bill. Is that correct?

REP. QUIMBO. Sorry, Mr. Speaker. I would like to refer to Section 4 that amends Section 13 of Commonwealth Act No. 146. Let me read the relevant phrase here: “Public services owned or operated by government entities shall be regulated by the administrative agency in the same way as privately-owned public services, but a franchise shall not be required of such entities or corporations.

So, am I correct that this means that the GOCC providing a public service is not required to have a franchise, Mr. Speaker?

REP. GARIN (S.). Yes, Mr. Speaker. Just to correct, the franchise is not necessary but it will still be under the regulation of the administrative agency, Mr. Speaker.

REP. QUIMBO. They will not be required to have a franchise, Mr. Speaker. Is that correct?

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

REP. QUIMBO. So, Mr. Speaker, what is the rationale for this?

REP. GARIN (S.). Mr. Speaker, the amendment of Section 13(A) is the Committee has not amended any of the original provisions of the Public Service Act. The only provisions or the only parts of Section 13(A) that we have changed to update it, instead of “Commission,” we put ADMINISTRATIVE AGENCY. It is more for housekeeping that we have placed this. We have decided not to touch on the concept behind this original section under the PSA, Mr. Speaker.

REP. QUIMBO. Well, Mr. Speaker, the reason I raised this question is because of two things: First, would this mean that, as you pointed out earlier, it is the admin agency, despite not having a franchise, that will have jurisdiction over this GOCC? Is that correct, Mr. Speaker?

REP. GARIN (S.). Yes, Mr. Speaker. This was a 1936 law and the Seventeenth Congress actually did not touch on this provision. In this Congress, we have touched on it just to clean up the law and

update it. Instead of issuing a Certificate of Public Convenience, we changed the terminologies to update it to the current times. Now, in fact, the GOCCs with original charters, the franchise is already included in the law creating the GOCCs. It is not based on the franchise originally given by the Public Service Commission, Mr. Speaker.

REP. QUIMBO. So, ...

REP. GARIN (S.). It was different. The GOCC Law actually supersedes the PSA because this is an 83-year old law. Now, with the GOCC Law that created the GOCC, then the franchise will be included therein and that will be the law that should apply to them, Mr. Speaker.

REP. QUIMBO. So, Mr. Speaker, are we saying that it is possible that the franchise governing a GOCC and the franchise governing a privately-owned competitor would vary in nature? Is that a possibility, Mr. Speaker?

REP. GARIN (S.). Well, just to cite an example, the PAGCOR is a GOCC and it has a franchise because it is provided in its original Charter.

Now, I cannot cite any other GOCC that needs a separate franchise or has that in its original charter, Mr. Speaker.

REP. QUIMBO. So, Mr. Speaker, in this example, supposing hypothetically that PAGCOR would have a competitor one kilometer away, privately-owned, that private entity would need a franchise?

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

REP. QUIMBO. So would it be possible, Mr. Speaker, that the terms of those franchises are different?

REP. GARIN (S.). It is possible, Mr. Speaker.

REP. QUIMBO. So, Mr. Speaker, is that a possible concern with respect to competitive neutrality? We do not want a situation where we provide undue competitive advantage to a GOCC that reduces the competitiveness in our environment. As we all know, the very reason we are standing here is we want to make our business environment more competitive, Mr. Speaker.

REP. GARIN (S.). Yes, I agree, Mr. Speaker. That could cause such problems and if the good interpellator has any amendatory provisions, then the Committee can consider them, Mr. Speaker.

REP. QUIMBO. Thank you, Mr. Speaker. I have none at the moment but I will try to reflect on it, Mr. Speaker.

Now, Section 14 provides a list of exempted activities. So there is mention here in Section 14 that those on the list of exempted activities are exempt from Section 13(A). So may I ask if this exemption refers to the jurisdiction of the agency or to the franchise requirement?

REP. GARIN (S.). The exemption of warehouses, you mean, Mr. Speaker?

REP. QUIMBO. Yes. So if I may, Mr. Speaker, Section 5 which amends Section 14 states, “The following are exempted from the provisions of Sections 13(A), (B) and (C)” —and Section 13(A) actually has two parts, one refers to the jurisdiction of the admin agency, and the second refers to the exemption of the GOCC from the franchise requirement. So my question is, which does the exemption refer to? If it refers to the franchise requirement, then you are exempting an exemption, which means the listed activities are now required to have a franchise, and if we move further down to Section 15, Section 15 says that “No public service shall operate in the Philippines without a valid franchise.”

So I am saying that there seems to be inconsistencies in the language of those three provisions. For example, if you apply those three sections to the case of warehouses owned by the NFA, in Section 13, they are exempted from the franchise requirement and in Section 14, they are exempted from that exemption. In other words, they are required to have that franchise, and in Section 15, again, the warehouses owned by the NFA are exempted from the franchise requirement.

So, Mr. Speaker, would you agree that there is a need to revisit these provisions and harmonize those various sections to reflect a clearer justification and rationale for the issuance of franchises, but keeping in mind the importance of competitive neutrality?

REP. GARIN (S.). Yes, Mr. Speaker. The Committee has already considered that because there are some errors in the crafting of the said section and we have already considered the amendment of that, Mr. Speaker.

REP. QUIMBO. On my final topic—this is going to be short, Mr. Speaker—Section 21 specifies the range of penalties which is P5,000 to P2 million. Mr. Speaker, would you confirm that these figures were determined by applying the applicable inflation rates on the penalties that were specified in the original law?

REP. GARIN (S.). The proposal is P5,000 to P2 million, as against the original which was P200 on a

daily rate fine. Now, while applying the inflation rates, CPI and all that, we would have come up with P5 million, but upon consultation with the administrative agencies and also with NEDA, we settled at P2 million. Considering that some of the industries are bigger or smaller than others, then we put a minimum and a maximum of up to P2 million. For example, in the LTRFB, fining them P20,000 per day is exorbitant, but for an energy company, P2 million is in fact very viable for them. We had to settle. We had to consider some of the other industries, hence, the range of P5,000 to P2 million, Mr. Speaker.

REP. QUIMBO. Considering, Mr. Speaker, that you have a wide range of public services spanning also a wide range of market structures—for example, you would have the tricycle drivers which are very small businesses, so perhaps the P5,000 might seem like a reasonable minimum. However, my question is the maximum amount. Is that potentially too low considering that the currently prevailing fines for business entities are very high? For example, again, under the Philippine Competition Act, the maximum fine for a second offense for price fixing is P200 million. In fact, just looking at some cases of the PCC, one firm was fined, I think, about P50 million.

So I am wondering, Mr. Speaker, if you would consider recomputing or reassessing the maximum fines so that this law would be at par with other business-related laws.

REP. GARIN (S.). Yes, Mr. Speaker, we are also considering that by using a 12 percent cumulative interest, we arrived at P5 million. It was a matter of consulting other agencies because for the energy sector, P5 million is not an issue but for air transport, they go by a per-passenger rate. Every industry has a different rate set or fine setting method. What we have to remember is that the P2 million that would be applied as the maximum fine is a daily rate. It is a daily rate, so, everytime they do not operate or they fail to deliver, then they are fined P2 million. What we do not want to happen also is we charge them, and then we have a fine that will cause an increase on the rates as well. Should the good interpellator have any other calculations that should be more appropriate, then the Committee can consider them, Mr. Speaker.

REP. QUIMBO. I think, Mr. Speaker, the clarification that it is a daily rate is a relief. I think that is probably going to be a reasonable range.

So, again, Mr. Speaker, I really think that most economists, including myself, consider this as a big step towards the right direction. Matagal na naming inambisyon ang batas na ito. Salamat sa pag-shepherd sa batas na ito. I wish, of course, to take a more active role

in this very important economic reform and will propose individual amendments at the appropriate time.

Thank you, Mr. Speaker, distinguished Sponsor.

REP. GARIN (S.). Thank you very much.

*At this juncture, Deputy Speaker Gonzales (A.) relinquished the Chair to Deputy Speaker Ferdinand L. Hernandez.*

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

REP. TADURAN. Thank you, Mr. Speaker.

Before we call on the next interpellator, we move to acknowledge the presence of the following guests of Hon. Sarah Jane L. Elago of the KABATAAN Party-List, namely: Cesar Carlito R. Baclagon and Mitzi Tan of the Youth Advocates for Climate Action in the Philippines or YACAP Alliance as well as Ryan Bello of Youth Strike 4 Climate Philippines.

From Laguna, we have Dennis de Torres, Angel R. Barcenas, Philip Loui Dumagat, Anicia Ciabal and Luz Cañas.

THE DEPUTY SPEAKER (Rep. Hernandez). May the guests of Representative Elago please stand to be recognized. Welcome to the House of Representatives. *(Applause)*

The Majority Leader is recognized.

REP. TADURAN. Mr. Speaker, the next House Member who wishes to interpellate the Sponsor is the Gentleman from the Second District of Surigao del Norte, Hon. Robert Ace S. Barbers. I move that he be recognized for his interpellation.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Hernandez). Hon. Robert Ace S. Barbers is hereby recognized.

REP. BARBERS. Thank you, Mr. Speaker. Thank you, Majority Leader. Will the distinguished Sponsor entertain few clarificatory questions from this Representation?

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

REP. BARBERS. Thank you.

Distinguished Sponsor, I will not belabor much the constitutional issue of the proposed measure because that has already been extensively discussed and interpellated on by my colleagues yesterday and today. I would just like to express my conformity to the position that this measure is not only contrary to the intention of the framers of our Constitution, but it

will really create a great danger to our national security and self-reliant economy. For instance, take the case of the telecommunications sites that came out in the newspapers several weeks ago and were situated or located inside our military camps. If we will allow 100 percent foreign-owned telecommunications companies to be located inside our military camps, will this not, Mr. Speaker, distinguished Sponsor, pose a threat to our national security? Will the distinguished Sponsor allow that to happen?

REP. GARIN (S.). Mr. Speaker, the main purpose of this Bill is to define “public utility.” It does not, by defining public utility or by classifying an industry as public utility, involve the assessment whether there is a national security issue or not. Now, when we classify a certain industry as a public utility, it is based on certain criteria which are stated in the proposed Bill. Let me cite them quickly—that the person who regularly supplies service of public consequence, is a natural monopoly that needs to be regulated, that it is necessary for the life and occupation of the public and that the person is obligated to provide adequate service to the public on demand. There is no mention of national security there at. That is why having it classified as a public utility does not mean that it is a national security issue.

In fact, even if you are a public service, there could still be a public security issue. That is why in the proposed amendment of the Bill that has been approved based on the Committee Report, we have drafted a substitute Bill which will include the intervention of the President. In cases where there are national security issues, the President can intervene. He can prohibit or suspend any merger, acquisition, transaction or investment in any public utility which will affect or result in the grant of control to a foreigner or foreign corporation, Mr. Speaker.

REP. BARBERS. Thank you, Mr. Speaker.

REP. GARIN (S.). I do agree that in cases of national security, we have to be very sensitive and we have to be proactive on that matter, Mr. Speaker.

REP. BARBERS. Thank you, distinguished Sponsor.

My question was, will you allow the presence of a telecommunications company inside a military camp? I perfectly understand the intention of the distinguished Sponsor in one of the sections or provisions of this proposed Bill, that in cases of national emergency, the President takes over. Mr. Speaker, distinguished Sponsor, the danger is in the definition of the words “public utility.” In fact, in the body of the Bill which is entitled “Providing for the Definition of Public Utility,” Mr. Speaker, distinguished Sponsor, if you will read it,

it is more like a restrictive enumeration of what should be considered as public utility. As a matter of fact, the Bill named only two utilities—iyong tubig at iyong kuryente ang nabibilang sa kung tawagin ay public utility, Mr. Speaker.

So, ang akin po, ako po ay nababahala na kung lilimitahan lang natin sa dalawang sektor, tubig at kuryente, ang pag-classify sa kanila bilang isang public utility, it now opens the floodgates for foreign ownership in very important industries such as telecommunications industry and transportation industry which somehow, if controlled by foreign corporations or foreigners, would pose an imminent threat to the national security of the country. Iyon po ang aking punto, Mr. Speaker, my distinguished Sponsor.

REP. GARIN (S.). Yes, I agree in some points, Mr. Speaker, but I stand by the fact that under the definition of what a public utility is, in which that definition was based on the transcripts from the ConCom deliberations as well as the decisions of the Supreme Court in various cases that telecommunications would not fall under public utility. I agree that in some cases, should there be a tower inside our bases, then that is a threat to national security. We can always qualify that in case of a threat to national security, the 60:40 or even a higher restriction will apply.

That is why we have put it in the proposed substitute Bill to the current bill, that if there are concerns on national security, then our government can intervene and not allow the transaction to push through, Mr. Speaker. I would just want to repeat that qualifying or classifying a certain industry as a public utility does not mean that we are allowing a threat to national security. If you are a public utility, there could still be a threat to national security. If you are just a public service, there could still be a threat to national security.

The provision on the intervention of the government will apply to all industries, Mr. Speaker.

REP. BARBERS. Yes, Mr. Speaker, distinguished Sponsor, the essence of the proposed measure is to define or limit public utility into these two very important sectors in our society—ang kuryente at iyong ating tubig—and because of that, Mr. Speaker, my distinguished Sponsor, we are effectively or technically amending the definition, as adopted or contemplated by the framers of our Constitution, on the real meaning of public utility. There were also jurisprudences that were issued with respect to the real definition of a public utility. And because of this proposed measure, Mr. Speaker, distinguished Sponsor, we are practically opening the floodgates to making public utility as an open industry for foreign ownership. Kasi nga ho, for instance, ang transportation sector ay dominated, controlled and operated by a, let us just take, for...

REP. GARIN (S.). China.

REP. BARBERS. ...example, the case of Beijing Transportation Incorporated, and suddenly a national emergency happens wherein there is a war between these two countries, and a very vital and important sector or industry in our society is controlled by our enemies. What will now happen to us, Mr. Speaker, my distinguished Sponsor?

So, technically, in this proposed measure, we are changing the definition of public utility which, I think, poses a great danger, Mr. Speaker, my distinguished colleague. Kasi nga, hindi ko po maintindihan na you will go against the intentions of the framers of our Constitution in this definition and kapag ginawa po natin iyan, it is as if we are amending the provision of the Constitution.

REP. GARIN (S.). Mr. Speaker, there is no intention to change the meaning of the Constitution. The Constitution merely states public utility and which the Constitution does not define.

REP. BARBERS. Yes, I agree, Mr. Speaker.

REP. GARIN (S.). Yes, Mr. Speaker, but if we go through the deliberations in the Constitutional Commission, transportation was mentioned. However, it also mentioned other industries like ice plants...

REP. BARBERS. Storage.

REP. GARIN (S.). ...telecommunications, storage and warehouses.

Now, those are the industries that were mentioned. In fact, now, going through all the decisions of the Supreme Court, some of these industries are not anymore public utilities and they are public services na lang, which means that what we have to rely on, Mr. Speaker, is not the list of industries that were mentioned during the Constitutional Commission deliberations or the list that was given in any court decision. It is the concept behind why they derived those lists. That idea on how to define public utility is embedded in this proposal.

Now, based on those rulings of the Supreme Court and the deliberations of the Constitutional Commission, at this time, in 2019, the authors of this proposal believe that transportation and telecommunications are not anymore public utilities because of globalization and the onset of technological innovation.

Now, one basic feature is that it is not a natural monopoly but I recognize the concern of my distinguished colleague. We can eliminate the fears of our constituents by addressing the national security concern. Our colleague believes that there is a national security issue.

We will maintain the 60:40 in some cases, that could be a proposal, Mr. Speaker.

REP. BARBERS. Thank you, Mr. Speaker, distinguished colleague.

In your definition, is it correct to assume, distinguished Sponsor, that it is also possible that maybe in the next Congress, they will again change the definition of public utility? Then it will eventually leave us with the definition that the only remaining public utility is the, let us say for instance, the ice plant.

REP. GARIN (S.). Yes.

REP. BARBERS. That is possible, Mr. Speaker. Am I correct to assume that, distinguished Sponsor?

REP. GARIN (S.). It is possible. In fact, over the years, there had been changes in the listing not only here in the Philippines but also in jurisdictions outside the Philippines, like the wireless communications in Pennsylvania. It is not anymore a public utility. In some places, LPG is not anymore a public utility. Here, in many cases, ice plants, stevedoring, petroleum, shipyard and cold storage were in fact mentioned in one case in the Supreme Court that they are not public utilities anymore. So it is not a static list like 10 years ago. The list would have been different and 10 years from now, it could be different again, Mr. Speaker.

REP. BARBERS. Was there any instance, distinguished Sponsor, in the jurisprudence or in any case that the definition of “public utility” was changed other than those that we understood as contemplated by the framers of our Constitution?

REP. GARIN (S.). The deliberations in the Constitution Commission, as well as the jurisprudence, have not been consistent.

REP. BARBERS. So they are ...

REP. GARIN (S.). It is a case to case basis. That is why we found it ...

REP. BARBERS. May I be ...

REP. GARIN (S.). ...fitting to have a definite list of qualifications in order for a certain industry to qualify as a public utility. It is a case to case basis. In one case in the Supreme Court, it would state something else and then the next one would have a different ruling, and that is why we have decided to find the fitting definition of what is a public utility, Mr. Speaker.

REP. BARBERS. So that makes it more dangerous, Mr. Speaker, distinguished Sponsor.

Anyway, we will go now to the effects or the consequences of opening public utility businesses to foreign corporations without equity restriction. Let us take again the case, for example, of transportation as discussed yesterday by our constitutionalist colleague, Congressman Rodriguez where this proposed measure will technically have the effect of allowing a 100 percent foreign-owned corporation to engage in a transportation business. Am I correct?

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

REP. BARBERS. So, if that is the case, if we will allow a 100 percent foreign-owned corporation to engage in transportation, what would then prevent a foreign corporation to engage in, for instance, a TODA, iyong mga tricycle natin, iyong mga maliliit na negosyo where Filipinos are part—these tricycles are part of the daily lives of the Filipinos? Kunwari iyong mga associations of tricycles and padyak drivers in the country, all over Visayas and all over Mindanao, what would then prevent them, Mr. Speaker, distinguished Sponsor? I cannot imagine a local or a national TODA that will be controlled by foreigners. It seems ridiculous but what is more alarming is that this scenario threatens the existence of our small entrepreneurs. Iyong maliit na negosyong iyan ay baka sila pa ang maging kakumpitensiya ng malalaking mga kumpanya. Hindi ba iyan alarming for us or should we not be alarmed, Mr. Speaker, distinguished Sponsor, if this Bill becomes a law?

REP. GARIN (S.). Mr. Speaker, the threat will probably be more for bigger companies rather than the small companies, because we already have measures in place or laws in place that prohibit any foreign direct investments. For example, like the Foreign Investments Act in which there is a \$200,000 minimum investment, as well as in the Retail Trade Act in which it is currently under deliberations for liberalization, still the limit is still \$200,000. In fact, there are also regulations in terms of immigration.

Now, a Chinese cannot work as a tricycle driver in the Philippines while there are still Filipino tricycle drivers in the Philippines. In fact, for any technical or managerial position, probably if there are other Filipinos who can do such, then they will not be allowed to work here under a valid visa. So, the small industries are still protected, Mr. Speaker.

I would say that the threat is more for the bigger companies, for example, for the companies in sea transportation which is badly in need of improvements. We have one of the most expensive and it is costing our consumers that much because our agricultural products

are 40 percent or 30 percent higher because of the cost of transportation. We believe that by liberalizing sea transportation we will have a more competitive and healthier environment in which our consumers or our constituents will benefit from because of the lowering of prices and the improvement of services. This Sponsor believes that the smaller industries will not be threatened by the proposed Bill.

REP. BARBERS. Okay, I am just citing the padyak, the tricycle or the TODA as a possible investment venture by these foreign corporations because if you pull the TODAs altogether, it might even be more than \$200,000 in terms of their investments. Following that line, Mr. Speaker, distinguished Sponsor, in your Explanatory Note and in the objectives of the Bill, the intention is to open certain industries and businesses not covered or not stipulated in this measure. Kunyari dito ho sa ating power generation, kulang pa ho ba iyong power generators na existing sa ating bansa sa ngayon?

REP. GARIN (S.). Mr. Speaker, in terms of power generation, under the proposal, it will not be a public utility. It will remain as a public service; also because under EPIRA, it is considered not as a public utility anymore. Furthermore, the definition of a public utility, being a natural monopoly, our power generation can be sourced from different kinds of sources. It can be solar or any other kind of energy and you can source it from different companies, Mr. Speaker.

So it is not a natural monopoly. Hence, it does not qualify, under this law as well as under EPIRA which had been enacted a long time ago, that it is not a public utility, Mr. Speaker.

REP. BARBERS. Am I correct, Mr. Speaker, distinguished Sponsor, that power generation is not included in your definition of public utility?

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

REP. BARBERS. So, if that is the case, distinguished Sponsor, a Chinese or any other foreign corporation can own a power generating company in the country. Correct? Tama po ba?

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

REP. BARBERS. So kung ganoon po ang mangyayari, if in the event they put up a nuclear power plant in the country, ano ho ba ang kailangan nilang gawin? Ano ho bang mga permiso o permits o dokumento ang kanilang kailangang i-apply at

kung sino ang magre-regulate sa kanila? Is it the LGU, is it the DTI or is it the BIR? This is quite a serious industry, Mr. Speaker, distinguished Sponsor. So, I would like to be educated by the...

REP. GARIN (S.). Mr. Speaker, under the current setting, without this proposal, the Chinese can actually invest already because it is not a public utility.

REP. BARBERS. So, for instance, doon sa...

REP. GARIN (S.). Regardless of the passage of this Bill or not.

REP. BARBERS. Doon sa controversial na Kaliwa Dam where a Chinese investor is more than willing to lend us money to put that up, would it not be posing a threat to our national security?

REP. GARIN (S.). I am not sure. What is its function if it is about water distribution or water supply?

REP. BARBERS. Well, partly yes for power generation and water supply. I am just citing, for example, distinguished Sponsor, na itong sa tubig naman ng kagaya noong sa power ay—kung halimbawa, itong isang Chinese corporation ay isa sa nagmamay-ari noong ating mga dams that does not just supply water, they can also supply power.

REP. GARIN (S.). Yes.

REP. BARBERS. So ...

REP. GARIN (S.). Mr. Speaker, public utility, let us say water, even if it is not considered public utility, it will still be under regulation. If it is the regulation, the administrative agency is the LGU, and then the LGUs still have supervisory or administrative authority over the public service.

The Bill does not eliminate any power of the administrative agency over the public service or public utility. The public utility provision or proposal is only classifying four services that are considered public utilities. It says thereat water and electricity as two of them. Now, that does not mean that the rest will not be regulated anymore. They will still be regulated. If you are regulated by LTFRB, CAB and ERC—MARINA or PPA—then the regulation stays. Just to make sure that it is on the record, that the proposal only defines what is public utility. It does not do away with the powers of the administrative



agency over the public utility or public service, Mr. Speaker.

REP. BARBERS. Well, Mr. Speaker, distinguished Sponsor, nabanggit ninyo din doon sa inyong Explanatory Note that this will promote fair competition. The point that I am driving at, Mr. Speaker, distinguished Sponsor, if we allow all these big foreign corporations to manage, operate and own our big utilities or companies that are vital to the Philippine economy then, nasaan ho iyong fair competition doon? If they can easily drop down their charges or their prices to be able to compete against a local company, then it defeats the purpose, distinguished Sponsor, Mr. Speaker, the real essence of fair competition because these guys are too big. They are too big to compete with our local counterparts.

Kaya nga siguro iyong framers ng ating Constitution contemplated that they should only be limited to 40 percent ownership kasi otherwise, kung sila ay nagko-control ay maaaring wala nang pupuntahan iyong ating mga industriya na pagmamay-ari ng mga Pilipino. But I do not like to belabor that point anymore, Mr. Speaker, distinguished Sponsor.

One last point that I would like to ask the distinguished Sponsor is, we go now to the underlying purpose or justification of this measure, iyong sinasabing “to attract foreign direct investments.” Will you agree with me, distinguished Sponsor, that there are a number of factors other than what you have mentioned that will attract foreign direct investments?

REP. GARIN (S.). Yes, Mr. Speaker, that would be infrastructure, the incentives that we give, costs of labor, so many factors that, I think, our current administration is working on simultaneously, Mr. Speaker.

REP. BARBERS. Thank you, Mr. Speaker, for that information.

I do believe, distinguished Sponsor, that opening up the economy does not entail changing the real definition of “public utility” if the objective only is to attract foreign direct investments. Kasi ang sinasabi noong mga statistics ay hindi naman ho iyong batas na redefining what is “public utility” that will attract them to come to our country. Ang sinasabi ho dito, wage rates, labor skills, tax rates, transportation and infrastructure and the size of the economy are the factors that investors are looking for before they invest. In fact, mayroon din hong table na nagpapakita na iyong number one sa investment decision of a company before they make investments in another country ay iyong: 1) tax rates and ease of tax payments; 2) technological and innovation capabilities; 3) general security and environment; 4) regulatory transparency and lack of corruption; 5)

strength of investor and property rights; and so on and so forth.

Nowhere in all these statistics would show that opening up or redefining the public utility definition would open up the interest of foreign direct investors to come to our country. Wala ho iyon, hindi ho nila iniisip iyon. In fact, even in Singapore which we sometimes use as a model, ang number one ho nila doon ay financial and insurance services. Ang number two ho nila na rason for investments ng FDIs nila ay wholesale and retail trade.

In saying that, Mr. Speaker, my distinguished colleague, I would just like to emphasize a point na hindi siguro kinakailangan buksan ang ating definition o palitan and definition ng public utility in order to attract foreign direct investments. Even in China where they said construction and operation of airports and transportation is relatively controlled by the Chinese government. Even in Vietnam where they have a slightly higher percentage of FDIs compared to the Philippines, sinasabi rin nila doon na mayroon hong conditional restrictions, hindi nila ino-open iyong transportation, at hindi nila ino-open iyong telecommunications for foreign control. If the justification of the passing of this proposed measure would say it would at least attract investors, I strongly disagree with that idea, Mr. Speaker, my distinguished colleague.

REP. GARIN (S.). Mr. Speaker, according to the NEDA, Philippine Development Plan, amending the PSA, the Public Service Act, this Bill we are proposing today, is crucial to expanding economic opportunities and increasing the competitiveness of the Philippines. In fact, right now, we are slowing down in terms of foreign direct investments because we are one of the most restrictive economies in the world and probably the most in our region in terms of foreign direct investments.

What is the advantage of having foreign direct investments if our basic services and public services, specifically telecommunication and transportation, whether air transport, sea transport and land transport, are very expensive and the services are poor? If you have competition, you need more players and we are on a plateau right now. We cannot extract more investments from among fellow Filipinos. Should there be more Filipinos who are willing to invest or have the big capital for such things as telecommunication business, then they should be delivering better services to our countrymen, but there are none, Mr. Speaker.

It is not because protection is the idea of our Constitution. It is not because we do not want foreign investments. We want foreign investments to supplement the Filipino capital kasi kailangan din ng tulong ng Pilipino para makapagpatayo tayo ng

malalaking industriya at malalaking negosyo, so that we can improve the basic services to the Filipinos.

In fact, before, when we only had PLDT. We had so many problems. Tapos pumasok ang Globe at Smart. Noong pumasok ang Sun at nag-offer ng unli-calls and unli-texts, the rates improved and the services improved. The same way that there was only PAL and then Cebu Pacific, Tiger Air and Asia Pacific came in, the rates then improved and the services improved.

Now we have a problem with sea transport. We need more investors in sea transport because the service is bad and the costs are too high. If our Philippine capital or investors cannot afford such investments, then we need to supplement that with foreign direct investments. Hence, I do not believe that this will be a threat to our patrimony or a threat to our protectionist idea based on our Constitution. I think this will improve the lives of all Filipinos.

Hindi lang po ito na dahil we are taking away the businesses from other Filipinos. It is not because we are granting more opportunities to foreigners. The point here is to improve the services to the Filipinos, whether it be transportation, telecommunications and our internet which is the slowest in the world. Hopefully, it can be improved because they will bring in the investment as well as the technology, so that we can help our fellow Filipinos improve their lives by improving basic services, Mr. Speaker.

REP. BARBERS. Essentially, Mr. Speaker, distinguished Sponsor, you are saying that we should pass this law in order to let these investors come so that we can provide better services to our Filipinos. Is that correct to assume?

REP. GARIN (S.). That is one of the reasons, Mr. Speaker.

REP. BARBERS. Okay. Following your line of thinking, Mr. Speaker, my distinguished colleague, if the justification of passing this proposed measure into law is only to attract investments, clearly it will not address the interest of the foreign corporations to come to us if we pass this law. According to them, there are other factors why they will invest in our country. None of those on the list of reasons as to why they invest in a foreign country and factors that they use as basis for their investment say anything about redefining the meaning of public utility.

Mr. Speaker, distinguished colleague, I do agree with you that there is really a need to help this government attract investments but perhaps, we are training our crosshairs to a different target. Based on our studies, addressing the issues on wage rates, labor skills, tax rates, transport and infrastructure, the ease of doing business and the cost of electricity, doon tayo dapat naka-focus.

REP. GARIN (S.). Mr. Speaker, I agree, we have to improve our tax rates, we have to improve our incentives, we have to improve our labor force and train them better. We have to improve our infrastructure, but at the same time, we have to allow foreigners to invest in some, not in all, industries. Now, for example, if we focus on telecommunications or even transportation, that would require, if not hundreds, millions or billions of dollars. With the constitutional limitation on 40-60, there is a constitutional limitation in classifying an industry as a public utility. It says, "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," but the latter part of this section says, "The participation of foreign investors in the governing body of any public utility enterprise shall be limited to their proportionate share in its capital, and all the executive and managing officers of such corporation or association must be citizens of the Philippines."

Now, if you want them to invest billions of dollars or millions of dollars, then, what kind of company or foreign company would invest millions and billions of dollars if they do not have control over the management of such industry?

Now, this will open, liberalize—yes, it will liberalize some industries in our country, but it will also be a fair treatment for all those who are helping our country in improving the services for the Filipino people.

Kaya there is a need to open up some industries, not all because some of them have to be protected due to our national security or national interest, but some have to be open because we have an outdated law which was crafted way back in 1936, Mr. Speaker.

REP. BARBERS. Thank you, distinguished Sponsor, for that enlightenment. However, this Representation would like to stress the point that, yes, I certainly and absolutely agree with you that there is really a need to open up our economy. Ako po ay sumasang-ayon diyan ngunit hindi lamang sa public utilities as defined, as contemplated by the framers of our Constitution and as decided, as stipulated in the jurisprudence of our courts. Iyon lang po ang akin, Mr. Speaker, distinguished Sponsor, kasi nga we might be shooting ourselves on the foot, kapag na-open mo iyan at naging kumpitensiya sa ating mga lokal na mga negosyante, maaaring hindi tayo makalaban sa kumpetisyon, Mr. Speaker, distinguished Sponsor.

I have discussed enough already and with the winking of the eye of the distinguished Sponsor, it seems that she is sending me a signal that she wants me to stop already.

REP. GARIN (S.). Yes, please. *(Laughter)*

REP. BARBERS. Mr. Speaker, thank you for your clarifications and at the appropriate time, this Representation would propose amendments to the proposed measure if the distinguished Sponsor would agree.

REP. GARIN (S.). We will take them into consideration, Mr. Speaker.

Thank you very much.

REP. BARBERS. Thank you very much, Mr. Speaker. Thank you very much, distinguished Sponsor.

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

#### SUSPENSION OF CONSIDERATION OF H.B. NO. 78

REP. MACAPAGAL ARROYO. Mr. Speaker, I move that we suspend the consideration of House Bill No. 78.

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

The Majority Leader is recognized.

REP. MACAPAGAL ARROYO. Mr. Speaker, I move that we include the additional coauthors to House Joint Resolution No. 19, as contained in the list to be submitted by the Committee on Rules.

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

The Majority Leader is recognized.

#### SUSPENSION OF SESSION

REP. MACAPAGAL ARROYO. I move that we suspend the session, Mr. Speaker.

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

*It was 6:23 p.m.*

#### RESUMPTION OF SESSION

*At 6:23 p.m., the session was resumed.*

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

The Majority Leader is recognized.

REP. REMULLA. Mr. Speaker, I move that we recognize Sr. Dep. Minority Leader Janette L. Garin for the election of members of the Minority to the different Committees.

THE DEPUTY SPEAKER (Rep. Hernandez). The Honorable Garin (J.) is hereby recognized.

#### ELECTION OF MEMBERS TO COMMITTEES

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

Mr. Speaker, on behalf of the Minority, I move that we elect the following Members as additional members to the various Committees:

*The Sr. Dep. Minority Leader, Rep. Janette L. Garin, read the names of the House Members elected to the various Committees, per Journal No. 20, dated September 25, 2019.*

#### COMMITTEE ON AQUACULTURE AND FISHERIES RESOURCES

As additional members:

Rep. Eufemia “Ka Femia” C. Cullamat  
Rep. Gabriel H. Bordado Jr.

#### COMMITTEE ON BANKS AND FINANCIAL INTERMEDIARIES

As senior member:

Rep. Stella Luz A. Quimbo

As additional members:

Rep. Sarah Jane I. Elago  
Rep. Lawrence “Law” H. Fortun

#### CIVIL SERVICE AND PROFESSIONAL REGULATION

As senior member:

Rep. Gabriel H. Bordado Jr.

As members:

Rep. Ferdinand R. Gaite  
Rep. France L. Castro

#### COMMITTEE ON COOPERATIVES DEVELOPMENT

As senior member:

Rep. Godofredo N. Guya

As additional member:

Rep. Sergio C. Dagooc

## COMMITTEE ON DISASTER MANAGEMENT

As senior member:

Rep. Angelica Natasha Co

As additional member:

Rep. Arlene D. Brosas

## COMMITTEE ON ECOLOGY

As senior member:

Rep. Lawrence “Law” H. Fortun

## COMMITTEE ON ECONOMIC AFFAIRS

As senior member:

Rep. Stella Luz A. Quimbo

As additional members:

Rep. France L. Castro

Rep. Angelica Natasha Co

## COMMITTEE ON ENERGY

As additional members:

Rep. Stella Luz A. Quimbo

Rep. Sarah Jane I. Elago

## COMMITTEE ON FOREIGN AFFAIRS

As additional members:

Rep. Arnolfo “Arnie” A. Teves

Rep. Sergio C. Dagooc

COMMITTEE ON HOUSING AND URBAN  
DEVELOPMENT

As additional member:

Rep. Eufemia “Ka Femia” C. Cullamat

## COMMITTEE ON TRADE AND INDUSTRY

As additional member:

Rep. Stella Luz A. Quimbo

WITHDRAWAL OF COMMITTEE  
MEMBERSHIPS

REP. GARIN (J.). On behalf of the Minority, I move that we withdraw the membership of Rep. Ma. Victoria V. Umali and Rep. Stella Luz A. Quimbo from the Committee on Human Rights; for the Committee on Inter-Parliamentary Relations and Diplomacy, may we elect Rep. Lawrence “Law” H. Fortun in lieu of Rep. Stella Luz A. Quimbo; for the Committee on National Defense and Security, we withdraw

the membership of Rep. Isagani S. Amatong, Rep. Joseph Stephen “Caraps” S. Paduano and Rep. Jose Christopher Y. Belmonte; for the Committee on Good Government and Public Accountability, we withdraw the membership of Rep. Bayani F. Fernando and Rep. Joseph Stephen “Caraps” Paduano, as members representing the Minority.

I so move, Mr. Speaker.

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

The Majority Leader is recognized.

## SUSPENSION OF SESSION

REP. ROMUALDO. Mr. Speaker, I move that we suspend the session.

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

*It was 6:28 p.m.*

## RESUMPTION OF SESSION

*At 6:28 p.m., the session was resumed.*

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

The Majority Leader is recognized.

CHANGE OF REFERRAL  
OF H.B. NO. 4749

REP. MACAPAGAL ARROYO. Mr. Speaker, earlier we referred House Bill No. 4749 to the Committee on Labor and Employment. I move for the change of referral of House Bill No 4749 from the Committee on Labor and Employment to the Committee on Overseas Workers Affairs.

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

The Majority Leader is recognized.

REP. MACAPAGAL ARROYO. Furthermore, Mr. Speaker, may we inform the Members that we have already distributed copies of House Joint Resolution No. 19 which we earlier approved on Second Reading.

THE DEPUTY SPEAKER (Rep. Hernandez). That is duly noted.

The Majority Leader is recognized

SUSPENSION OF SESSION

REP. MACAPAGAL ARROYO. Mr. Speaker, I move that we suspend the session until 3:00 p.m. on Monday, September 30, 2019.

THE DEPUTY SPEAKER (Rep. Hernandez). The session is suspended until 3:00 p.m. on Monday, September 30, 2019.

*It was 6:29 p.m.*