



REPUBLIC OF THE PHILIPPINES  
**Senate**  
Pasay City

# Journal 1

**SESSION NO. 89**  
Wednesday, May 31, 2017

**SEVENTEENTH CONGRESS  
FIRST REGULAR SESSION**

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**CALL TO ORDER**

At 3:23 p.m., the Senate President, Hon. Aquilino "Koko" Pimentel III, called the session to order.

**PRAYER**

Sen. Antonio F. Trillanes IV led the prayer, to wit:

Heavenly Father, today, we give thanks for the many blessings You have showered upon us. We praise You for we know that through Your divine guidance, we can do anything.

Lord, may You bless and protect the people of Marawi and the rest of Mindanao. Let Your gifts of faith, hope and love be poured out across the land to overcome evil, hatred and fear.

Lord, we pray for wisdom that we may be able to discern right from wrong; the courage to stand for what is right; the strength to fight off evil; and the fortitude to pursue Your will.

Fill us with Your Holy Spirit and grant us peace today and everyday.

May Your will be done, always.

Amen.

**ROLL CALL**

Upon direction of the Senate President, the Secretary of the Senate, Atty. Lutgardo B. Barbo, called the roll, to which the following senators responded:

Angara, S.	Pacquiao, E. M. D.
Aquino, P. B. IV B.	Pangilinan, F. N.
Binay, M. L. N. S.	Pimentel III, A. K.
Drilon, F. M.	Poe, G.
Escudero, F. J. G.	Recto, R. G.
Gatchalian, W.	Sotto III, V. C.
Gordon, R. J.	Trillanes IV, A. F.
Honasan, G. B.	Villanueva, J.
Hontiveros, R.	Villar, C. A.
Lacson, P. M.	Zubiri, J. M. F.
Legarda, L.	

With 21 senators present, the Chair declared the presence of a quorum.

Senator Ejercito arrived after the roll call.

Senator De Lima was unable to attend the session as she was under detention.

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## **DEFERMENT OF THE APPROVAL OF THE JOURNAL**

Upon motion of Senator Sotto, there being no objection, the Body deferred the consideration of the Journal of Session Nos. 40 (November 14, 15, 16, 17, 18, 21 and 22, 2016) and 88 (May 30, 2017) at a later date.

## **ACKNOWLEDGMENT OF THE PRESENCE OF GUESTS**

At this juncture, Senator Sotto acknowledged the presence in the gallery of the following guests:

- Michael Barredo, president of the Philippine Paralympic Committee and the Philippine Sports Association of the Differently Abled;
- Indira Lacerna-Widmann and Peter Widmann of the KATALA Foundation; and
- Mayor Ferdinand Abesamis of Peñaranda, Nueva Ecija.

Senate President Pimentel welcomed the guests to the Senate.

## **REFERENCE OF BUSINESS**

The Secretary of the Senate read the following matters and the Chair made the corresponding referrals:

### **MESSAGE OF THE PRESIDENT OF THE PHILIPPINES**

Letter of President Rodrigo Roa Duterte, dated 29 May 2017, certifying to the necessity of the immediate enactment of House Bill No. 5636, entitled

**AN ACT AMENDING SECTIONS 5, 6, 22, 24, 25, 31, 33, 34, 79, 84, 86, 99, 106, 107, 108, 109, 116, 148, 149, 155, 171, 232, 237, 238, 264 AND 288; CREATING NEW SECTIONS 148-A, 150-A, 237-A, 264-A, 264-B AND 265-A; AND REPEALING SECTIONS 35 AND 62, ALL UNDER REPUBLIC ACT NO. 8424 OTHERWISE KNOWN AS THE NATIONAL INTERNAL REVENUE CODE OF 1997,**

to address the immediate need for tax reform in order to achieve a simpler, more equitable, and more efficient tax system characterized by lower personal income tax rates, a broader value-added tax (VAT) base, and higher excise taxes on oil products and automobiles, among others. The benefits to be derived from this tax reform measure will sustainably finance the Government's envisioned massive investments in infrastructure, thereby encouraging economic activity and job creation, as well as fund the desired increase in the public budget for health, education and social programs to alleviate poverty.

### **To the Committee on Rules**

### **BILLS ON FIRST READING**

Senate Bill No. 1479, entitled

**AN ACT DEFINING THE CRIME OF CADAVER DESECRATION, PROVIDING PENALTIES THEREFOR AND FOR OTHER PURPOSES**

Introduced by Senator Leila M. de Lima

### **To the Committees on Justice and Human Rights; and Finance**

Senate Bill No. 1480, entitled

**AN ACT DECLARING JANUARY 23 OF EVERY YEAR A SPECIAL WORKING HOLIDAY IN THE ENTIRE COUNTRY TO COMMEMORATE THE DECLARATION OF THE FIRST PHILIPPINE REPUBLIC**

Introduced by Senator Legarda

### **To the Committee on Education, Arts and Culture**

Senate Bill No. 1481, entitled

**AN ACT MANDATING THE CONSERVATION OF GABALDON SCHOOL BUILDINGS NATIONWIDE, PROVIDING PENALTIES FOR VIOLATIONS, AND APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES**

Introduced by Senator Sonny Angara

**To the Committees on Education, Arts and Culture; and Finance**

Senate Bill No. 1482, entitled

AN ACT PROVIDING FOR A NATIONAL POLICY IN PREVENTING TEENAGE PREGNANCIES, INSTITUTIONALIZING SOCIAL PROTECTION FOR TEENAGE PARENTS, AND PROVIDING FUNDS THEREFOR

Introduced by Senator Risa Hontiveros

**To the Committees on Health and Demography; Youth; and Finance**

Senate Bill No. 1484, entitled

AN ACT ENSURING JOB SECURITY TO WORKING WOMEN WHO ARE VICTIMS OF VIOLENCE, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 9262

Introduced by Senator Maria Lourdes Nancy S. Binay

**To the Committees on Labor, Employment and Human Resources Development; and Women, Children, Family Relations and Gender Equality**

Senate Bill No. 1485, entitled

AN ACT IMPROVING THE STATUS OF CHILDREN BORN OR CONCEIVED OF MARRIAGES DECLARED VOID FOR CERTAIN REASONS, AMENDING FOR THIS PURPOSE ARTICLE 54 OF EXECUTIVE ORDER NO. 209, OTHERWISE KNOWN AS THE FAMILY CODE OF THE PHILIPPINES, AND FOR OTHER PURPOSES

Introduced by Senator Maria Lourdes Nancy S. Binay

**To the Committee on Women, Children, Family Relations and Gender Equality**

Senate Bill No. 1486, entitled

AN ACT IMPROVING THE STATUS OF

ADOPTED CHILDREN AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 8552, OTHERWISE KNOWN AS THE DOMESTIC ADOPTION ACT OF 1998, AND FOR OTHER PURPOSES

Introduced by Senator Maria Lourdes Nancy S. Binay

**To the Committee on Women, Children, Family Relations and Gender Equality**

**RESOLUTIONS**

Senate Concurrent Resolution No. 5, entitled

CONCURRENT RESOLUTION PROVIDING FOR THE ADJOURNMENT OF THE FIRST REGULAR SESSION OF THE SEVENTEENTH CONGRESS OF THE PHILIPPINES NOT LATER THAN TWELVE O'CLOCK, MIDNIGHT, TODAY, MAY 31, 2017

Introduced by Senator Sotto III

**To the Committee on Rules**

Proposed Senate Resolution No. 394, entitled

RESOLUTION DECLARING AS READ AND APPROVED THE JOURNAL OF THE 89<sup>TH</sup> SESSION OF THE SENATE

Introduced by Senator Sotto III

**To the Committee on Rules**

Proposed Senate Resolution No. 395, entitled

RESOLUTION AUTHORIZING THE PRODUCTION AND DISTRIBUTION OF FIFTY (50) PRINTED AND ONE HUNDRED (100) DIGITAL COPIES OF THE JOURNAL AND THE RECORD OF THE SENATE FOR THE FIRST REGULAR SESSION OF THE SEVENTEENTH CONGRESS OF THE PHILIPPINES

Introduced by Senator Sotto III

**To the Committee on Rules**

Proposed Senate Resolution No. 396, entitled

**RESOLUTION DIRECTING THE PROPER SENATE COMMITTEES TO STUDY, IN AID OF LEGISLATION, THE UNITED NATIONS OPTIONAL PROTOCOL TO THE CONVENTION ON THE RIGHTS OF THE CHILD ON THE INVOLVEMENT OF CHILDREN IN ARMED CONFLICT WITH THE INTENTION OF STRENGTHENING IMPLEMENTATION AND IMPROVING LEGISLATION ON CHILDREN'S RIGHTS**

Introduced by Senator Maria Lourdes Nancy S. Binay

**To the Committees on Women, Children, Family Relations and Gender Equality; and National Defense and Security**

Proposed Senate Resolution No. 397, entitled

**RESOLUTION EXPRESSING THE PROFOUND SYMPATHY AND SINCERE CONDOLENCES OF THE SENATE OF THE PHILIPPINES ON THE DEATH OF FORMER SENATOR EVA ESTRADA KALAW**

Introduced by Senator Maria Lourdes Nancy S. Binay

**To the Committee on Rules**

#### **COMMITTEE REPORTS**

Committee Report No. 117, prepared and submitted jointly by the Committees on Economic Affairs; and Finance, on Senate Bill No. 1483, with Senators Recto and Win Gatchalian as authors thereof, entitled

**AN ACT MANDATING THE SECRETARIES OF THE DEPARTMENT OF FINANCE, NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY, AND DEPARTMENT OF BUDGET AND MANAGEMENT, AND THE GOVERNOR OF THE BANGKO SENTRAL NG PILIPINAS, TO APPEAR BI-ANNUALLY BEFORE A JOINT**

**SESSION OF CONGRESS TO REPORT ON THE STATUS AND DIRECTIONS OF THE FISCAL AND MONETARY POLICIES OF THE STATE,**

recommending its approval in substitution of Senate Bill No. 837.

Sponsor: Senator Win Gatchalian

**To the Calendar for Ordinary Business**

Committee Report No. 118, submitted jointly by the Committees on Health and Demography; and Finance, on Senate Bill No. 1143, introduced by Senator Risa Hontiveros, entitled

**AN ACT AUTHORIZING THE DEPARTMENT OF HEALTH TO SET AND APPROVE THE BED CAPACITY OF ITS RETAINED HOSPITALS AND FOR OTHER PURPOSES,**

recommending its approval with amendments.

Sponsors: Senators Joseph Victor Ejercito and Risa Hontiveros

**To the Calendar for Ordinary Business**

#### **PROPOSED SENATE RESOLUTION NO. 399**

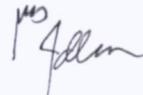
With the consent of the Body, upon motion of Senator Sotto, the Body considered Proposed Senate Resolution No. 399, entitled

**RESOLUTION EXPRESSING THE PROFOUND SYMPATHY AND SINCERE CONDOLENCES OF THE SENATE OF THE PHILIPPINES ON THE DEATH OF FORMER SENATOR EVA ESTRADA KALAW,**

taking into consideration Proposed Senate Resolution No. 399.

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Sotto, only the title of the resolution was read without prejudice to the insertion of its full text into the Record of the Senate.

Senator Sotto stated that Proposed Senate Resolution No. 399 was authored by Senate President Pimentel, while Proposed Senate Resolution No. 397 was authored by Senator Binay.



## COAUTHORS

Acting on the suggestion of Senator Villar, upon motion of Senator Zubiri, all senators were made coauthors of Proposed Senate Resolution No. 399.

## ADOPTION OF PROPOSED SENATE RESOLUTION NO. 399

Upon motion of Senator Sotto, there being no objection, the Body adopted Proposed Senate Resolution No. 399, taking into consideration Proposed Senate Resolution No. 397, subject to style.

## PROPOSED SENATE RESOLUTION NO. 387

With the consent of the Body, upon motion of Senator Sotto, the Body considered Proposed Senate Resolution No. 387, entitled

RESOLUTION CONGRATULATING AND COMMENDING INDIRA LACERNA-WIDMANN FOR BRINGING HONOR TO THE COUNTRY BY BEING AMONG THIS YEAR'S RECIPIENTS OF THE PRESTIGIOUS WHITLEY AWARD PRESENTED BY HER ROYAL HIGHNESS, THE PRINCESS ROYAL AT THE ROYAL GEOGRAPHICAL SOCIETY IN LONDON, ENGLAND ON 18 MAY 2017.

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Sotto, only the title of the resolution was read without prejudice to the insertion of its full text into the Record of the Senate.

The Chair recognized Senator Zubiri for the sponsorship.

## SPONSORSHIP SPEECH OF SENATOR ZUBIRI

As he presented and submitted for the consideration of the Body Proposed Senate Resolution No. 387, Senator Zubiri lauded the efforts of Indira Lacerna-Widmann, who was awarded the prestigious Whitley Award in London, England, for her efforts in rescuing the Philippine cockatoo or *Katala* from the verge of extinction, translocating them in Rasa Island, a bird sanctuary in the Sulu Sea.

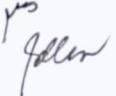
*Following is the full text of Senator Zubiri's sponsorship speech:*

The Philippine cockatoo or *Katala* is an iconic resident of Rasa Island, the bird sanctuary in an Island off Sulu Sea. The *Katala* was once considered a pest throughout the Philippines many years ago. Its diet consists of fruits, nuts, buds and nectar. It feeds on native grass seeds. They did so much damage at that time that many of the birds were killed off as pests. In the 1980s, the *Katala* was on the verge of extinction after being poached by hunters to be sold in pet shops.

Consequently and ironically, its value among collectors amounted to as much as US\$500 each. The birds now are considered critically endangered. Their number is only less than a thousand all over the Philippines and basically all over the world because it is an endemic species to the Philippines, living in Masbate, Tawi-Tawi Island and some areas of Mindanao.

But I would like to share with you what has happened in Rasa Island when this lady took over the conservation efforts in that island. I believe that, at one point in time, 15 odd years ago, there were only about 100 birds left in this particular island in Palawan. Being a biodiversity conservationist, she decided to do a campaign to reverse the declining population, and she set out to find ways on how she can conserve these critically endangered species. Together with her husband Peter Widmann, they were able to arrest the declining population. They were able to quadruple it to such large numbers that the carrying capacity now of the Rasa Island is too much for their bird population. They were flown over to areas of Narra, Palawan, and we have actually translocated some birds in other areas of Palawan.

With that, she was given an award as a conservationist for her noble idea or approach of hiring poachers, former hunters of these birds, and penal colony prisoners to become the forest guards and protectors of the very same species. Because of that, the *Katala* Foundation Chief Operating Officer, Indira Lacerna-Widmann, made the country proud when she was named one of the six recipients of the prestigious 2017 Whitley Award presented by Her Royal Highness The Princess Royal, also known as Princess Anne, in a ceremony at the Royal Geographical Society in London on 18 May 2017, for her efforts in safeguarding the critically-endangered Philippine cockatoo.



It is dubbed as the Green Oscars, or Oscars for environmental awards, and is considered as one of the most prestigious conservation prizes. The Whitley Award is an annual recognition of the Whitley Fund for Nature to honor exceptional nature conservationists from the developing world.

Sir Edward Whitley was a philanthropist for nature conservation projects all over the world. From the Whitley Fund for Nature, they graduated it into an award called the "Whitley Awards."

So, she was selected from a pool of 166 applications from around the globe, and is the third Filipino to be honored with the said award. The other honorees from the Philippines were Ms. Marites Balbas of the Mabuwaya Foundation and Dr. Jayson Ibañez of the Philippine Eagle Foundation who also won several years ago.

The Whitley Award cited Indira Lacerna-Widmann for her invaluable work in protecting the critically-endangered Philippine cockatoo, or *Katala* in its vernacular, by partnering with former poachers of the birds and prisoners of Iwahig Prison as I have mentioned earlier, whom she educated and trained to be wildlife wardens for the Palawan birds.

So, I am here today to ask the Body to adopt the resolution congratulating and commending Indira Lacerna-Widmann for bringing honor to the country as one of the awardees of this year's prestigious Whitley Award presented by Princess Anne on May 18, 2017.

#### **ADOPTION OF PROPOSED SENATE RESOLUTION NO. 387**

Upon motion of Senator Sotto, there being no objection, Proposed Senate Resolution No. 387 was adopted by the Body, subject to style.

#### **SUSPENSION OF SESSION**

With the permission of the Body, the session was suspended.

*It was 3:43 p.m.*

#### **RESUMPTION OF SESSION**

At 3:49 p.m., the session was resumed.

#### **COMMITTEE REPORT NO. 103 ON SENATE BILL NO. 1465**

*(Continuation)*

Upon motion of Senator Sotto, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1465 (Committee Report No. 103), entitled

**AN ACT PROVIDING FREE IRRIGATION SERVICE TO SMALL FARMERS, REVOKING FOR THE PURPOSE THE CORPORATE STATUS OF THE NATIONAL IRRIGATION ADMINISTRATION, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES.**

Senator Sotto stated that the parliamentary status was still the period of interpellations.

Thereupon, the Chair recognized Senator Villar, sponsor of the measure, and Senator Pangilinan for his interpellation.

#### **INTERPELLATION OF SENATOR PANGILINAN**

Preliminarily, Senator Pangilinan said that what he would like to raise were concerns regarding the transition from irrigation service fees collected and utilized for the maintenance of irrigation systems to subsidizing irrigators' associations with funding support to help maintain and operate the country's irrigation systems.

Asked by Senator Pangilinan on the number of farm irrigators associations in the country, Senator Villar stated that there are 8,990 irrigators associations with 1.2 million farmer-members.

Asked if the irrigators' associations and NIA are jointly responsible for the collection of irrigation fees, Senator Villar replied in the affirmative.

Asked on the amount of irrigation fees collected in the previous year, Senator Villar stated that a total of about P2 billion was collected with a 70% collection efficiency. With a 90% collection efficiency, she said that an additional P400 million would have been realized.

As to how the P2 billion collected fees were spent, Senator Villar estimated that about P250 million



was given as share to irrigators' associations per year for the maintenance of NIA's tertiary facility as well as the overhead expenses of the irrigators' associations.

To the concern that the irrigators' associations might rely on the subsidy, Senator Villar explained that the P250 million allocation was already included in the budget to ensure that the operations of the irrigators' associations would not be hampered by the transition, especially taking care of the tertiary and communal irrigation systems which are not supervised by the government. Because of the government subsidy, she gave assurance that their operations would not suffer.

As regards the total area of possible irrigable lands, Senator Villar said that there are about 58% or 1.7 million hectares of irrigated area, while 42% of irrigable lands have yet to be irrigated.

To Senator Pangilinan's suggestion that if the additional areas are to be irrigated, the subsidy would eventually increase as more areas would be irrigated, Senator Villar answered in the affirmative. She said that the allocation for the irrigators' associations is P400 per hectare while P1,700 is allocated for NIA's national irrigation system and main line. Given that the government would provide greater appropriations for irrigation to catch up with the pressing requirement of maintenance and operations of the irrigation system, she said that the subsidy is a small amount compared to government allocations in other sectors.

Asked on the number of small farmer-beneficiaries under the bill, Senator Villar stated that 11.8 million agricultural workers would benefit from the bill.

Thereupon, Senator Pangilinan requested NIA to submit the actual number of small farmers who would benefit from the free irrigation bill. In reply, Senator Villar stated that one million farmers would benefit therefrom.

To the concern that the bigger farm lands and enterprises would likewise benefit from the free irrigation system, Senator Villar emphasized that only small farmers are the beneficiaries under the bill.

To the statement that no distinction was made between the small farmers and large farm enterprises in the House version of the bill, Senator Villar said

that the discrepancy would be discussed during the bicameral conference.

On a related matter, Senator Pangilinan noted that the poorest of the farmers are at a disadvantage as they are found at the end of the irrigation system where there is lesser waterflow, while bigger farms are closer to the source. He asked if the bill aims to benefit those who actually need free irrigation. Senator Villar said that while it is possible that the situation occurs in some areas, she does not think NIA has the intention of depriving poor farmers of lesser services than the big farmers. Besides, she said that it is part of the Senate oversight committee to see to it that NIA would be fair.

Senator Pangilinan stated that prior to free irrigation, there was a policy for irrigators' associations to exercise self-reliance because a community that embraces a well-maintained system would definitely be benefitted aside from generating resources by effectively collecting the right amount of fees for the maintenance of these irrigation canals, but as more incentives were realized in the collection of fees, he noted that the irrigators' associations turned out to be the actual beneficiaries of the system.

Asked how the bill would strengthen community-based irrigators' associations who are still part of the strategy and make them self-reliant, Senator Villar suggested that the irrigators' associations and the farmers must be informed of the benefits that they would get if they maintain the irrigation systems well, that efficiency and sufficiency mean better productivity and more income for them. She emphasized that free irrigation would aid the poorest farmers in the country who are not competitive—the reason why there is agricultural smuggling. In fact, she noted that the cost of producing rice in the country is double the price in Vietnam. She then proposed to lower the cost of production so that the farmers would be competitive in the market. She said that although the government would subsidize irrigation fees, the farmers must take care of their irrigation facilities so that they would become efficient and competitive, and they would be able to produce their products at a lesser cost which would lead to competitiveness and more income.

Senator Pangilinan recalled that when he asked Secretary Sonny Dominguez during his confirmation hearing of his thoughts about free irrigation, the Secretary replied, "While it is a popular idea to



eliminate irrigation fees, I think that it is not such a good idea because people who get things for free tend to waste them. I think there must be some recognition of the value of the service as well as the water because if the water is free, people will not conserve. That is just the human nature that I have observed. I think, though, that the irrigation fee should be paid to the irrigation cooperatives for continuous maintenance of the irrigation canals. So I do not think total elimination of the fees is very wise. I think some people have to recognize that there is a value, which can be expressed in the fee for the maintenance of the canals." Senator Pangilinan then asked if there could be an intervention that would help address the concerns raised by Secretary Dominguez. Senator Villar opined that some farmers might act that way, but only due to lack of education. She said that the farmers should be taught to maintain the facilities for their own benefit. She stated that with ASEAN integration, borders would be opened and the country would have to compete. She pointed out the difference between the cost of producing rice in Vietnam and in the Philippines, where the former spends only eight centavos for irrigation while the latter spends 45 centavos. In order to compete in the world market, she maintained that the country should learn from the practices of other countries which is to subsidize. She also noted that the average poverty rate in the Philippines is 22%, but in the agriculture sector it further increases to 38%-40%; hence, the farmers cannot be left by themselves. She stated that it is the responsibility of government to help them until such time that they become more independent.

Senator Pangilinan agreed with the statements of Senator Villar, stating that there should be meaningful intervention both by the government and the private sector for the farmers to level up, build capacity, increase income and finally get out of poverty and address the impact of climate change. He feared that if the farmers would remain poor, they would stop farming, sell their land and go to Manila, eventually endangering food security. Senator Villar warned that in 33 years, the world would have a problem with food security if family farms would not be preserved; hence, the only way to preserve them would be to increase farmers' income. Thus, she reiterated the government's responsibility to help the farmers to ensure food security for future generations.

Senator Pangilinan also noted that the country imports many agricultural products because local farmers are planting only one crop when they should

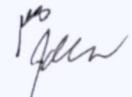
be doing intercropping to increase their incomes. Senator Villar stated that the government should establish one farm school in every town in the Philippines to teach farmers how to farm well and earn more income. She agreed that there is no room for monocropping in agriculture, and that intercropping should be practiced.

Senator Pangilinan said that the passage on Third Reading of the Farm Enterprise Development Act would be a big boost to the farmers. He mentioned a key feature of the bill which is for the government to purchase agricultural products directly from accredited local farmer organizations for feeding programs, health and nutrition programs and other local or national programs. He said that the farmers would no longer hesitate to plant because the government would be there to purchase their products at a reasonable price. He explained that buyers usually purchase at a low price; hence, farmers would be at the losing end of the bargain. With the government as sure buyers, he said that the farmers would venture on increasing their risks to earn more.

Senator Villar hoped that the government could connect DSWD programs with agriculture by buying produce from the farmers to provide subsidy to the poor. She cited the case of the government of Thailand which buys milk for the school children, as a result of which, Thailand's dairy industry prospered. Similarly, in Brazil, she pointed out that the government buys vegetables from farmers to feed school children. She believed that it would be beneficial to tie up school feeding programs and CCT to farmers' products. Senator Pangilinan agreed and hoped that the House would also pass their version of the measure.

Asked if the irrigators' associations would be allowed to collect membership fees, Senator Villar answered in the affirmative, saying that such fees are meant for their maintenance. They are not allowed to collect of irrigation fees, she stated. Senator Pangilinan agreed, saying that a strong irrigators' association is necessary to ensure the maintenance and operation of irrigation systems.

Asked about the P23 billion uncollected irrigation fees, Senator Villar said that there is a proposal to condone it, except for bank accounts of people, companies or other institutions getting water from the NIA. She emphasized that the condonation is only for small farmers. Senator Pangilinan asked for a



breakdown of the P23 billion from NIA. Senator Villar said that NIA had already submitted the data to the committee and a copy would be furnished to Senator Pangilinan.

Senator Pangilinan inquired about the existing management transfer program for the National Irrigation System and a system of management of turnover for communal irrigation systems. Senator Villar replied that there is a program wherein the communal irrigation systems would be turned over to irrigators' associations. She explained that the communal irrigation system is a smaller portion of the irrigation system from which the NIA collected money not as irrigation fee but as payment for the building of the communal irrigation system and amortization so that after 25 years, the irrigators associations would own the communal irrigation system. She stated that the fees collected only amounted to P250 million a year which would be included as part of the subsidy of government and that the communal system would be turned over to the irrigators associations.

Asked about the projected subsidy for the next five years, Senator Villar said that NIA gave high figures which are subject to review. She said that the additional subsidy would be computed by considering the additional facilities they have built through time and multiply it by the per hectare cost. She then enumerated the amount per year: P3.6 billion in 2017, P5.1 billion in 2018, P5.2 billion in 2019, P5.3 billion in 2020, P5.4 billion in 2021, and P5.5 billion in 2022.

Since the irrigators' associations and NIA would no longer be collecting the fees, Senator Pangilinan assumed that the payment for water permit application fees would likewise be subsidized. Senator Villar said that the fee is quite small—P5,000 a year for the whole irrigation system and P500 for communal irrigation system. Senator Pangilinan, however, pointed out that NIA still owes the National Water Resources Board around P300 million. Thus, he said that the fees may be small but the debt is high, and NIA should be paying for such fees from those they collect. Senator Villar stated that it would be part of the subsidy.

Upon query, Senator Villar confirmed that NIA is currently a government corporation, but under the present bill, it would be converted into a government agency because its budget will be in the GAA. She added that NIA would be subject to COA rules.

Asked if NIA would be an attached agency of the Department of Agriculture, Senator Villar said that the bill is silent on that issue as she recalled that the agency was transferred by the previous administration from the DA to the Office of the President. She opined that NIA is an important GOCC because 40% of the budget of the DA is given to it. As such, she said that she does not want to preempt what the present administration wants to do with the agency.

Senator Pangilinan recalled that there were some criticisms about the transfer of NIA, PCA, NFA and the Fertilizer and Pesticide Authority from the DA to the Office of the President in 2014 considering the nature of the agencies. He said that as the NEDA would bear him out, by the end of the term of President Aquino in June 2016, the GDP growth contribution for the third quarter of the year – July, August and September – increased from negative 1% to 3.5% despite the *El Niño* phenomenon. He believed that since the GDP growth was realized because of the DA's focus on fisheries and other crops, the department's policy on fisheries should be continued. Thus, he suggested the creation of the Department of Fisheries which, he noted, was actually the campaign promise of Senator Cayetano who, before he left the Senate, said that it was a promise that he would like to see materialized.

Senator Villar replied that the creation of the Department of Fisheries is under study because the production of agriculture in the Philippines is 53% from crops, 33% from livestock and 14% from fisheries. She asked how the creation of the Department of Fisheries could be justified when it is only producing 14% of the country's agricultural products, the smallest in the whole range, while livestock and poultry is producing 33%, much bigger than fisheries. However, she said that if the fisher-folk can increase their production, Congress can agree on the creation of the agency. She admitted though that she was wary of the creation of offices or departments because the DA's budget would only go to their overhead expenses and not for programs that would benefit the poor farmers and fisherfolk.

Senator Pangilinan expressed hope that the committee would study the proposal considering that the fisherfolk are also the poorest, which explains their minimal production. He believed that if the fisherfolk are provided with the necessary support, their 14% production might increase.

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Senator Villar informed the Body that there is a prediction that the wild catch would go down to zero in 2050 because of illegal fishing, so that 100% of the country's source of fish would come from aquaculture. She said that such a situation is what the DA is trying to prevent because it would be the small fisherfolk who would suffer if there is no wild catch.

Senator Pangilinan thanked Senator Villar for entertaining his interpellation. He admitted that his real concern was the irrigators' associations, the backbone of an effective irrigation system, so that their operations and management would not suffer and that they would be provided with the necessary capacity and support in order for them to continue organizing their communities in mobilizing the farmers organizations and in taking care of the communal irrigation systems and the National Irrigation System in their respective areas.

#### **INTERPELLATION OF SENATOR DRILON**

Senator Drilon expressed his support for the bill, saying that he would be asking certain basic questions for his education and information because he is not familiar with the irrigation system. He then asked on the rationale of the law in assisting the small farmers to lower their cost of production.

Senator Villar replied that one of the things that the farmers want is free irrigation so that they can be competitive.

As regards the irrigation cost, Senator Villar said that the production cost of one kilo of palay is P12 in the Philippines with irrigation fees constituting P0.50, while P6 in Vietnam, or a difference of P6.

To Senator Drilon's observation that P0.50 in irrigation fees would not significantly affect production because it is only 4% of the total production cost, Senator Villar replied that to the poor farmers, every centavo counts.

Asked on the labor cost, Senator Villar replied that it is P120 per kilo in Vietnam, while it is P460 in the Philippines, or a difference of P340 per kilo. She said that if the labor cost is big, it indicates that the farmers are not mechanized. Thus, she emphasized the need for farm mechanization. In this regard, she informed the Body that the DA has a program wherein a cooperative or an association of farmers is entitled to be given communal machines to mechanize

their farms. She said that one should be a member of a cooperative or an association of farmers to qualify for the machines and if one is a land reform beneficiary, he has to be a member of a block farm.

Asked whether the beneficiaries of the proposed Free Irrigation Service Act are small farmers who own not more than five hectares of land, Senator Villar replied in the affirmative.

Senator Drilon asked why it should not be more than five hectares, noting that the Philippine Development Plan defines those cultivating not more than three hectares as small farmers. Senator Villar replied that it was based on the computation of income that a farmer would earn per hectare from five hectares of land, and that one who earns from five hectares and below is considered a minimum wage earner or a marginal farmer.

On whether there are existing mechanisms that could identify the small farmers who would be entitled to free irrigation, Senator Villar replied that the National Irrigation Administration (NIA) and the Philippine Statistics Authority (PTA) have the numbers and names of the farmers.

Asked if there are existing mechanisms sufficient to identify the actual beneficiaries, Senator Villar replied that the Department of Agriculture (DA) would be establishing a National Farmers' Registry System (NFRS), and that there are also registry systems for the fisherfolk, coconut farmers, corn farmers and rice farmers.

Noting that the irrigation system would benefit farmers in irrigated farmland, Senator Drilon asked if those who are not in irrigated farmlands would also benefit from it. Senator Villar replied that there is an additional subsidy of P2 billion on top of NIA's P36 billion regular allocation. She explained that 40% of the budget of the DA goes to NIA which would be used to build additional irrigation facilities, more or less 29,000 hectares of irrigation facilities per year so that it would take 40 years to irrigate three million hectares of irrigable land in the Philippines. She recalled that during the term of President Benigno Aquino, NIA spent more for repair than for new irrigation facilities.

Asked on the amount of irrigation service fees collected by the government, Senator Villar replied that for 2015, the collection was P1.7 billion for the



national irrigation system and P250 million for the irrigators' communal irrigation system, or a total of about P2 billion.

As to how the P2 billion irrigation service fees that were collected are currently utilized, Senator Villar said that P250 million is given to the irrigators' associations for the maintenance of the communal irrigation system, while P1.7 billion is given to the National Irrigation Administration for the maintenance of the national irrigation system.

To Senator Drilon's observation that by virtue of the proposed measure the P2 billion would be part of the subsidy to the national government and the budget, Senator Villar replied that the P2 billion was inserted into the 2017 budget even without the support of legislation in order to implement free irrigation for the year. She explained that through legislation, the free irrigation service fees need not be inserted into the annual budget because the DBM would automatically provide for it.

Senator Drilon noted that the NEDA submitted a position paper which was not favorable to the proposal to provide free irrigation, concluding that, "In the long run, free irrigation for all farmers could be unsustainable, especially since this: a) promotes dependence of farmers to the national government; b) diminishes the sense of ownership and engenders free riding among its users; and c) serves as a disincentive for the efficient use of irrigation water." He said that NEDA Secretary Pernia just that day also made a disturbing statement, to wit: "The economic team of this administration is trained to do economic analysis. You know, I do not think the legislators are as well-versed as the economic team is."

Senator Villar said that economic managers just study the figures but never put a face in them while legislators see the face in the figures. However, she said that while they differ in opinions, it does not mean that one is correct and the other is not. She stressed the need for legislators to tolerate and do what they think is right in the Chamber. Senator Drilon agreed, adding that legislators are elected by the people and are therefore expected to reflect the welfare of the people in their opinions.

Asked to comment on the statement of NEDA Secretary Pernia that free irrigation could be unsustainable, Senator Villar surmised that NEDA would just want people to be self-reliant. However,

she pointed out that because some of the people are poor and uneducated, there is a need for government to take care of them.

Asked whether the Committee supports the mandate stated in Section 3 which proposes that farmers with more than five hectares of land, corporate farms and plantations drawing water for agricultural crop production, and fish ponds and other persons, natural or juridical, drawing water from NIS and CIS or using irrigation systems as drainage facilities shall continue to be subjected to the payment of the irrigation service fees, Senator Villar answered in the affirmative.

Senator Drilon noted that the mandate is consistent with NIA Memorandum Circular No. 13 which was retained in the proposed measure.

Asked whether there would be no dismissal of any staff when the corporate status of NIA is revoked, Senator Villar answered in the affirmative, saying that NIA would only be changing its form from being a GOCC to an agency of government that would start getting its annual budget from the GAA and would not be collecting fees from the farmers anymore.

As regards fees collected from noncovered entities, Senator Villar said that the money would go directly to the National Treasury which would form part of the budget to be given to the agency.

Asked whether NIA would remain as an attached agency of the Office of the President, Senator Villar admitted that the decision would be left to the Chief Executive who would be appointing the NIA head, as she pointed out that presidents are very careful about NIA.

Asked whether NIA would no longer have authority to borrow money from foreign financiers, Senator Villar answered in the affirmative. She clarified that NIA has no direct loans because it is the national government that contracts loans.

Senator Drilon stated that as a matter of procedure, no foreign loans can be contracted without NEDA's approval and clearance from Central Bank; thus, the authority of NIA is more theoretical than actual. He said that he saw the move as laudable as he confirmed that the current practice of the Department of Foreign Affairs is to negotiate for the

*[Signature]*

loans and would assign to the appropriate agency the proceeds of the loans after it is negotiated.

#### **TERMINATION OF THE PERIOD OF INTERPELLATIONS**

There being no other interpellation, upon motion of Senator Sotto, there being no objection, the Body closed the period of interpellations and proceeded to the period of committee amendments.

#### **TERMINATION OF THE PERIOD OF COMMITTEE AMENDMENTS**

There being no committee amendment, upon motion of Senator Sotto, there being no objection, the Body closed the period of committee amendments and proceeded to the period of individual amendments.

#### **VILLAR AMENDMENTS**

As proposed by Senator Villar, there being no objection, the following individual amendments were approved by the Body:

1. On page 4, lines 10 and 11, replace the phrase "Secretaries of the Department of Agriculture and the" with CABINET SECRETARY AND THE SECRETARY OF; and
2. On the same page, line 20, replace the word "Item," with the phrase "SECTION 1, item."

#### **TERMINATION OF THE PERIOD OF INDIVIDUAL AMENDMENTS**

There being no other individual amendment, upon motion of Senator Sotto, there being no objection, the Body closed the period of individual amendments.

#### **APPROVAL OF SENATE BILL NO. 1465 ON SECOND READING**

Submitted to a vote, there being no objection, Senate Bill No. 1465 was approved on Second Reading.

#### **SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1465**

Upon motion of Senator Sotto, there being no objection, the Body suspended consideration of the bill.

#### **SUSPENSION OF SESSION**

With the permission of the Body, the session was suspended.

*It was 4:55 p.m.*

#### **RESUMPTION OF SESSION**

At 5:37 p.m., the session was resumed.

#### **COMMITTEE REPORT NO. 33 ON SENATE BILL NO. 1311**

*(Continuation)*

Upon motion of Senator Sotto, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1311 (Committee Report No. 33), entitled

**AN ACT ESTABLISHING A NATIONAL POLICY OF EASE OF DOING BUSINESS, CREATING FOR THE PURPOSE THE EASE OF DOING BUSINESS COMMISSION, AND FOR OTHER PURPOSES.**

Senator Sotto stated that the parliamentary status was that Senator Zubiri, in the previous session, submitted an amendment by substitution to Senate Bill No. 1311 by incorporating the provisions of the bill with the Anti-Red Tape Act.

Thereupon, he moved to open the period of individual amendments.

#### **SUSPENSION OF SESSION**

Upon motion of Senator Sotto, the session was suspended.

*It was 5:38 p.m.*

#### **RESUMPTION OF SESSION**

At 5:43 p.m., the session was resumed.

#### **APPROVAL OF SENATOR ZUBIRI'S AMENDMENT BY SUBSTITUTION**

Upon motion of Senator Sotto, there being no objection, the Body approved Senator Zubiri's amendment by substitution to Senate Bill No. 1311.



## **PARLIAMENTARY INQUIRY BY SENATOR DRILON**

Saying that many of the Members did not avail of the period of interpellations when the original bill was presented, Senator Drilon inquired if they would be allowed to ask questions based on the substitute bill. Senator Sotto replied in the affirmative, saying that Senator Zubiri was likewise aware that the Senators could ask questions on the substitute bill during the period of individual amendments.

For his part, Senator Zubiri said that since the bill has been pending ahead of several bills which have already been approved on Second Reading, he would submit to interpellations on the measure with the hope that upon commencement of the Second Regular Session, the Members would exercise leniency by passing the bill at the soonest time.

## **LACSON AMENDMENTS**

On behalf of Senator Lacson, as proposed by Senator Zubiri, there being no objection, the Body approved the following amendments, one after the other:

1. On page 1, line 11, replace the phrase "adoption of simplified REQUIREMENTS and procedures FOR BUSINESS AND NON-BUSINESS RELATED TRANSACTIONS that will reduce red tape and expedite transactions in government" with ADOPTION OF SIMPLIFIED REQUIREMENTS AND PROCEDURES THAT WILL REDUCE RED TAPE AND EXPEDITE BUSINESS AND NON-BUSINESS RELATED TRANSACTIONS IN THE GOVERNMENT;
2. On page 4, line 13, insert a new Section 7, to read as follows:

**SEC. 7. ZERO CONTACT POLICY.** – EXCEPT DURING THE PRELIMINARY ASSESSMENT OF THE REQUEST AND EVALUATION OF THE SUFFICIENCY OF SUBMITTED REQUIREMENTS, NO GOVERNMENT OFFICER OR EMPLOYEE SHALL HAVE ANY CONTACT, IN ANY MANNER, WITH ANY CLIENT CONCERNING AN APPLICATION OR REQUEST.

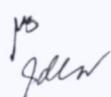
ONCE THE DEPARTMENT OF INFORMATION AND COMMUNICATIONS TECHNOLOGY (DICT) HAS COMPLETED A WEB-BASED SOFT-WARE ENABLED BUSINESS REGISTRATION SYSTEM THAT

IS ACCESSIBLE TO THE PUBLIC AS MANDATED BY SEC. 22 OF THIS ACT, ALL TRANSACTIONS SHALL BE COURSED THROUGH SUCH SYSTEM.

ALL GOVERNMENT AGENCIES, INCLUDING LOCAL GOVERNMENT UNITS (LGUs), SHALL ADOPT A ZERO-CONTACT POLICY.

3. Renumber the succeeding sections accordingly;
4. On page 4, line 22 until page 5, line 11, reword subsection (a) as follows:
  - (A) ACCEPTANCE OF APPLICATION AND REQUEST —
    - (1) ALL OFFICERS OR EMPLOYEES SHALL ACCEPT WRITTEN APPLICATIONS, REQUESTS AND/OR DOCUMENTS BEING SUBMITTED BY CLIENTS OF THE OFFICE OR AGENCIES.
    - (2) THE RECEIVING OFFICER OR EMPLOYEE SHALL PERFORM A PRELIMINARY ASSESSMENT OF THE APPLICATION/REQUEST SUBMITTED AND ITS SUPPORTING DOCUMENTS TO PROMOTE A MORE EXPEDITIOUS ACTION ON THE REQUEST. THE RECEIVING OFFICER OR EMPLOYEE SHALL IMMEDIATELY INFORM THE APPLICANT OF ANY DEFICIENCY IN THE ACCOMPANYING REQUIREMENTS, WHICH SHALL BE LIMITED TO THOSE ENUMERATED IN THE CITIZEN'S CHARTER.
    - (3) THE RECEIVING OFFICER OR EMPLOYEE SHALL ASSIGN A UNIQUE IDENTIFICATION NUMBER TO A REQUEST AND/OR APPLICATION, WHICH SHALL BE THE IDENTIFYING NUMBER FOR ALL SUBSEQUENT TRANSACTIONS BETWEEN THE GOVERNMENT AND THE APPLICANT REGARDING SUCH SPECIFIC REQUEST OR APPLICATION.

- (4) THE RECEIVING OFFICER OR EMPLOYEE SHALL ISSUE AN ACKNOWLEDGMENT RECEIPT CONTAINING THE SEAL OF THE AGENCY, THE NAME OF THE RESPONSIBLE OFFICER OR EMPLOYEE, HIS/HER UNIT AND



DESIGNATION, AND THE DATE AND TIME OF RECEIPT OF SUCH REQUEST OR APPLICATION.

5. On page 5, line 25, after the word "Charter," replace the sentence "The office or agency concerned shall notify the requesting party PRIOR TO THE LAPSE OF THE PROCESSING TIME in writing of the reason for the extension and the final date of release for the extension and the final date of release of the frontline service/s requested. THE NOTIFICATION REQUESTING FOR EXTENSION SHALL HAVE PROOF OF RECEIPT OR ACKNOWLEDGMENT IN WRITING FROM THE CLIENT" with the following: PRIOR TO THE LAPSE OF THE PROCESSING TIME, THE OFFICE OR AGENCY CONCERNED SHALL NOTIFY THE REQUESTING PARTY IN WRITING OF THE REASON FOR THE EXTENSION AND THE FINAL DATE OF RELEASE OF THE FRONTLINE SERVICE/S REQUESTED. SUCH WRITTEN NOTIFICATION SHALL BE SIGNED BY THE APPLICANT TO SERVE AS PROOF OF NOTICE.

Asked by Senator Recto what the new title of the bill would be, Senator Zubiri stated that the new title of the bill is "Expanded Anti-Red Tape Act of 2017" as it incorporated the original Anti-Red Tape Law authored by Senators Villanueva and Lacson, Senator Recto's bill and the provisions of the Ease of Doing Business bill that would merge government and business transactions.

To Senator Recto's observation that his bill was only two pages and the amendments of the substitute bill seemed lengthy, Senator Zubiri explained that the bill was a bit complicated because he had to include, for the business transactions alone, the best practices of several countries that are high up in the competitive ranking.

At this juncture, Senate President Pimentel stated for the record that the substitute bill was 16 pages long.

*The session was suspended and was resumed shortly thereafter.*

6. On page 8, line 11, replace the phrase "shall, as far as practicable," with ARE MANDATED TO;
7. On the same page, line 21, delete the word "QUALIFIED";

8. On page 9, line 12, reword subsection (C) to read as follows:
 

(C) FOR RENEWAL OF BUSINESS PERMIT, THE BUREAU OF FIRE PROTECTION (BFP), SHALL WITHIN THREE (3) DAYS FROM APPLICATION, PRESENT THE FIRE SAFETY INSPECTION CERTIFICATE (FSIC) TO THE CITY/ MUNICIPALITY, EITHER THRU THE COPY OF THE FSIC OR THE NEGATIVE/POSITIVE LIST. PROVIDED, THAT IF RENOVATIONS, MODIFICATIONS OR ANY FORM OF ALTERATIONS ARE MADE TO THE ORIGINAL STRUCTURE OF THE BUILDING, THE BUSINESS ENTITY SHALL INFORM THE BFP AND SUBMIT THE NECESSARY DOCUMENTARY REQUIREMENTS WITHIN THIRTY (30) DAYS BEFORE THE EXPIRATION OF THE BUSINESS PERMIT;
9. On the same page, line 23, after the word "LIST," insert the phrase WITHIN THREE (3) DAYS FROM THE APPLICATION OF BUSINESS RENEWAL and a comma (,) thereafter;
10. On page 10, replace lines 36 to 38, and lines 1 to 5 of page 11 with the following paragraph:
 

SEC. 13. PHILIPPINE BUSINESS DATA-BANK. – WITHIN A PERIOD OF ONE (1) YEAR FROM THE EFFECTIVITY OF THIS ACT, THE DEPARTMENT OF INFORMATION AND COMMUNICATIONS TECHNOLOGY (DICT) SHALL ESTABLISH, MANAGE, AND MAINTAIN A PHILIPPINE BUSINESS DATABANK WHICH SHALL PROVIDE CONCERNED NATIONAL GOVERNMENT AGENCIES (NGAs) AND LOCAL GOVERNMENT UNITS (LGUs) ACCESS TO DATA AND INFORMATION OF REGISTERED BUSINESS ENTITIES FOR PURPOSES OF VERIFYING THE VALIDITY, EXISTENCE OF AND OTHER RELEVANT INFORMATION PERTAINING TO BUSINESS ENTITIES.;
11. On page 11, replace lines 6 to 12 with the following paragraph:
 

ALL CONCERNED NATIONAL GOVERNMENT AGENCIES (NGAs) AND LOCAL GOVERNMENT UNITS (LGUs) SHALL EITHER LINK THEIR OWN DATABASE WITH THE SYSTEM OR PERIODICALLY SUBMIT TO THE SYSTEM UPDATES RELATIVE TO THE INFORMATION REGISTERED WITH THEM;

12. On the same page, replace lines 21 to 26 with the following paragraph:

DOCUMENTS ALREADY SUBMITTED BY AN APPLICANT TO AN AGENCY WHICH HAS ACCESS TO THE PHILIPPINE BUSINESS DATABANK SHALL NO LONGER BE REQUIRED BY OTHER AGENCIES HAVING THE SAME ACCESS. DOCUMENTS OR INFORMATION SHALL BE CROSSED-CHECKED AND RETRIEVED IN THE PHILIPPINE BUSINESS REGISTRY DATABANK;

13. On page 13, on line 5, delete the word "GENERALLY";
14. On page 14, replace lines 23 to 27 with the following paragraph:

CRIMINAL LIABILITY SHALL ALSO BE INCURRED THROUGH THE COMMISSION OF BRIBERY, EXTORTION, OR WHEN THE VIOLATION WAS DONE DELIBERATELY AND MALICIOUSLY FOR THE PURPOSE OF HARASSING THE APPLICANT AND/OR SOLICITING FAVOR IN CASH OR IN KIND. IN SUCH CASES, THE PERTINENT PROVISIONS OF THE REVISED PENAL CODE AND OTHER SPECIAL LAWS SHALL APPLY; and

15. On page 15, line 22, reword Section 22, as follows:

*SEC. 22. TRANSITION FROM MANUAL TO SOFTWARE-ENABLED BUSINESS REGISTRATION.* – THE DEPARTMENT OF INFORMATION AND COMMUNICATIONS TECHNOLOGY (DICT), IN COORDINATION WITH OTHER CONCERNED AGENCIES, SHALL WITHIN ONE (1) YEAR AFTER THE EFFECTIVITY OF THIS ACT AUTOMATE BUSINESS REGISTRATION TRANSACTIONS BY DEVELOPING THE NECESSARY SOFTWARE AND TECHNOLOGY-NEUTRAL PLATFORMS AND SECURED INFRASTRUCTURE THAT IS WEB-BASED AND ACCESSIBLE TO THE PUBLIC.

#### SUSPENSION OF SESSION

Upon motion of Senator Zubiri, the session was suspended.

*It was 6:04 p.m.*

#### RESUMPTION OF SESSION

At 6:05 p.m., the session was resumed.

#### MANIFESTATION OF SENATOR ZUBIRI

Senator Zubiri stated that Senator Lacson still has a few amendments over which he has some reservations and which he would like to discuss further with the latter.

#### CLEAN COPY

Senate President Pimentel directed the Secretariat to prepare a clean copy of the bill incorporating the approved individual amendments "as of May 31, 2017."

#### SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1311

Upon motion of Sotto, there being no objection, the Body suspended consideration of the bill.

#### CONFERENCE COMMITTEE REPORT ON SENATE BILL NO. 1449 AND HOUSE BILL NO. 5648

Upon motion of Senator Sotto, there being no objection, the Body considered the Conference Committee Report on the disagreeing provisions of Senate Bill No. 1449, entitled

AN ACT EXTENDING THE VALIDITY PERIOD OF DRIVER'S LICENSES, AMENDING FOR THAT PURPOSE SECTION 23 OF REPUBLIC ACT NO. 4136, AS AMENDED BY BATAS BLG. 398 AND EXECUTIVE ORDER NO. 1011, OTHERWISE KNOWN AS THE LAND TRANSPORTATION AND TRAFFIC CODE; and

House Bill No. 5648, entitled

AN ACT RATIONALIZING AND STRENGTHENING THE POLICY REGARDING DRIVER'S LICENSE, PROVIDING FOR A FIVE (5) YEAR VALIDITY AND PENALIZING ACTS IN VIOLATION OF ITS ISSUANCE AND APPLICATION.

The Chair recognized Senator Poe to sponsor the report.

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## SPONSORSHIP SPEECH OF SENATOR POE

Senator Poe cited the highlights of the Conference Committee's discussion, as follows:

1. The House agreed to use the Senate version as the working draft with the adoption of some provisions from the House version and the merger of some provisions of both the House and Senate versions.
2. On Section 2, part of the section that was amended was the proviso that now reads:

*"Provided, however, that subject to Section 26 hereof any holder of a professional or non-professional driver's license who has not committed any violation OF REPUBLIC ACT NO. 4136 AND OTHER TRAFFIC LAWS, RULES AND REGULATIONS during the FIVE-YEAR period shall be entitled to a renewal of such license for [five-year period] TEN (10) YEARS SUBJECT TO RESTRICTIONS AS MAY BE IMPOSED BY THE LTO."*

"THE LOCAL GOVERNMENT UNITS, THE METROPOLITAN MANILA DEVELOPMENT AUTHORITY OR OTHER AGENCIES LAWFULLY ISSUING TRAFFIC VIOLATION RECEIPTS SHALL REPORT WITHIN A REASONABLE TIME, TO BE DETERMINED IN THE IMPLEMENTING RULES AND REGULATIONS, THE DETAILS OF THE TRAFFIC VIOLATION TO THE LTO, WHICH SHALL SERVE AS THE REPOSITORY OF ALL TRAFFIC VIOLATION RECORDS."

3. The conferees agreed to adopt Section 4 of the House version with amendments, as Section 4 of the final draft to read as follows:

SEC. 3. A new section is hereby added after Section 23 of the same Act and numbered as Section 23-B to read as follows:

"SECTION 23-B. PENALTIES. - WITHOUT PREJUDICE TO THE PENALTIES PROVIDED UNDER THE REVISED PENAL CODE AND OTHER APPLICABLE LAWS, THE PENALTIES CORRESPONDING TO THE FOLLOWING ACTS SHALL BE IMPOSED BY THE APPROPRIATE AGENCY OR OFFICER;

A) ANY OFFICER WHO, IN ANY MANNER, ISSUES A DRIVER'S LICENSE WITHOUT THE NECESSARY EXAMINATIONS, CONNIVES WITH THE APPLICANT FOR THE IRREGULAR ISSUANCE OF A LICENSE, OR WHO,

BY GROSS NEGLIGENCE, ISSUES A DRIVER'S LICENSE TO AN UNQUALIFIED APPLICANT SHALL SUFFER A PENALTY OF REMOVAL FROM THE SERVICE WITH ALL THE ACCESSORY PENALTIES ATTACHED THERETO;

- B) A FINE IN THE AMOUNT OF TWENTY THOUSAND PESOS (P20,000.00) SHALL BE IMPOSED UPON AN APPLICANT FOR A DRIVER'S LICENSE FOUND TO HAVE COMMITTED ANY OF THE FOLLOWING ACTS:
  - (1) WILLFUL MISREPRESENTATION WITH RESPECT TO MATERIAL INFORMATION IN ONE'S APPLICATION;
  - (2) CONNIVANCE WITH THE OFFICER IN THE IRREGULAR CONDUCT OF EXAMINATIONS OR ISSUANCE OF LICENSE;
  - (3) FALSIFICATION OF DOCUMENTS; OR
  - (4) CHEATING DURING EXAMINATIONS.

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- C) A HOLDER OF A DRIVER'S LICENSE WHO ACTS IN VIOLATION OF THE PROVISIONS OF RA 4136 AND OTHER EXISTING TRAFFIC LAWS SHALL SUFFER CORRESPONDING PENALTIES AS MAY BE PROVIDED BY LAW.

IN CASE OF DEATH OR PHYSICAL INJURIES RESULTING IN THE LOSS OF ANY PART OF THE VICTIM'S BODY OR THE USE THEREOF, INSANITY, IMBECILITY, IMPOTENCE OR BLINDNESS, OR INCAPACITY TO WORK FOR MORE THAN NINETY (90) DAYS, THE LICENSE OF THE OFFENDING OFFICER SHALL BE REVOKED FOR A PERIOD OF FOUR (4) YEARS, AFTER A FINDING BY THE COURT THAT SUCH DRIVER WAS NEGIGENT OR AT FAULT.

4. And lastly, the title will now read:

"AN ACT RATIONALIZING AND STRENGTHENING THE POLICY REGARDING DRIVER'S LICENSE BY EXTENDING THE VALIDITY PERIOD OF DRIVER'S LICENSES, AND PENALIZING ACTS IN VIOLATION OF ITS ISSUANCE AND APPLICATION, AMENDING FOR THOSE PURPOSES 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."

## MANIFESTATION OF SENATOR POE

Senator Poe thanked the author of the bill, Senator Recto, who provided guidance in the passage of the bill, as well as Senator Drilon who had been very cooperative during the bicameral sessions, assisting the Senate panel to assert the vital provisions, particularly the extension of the ten-year validity of driver's licenses. She also thanked Senator Sotto for ensuring the proper scheduling towards the passage of the law, as well as the other Members for their cooperation.

Senator Poe explained that the measure was passed to incentivize the drivers, to cut red tape, and to make it easier for the drivers to apply. However, she said that the privilege of being able to drive carries with it the need to be qualified and to follow the law in order to get the full privilege and advantage that the law would offer.

She then submitted for insertion into the record the Joint Explanation of the Conference Committee.

*Hereunder is the Joint Explanation of the Conference Committee:*

### JOINT EXPLANATION OF THE CONFERENCE COMMITTEE ON THE DISAGREEING PROVISIONS OF SENATE BILL NO. 1449 AND HOUSE BILL NO. 5648

The Conference Committee on the disagreeing provisions of Senate Bill No. 1449 and House Bill No. 5648, after having met and fully discussed the subject matter in a conference, hereby report to their respective Houses the following:

1. The conferees agreed to use the Senate version as the working draft, with the adoption of some provisions from the House version, and the merger of some provisions of both the House and Senate versions;
2. On Section 1, the conferees agreed to adopt Section 1 of the House version to read as follows:

**"SECTION 1. Declaration of Policy.** – It shall be the policy of the State to establish a system that promotes the ease of access to

government services and efficient transportation regulation favorable to the people."

3. On Section 2, the conferees agreed to adopt Section 1 of the Senate version with amendments, as Section 2 of the final version, to read as follows:

**"SEC. 2. Section 23 of Republic Act No. 4136, otherwise known as the "Land Transportation and Traffic Code," as amended, is hereby further amended to read as follows:**

**"SEC. 23. Issuance of Driver's License, Fees and Validity.** – If, after such examination, the Land Transportation Office (LTO) Head or his/her deputies find that the applicant possesses the necessary 1A qualification and proficiency in the operation of motor vehicles, is able to read and write any of the official languages or a major dialect and knows how to read and interpret various traffic signs, signals and road markings, a professional or nonprofessional license may be issued to such applicant upon payment of the fee prescribed in accordance with law, AND WHICH SHALL NOT COST MORE THAN THE GOVERNMENT'S PROCUREMENT EXPENSE, but prior to the issuance of said license, the applicant shall present himself/herself in person and have his/her photograph taken by the [bureau] LTO. All driver's licenses issued shall be signed in the presence of the LTO Head or his/her deputies and shall bear, among others, the full name, date of birth, height, weight, sex, color of eyes, blood type, complete current address, [right hand thumbprint of the licensee,] BIOMETRICS, license number, and its date of issue and expiration.

In the issuance of licenses, the [Bureau] LTO shall NOW use such process or adopt such measure as will prevent any alteration or falsification of a license or will enable the [Bureau] LTO to detect any unauthorized license. THE LTO SHALL CREATE AN ONLINE PROCESS FOR THE RENEWAL OF PROFESSIONAL AND NON-PROFESSIONAL LICENSES WITHIN ONE (1) YEAR FROM THE EFFECTIVITY OF THIS ACT.

Except for student permits, all driver's licenses shall be valid for FIVE (5) years reckoned from the birthdate of the licensee, unless sooner revoked or suspended: *Provided, however,* That subject to Section 26 hereof, any holder of a professional or nonprofessional driver's license who has not committed any violation OF REPUBLIC

ACT NO. 4136 AND OTHER TRAFFIC LAWS, RULES AND REGULATIONS during the FIVE-YEAR period shall be entitled to a renewal of such license for [five-year period] TEN (10) YEARS, SUBJECT TO RESTRICTIONS AS MAY BE IMPOSED BY THE LTO.

THE LOCAL GOVERNMENT UNITS (LGUs), THE METROPOLITAN MANILA DEVELOPMENT AUTHORITY (MMDA) OR OTHER AGENCIES LAWFULLY ISSUING TRAFFIC VIOLATION RECEIPTS SHALL REPORT WITHIN A REASONABLE TIME, TO BE DETERMINED IN THE IMPLEMENTING RULES AND REGULATIONS THE DETAILS OF THE TRAFFIC VIOLATION TO THE LTO, WHICH SHALL SERVE AS THE REPOSITORY OF ALL TRAFFIC VIOLATION RECORDS.””

4. On Section 3, the conferees agreed to adopt Section 3 of the House version with amendments, as Section 3 of the final draft to read as follows:

**“SEC. 3.** A new section is hereby added after Section 23 of the same Act and numbered as Section 23-A, read as follows:

*“SECTION 23-A. Establishment of Stricter Rules before the Issuance of Driver’s License. –* The LTO shall promulgate prerequisites and guidelines before the grant of driver’s licenses to ensure that these are issued only to deserving applicants with sufficient driving skills and knowledge on road safety and proper road courtesy.

Toward this end, the conduct of theoretical and practical examinations, among others, must sufficiently measure the competency of drivers and must be designed to the type of license applied for and its corresponding restrictions: *Provided*, That for professional drivers, the tests must be appropriate to the vehicle and type of service the applicant intends to operate.””

5. On Section 4, the conferees agreed to adopt Section 4 of the House version with amendments, as Section 4 of the final draft to read as follows:

**“SEC. 4.** A new section is hereby added after Section 23-A of the same Act and numbered as 23-B, read as follows:

*“SECTION 23-B. Penalties. –* Without prejudice to the penalties provided under the Revised Penal Code and other applicable laws, the penalties corresponding to the

following acts shall be imposed by the appropriate agency or officer:

- a) Any officer who, in any manner, issues a driver’s license without the necessary examinations, connives with the applicant for the irregular issuance of a license, or who, BY GROSS NEGLIGENCE issues a driver’s license to an unqualified applicant shall suffer a penalty of removal from the service with all the accessory penalties attached thereto;
- b) A fine in the amount of Twenty Thousand Pesos (Php20,000.00) shall be imposed upon an applicant for a driver’s license found to have committed any of the following acts:
  - (1) Willful misrepresentation with respect to material information in one’s application;
  - (2) Connivance with the officer in the irregular conduct of examinations or issuance of license;
  - (3) Falsification of documents; or
  - (4) Cheating during examinations.

Any or all of the acts above-mentioned shall be punished whether or not a license was granted by reason of such misrepresentation, connivance, falsification or cheating.

In addition to the abovementioned fine, the driver’s license of an erring applicant, if one is granted by reason of such misrepresentation, connivance, falsification or cheating, shall be revoked, and the applicant shall be prohibited from applying for a period of two (2) years. The repetition of such offense shall warrant the perpetual disqualification from being granted a driver’s license in addition to the fine above stated; and

- c) A holder of a driver’s license who acts in violation of the provisions of RA 4136 and other existing traffic laws shall suffer corresponding penalties as may be provided by law and other issuances.

In case of death or physical injuries resulting in the loss of any part of the victim’s body or the use thereof, insanity, imbecility, impotence or blindness, or incapacity to work for more than ninety (90) days, the license of the offending driver shall be revoked for a period of four (4) years, after a finding by the court that such driver was negligent or at fault.

The DOTr and the LTO shall, in coordination with the Land Transportation Franchising and Regulatory Board (LTFRB) and other concerned agencies and private stakeholders, aggressively and regularly conduct a nationwide information, education and communication (IEC) campaign on road safety, including the list of measures implemented pursuant to and violations punishable under this Act."

5. On Section 5, the conferees agreed to adopt Section 7 of the House version as Section 5 of the final draft to read as follows:

**"SEC. 5. Implementing Rules and Regulations.** – Within sixty (60) days from the effectivity of this Act, the Secretary of DOTr, with the assistance of the LTO, LTFRB, MMDA and the PNP-Highway Patrol Group, shall promulgate the implementing rules and regulations necessary to ensure the effective implementation of this Act."

6. On Section 6, the conferees agreed to adopt Section 8 of the House version as Section 6 of the final draft to read as follows:

**"SEC. 6. Separability Clause.** – If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or provision not otherwise affected shall remain valid and subsisting."

7. On Section 7, the conferees agreed to adopt Section 9 of the House version as Section 7 of the final draft to read as follows:

**"SEC. 7. Repealing Clause.** – All laws, decrees, executive orders, letters of instructions, rules and regulations, issuances or parts thereof inconsistent with this Act are hereby revoked, repealed, amended or modified accordingly."

8. On Section 8, the conferees agreed to adopt Section 10 of the House version as Section 8 of the final draft to read as follows:

**"SEC. 8. Effectivity.** – This Act shall take effect fifteen (15) days following the completion of its publication in the Official Gazette or in a newspaper of general circulation."

9. The title of the bill shall read as:

"AN ACT RATIONALIZING AND STRENGTHENING THE POLICY REGARDING DRIVER'S LICENSE BY EXTENDING THE VALIDITY PERIOD OF DRIVER'S LICENSES, AND PENALIZING ACTS IN VIOLATION OF ITS ISSUANCE

AND APPLICATION, AMENDING FOR THOSE PURPOSES SECTION 23 OF REPUBLIC ACT NO. 4136, AS AMENDED BY BATAS PAMBANSA BLG. 398 AND EXECUTIVE ORDER NO. 1011, OTHER-WISE KNOWN AS THE LAND TRANSPORTATION AND TRAFFIC CODE"

In case of a conflict between the statements/amendments stated in the Joint Explanatory Statement and that of the provisions of the consolidated bill in the accompanying Conference Committee Report, the provisions of the latter shall prevail.

## APPROVAL OF THE CONFERENCE COMMITTEE REPORT

Submitted to a vote, there being no objection, the Conference Committee Report on the disagreeing provisions of Senate Bill No. 1449 and House Bill No. 5648 was approved by the Body.

## COMMITTEE REPORT NO. 57 ON SENATE BILL NO. 1397

(Continuation)

Upon motion of Senator Sotto, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1397 (Committee Report No. 57), entitled

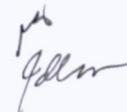
AN ACT PENALIZING AND PREVENTING THE USE OF MOTORCYCLES OR SCOOTERS IN THE COMMISSION OF CRIMES THROUGH THE USE OF BIGGER PLATE NUMBERS AND IDENTIFICATION MARKS, REGULATION OF BACKRIDERS AND FOR OTHER PURPOSES.

Senator Sotto stated that the parliamentary status was the period of individual amendments.

Thereupon, the Chair recognized Senator Gordon, sponsor of the measure.

## TERMINATION OF THE PERIOD OF INDIVIDUAL AMENDMENTS

There being no individual amendment, upon motion of Senator Sotto, there being no objection, the Body closed the period of individual amendments.



**SUSPENSION OF SESSION**

Upon motion of Senator Sotto, the session was suspended.

*It was 6:17 p.m.*

**RESUMPTION OF SESSION**

At 6:18 p.m., the session was resumed.

**APPROVAL OF SENATE BILL NO. 1397  
ON SECOND READING**

Submitted to a vote, there being no objection, Senate Bill No. 1397 was approved on Second Reading.

**MANIFESTATION OF SENATOR DRILON**

Senator Drilon registered a vote of abstention on Senate Bill No. 1397.

**SUSPENSION OF CONSIDERATION  
OF SENATE BILL NO. 1397**

Upon motion of Senator Sotto, there being no objection, the Body suspended consideration of the bill.

**COMMITTEE REPORT NO. 31  
ON SENATE BILL NO. 1306**

*(Continuation)*

Upon motion of Senator Sotto, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1306 (Committee Report No. 31), entitled

**AN ACT CREATING THE PHILIPPINE  
BOXING COMMISSION TO STRENG-  
THEN THE BOXING INDUSTRY  
AND PROMOTE THE SAFETY AND  
WELFARE OF FILIPINO BOXERS,  
AND PROVIDING FUNDS THEREFOR.**

Senator Sotto stated that the parliamentary status was still the period of interpellations.

Thereupon, the Chair recognized Senator Pacquiao, sponsor of the measure, and Senator Drilon for the continuation of his interpellations.

**SUSPENSION OF SESSION**

Upon motion of Senator Drilon, the session was suspended.

*It was 6:20 p.m.*

**RESUMPTION OF SESSION**

At 6:25 p.m., the session was resumed.

**INTERPELLATION OF SENATOR DRILON**

Senator Drilon noted that on Section 6 of the bill, the proposed commission shall be composed of seven members — one chairman and six members — who shall be appointed by the President, with the chairman and two members chosen from the nominees of the Games and Amusement Board; one member chosen from the nominees of the Department of Health; and three members chosen from the private sector.

Senator Drilon then asked who nominates the three members coming from the private sector. Senator Pacquiao replied that it is a prerogative of the President who to appoint from the private sector.

Senator Drilon explained that he was not questioning the prerogative of the President, rather, he was just trying to find out who nominates the three members from the private sector as he noted that Section 6 of the bill limits the power of the President to appointment. He asked if it was correct to assume that the appointment of the chairman and two members shall be from the nominees of GAB, so that unless one is nominated by GAB, he cannot be appointed by the President, and that the sole member from the health sector cannot be appointed unless nominated by the DOH. Senator Pacquiao replied in the affirmative.

Asked again who nominates the members coming from the private sector, Senator Pacquiao replied that unless they apply for the position, they cannot be appointed. Senator Drilon opined that it seems odd that the appointment is limited to those who will apply.

Senator Drilon noted that the provision was phrased in such a way that those coming from the private sector need not be nominated by anyone as contra-distinguished from the chairman and the two members, and the other one member, that unless nominated by the GAB and the DOH, respectively,

*P  
J. P. Allen*

they cannot be appointed by the President. Senator Pacquiao replied that it shall be the licensed promoters and managers who will nominate the three members from the private sector.

On whether it is his intention that the three members from the private sector would be the nominees representing the three groups – the managers, promoters and boxers – so that if one is not nominated by any of the three groups, he cannot be appointed, Senator Pacquiao replied in the negative.

On whether the chairman has to be nominated by the GAB, Senator Pacquiao replied that he has to be appointed by the President.

Noting that on line 6 of page 3 of the bill the chairman and the two members shall be chosen from the nominees of the GAB, Senator Drilon asked if one can be appointed as chairman if he is not a nominee of the GAB. Senator Pacquiao replied that the nominee cannot be appointed, and he affirmed that one cannot be appointed if he was not nominated by the DOH.

Asked if one can be appointed as member of the commission if he was not nominated by anyone from the private sector, Senator Pacquiao replied that it can either be by application or nomination. Senator Drilon recalled that earlier, Senator Pacquiao said that the three members from the private sector should be nominated by the three groups, represented by any licensed boxer, licensed promoter and the licensed manager. Senator Pacquiao replied that the three members nominated by the private sector should apply for the position in the commission.

Senator Drilon wondered how the three members from the private sector could apply in a commission which is not yet existing.

Asked whether or not nomination is needed, Senator Pacquiao answered that a nomination is required.

Asked who will nominate the representatives from the private sector, Senator Pacquiao replied that it would be the managers, promoters and boxers.

Senator Drilon explained that there is a difference between nomination and recommendation as he cited the Judicial and Bar Council (JBC) wherein the

President appoints someone who is nominated by the JBC to fill up vacancies in the Judiciary. Thus, he said that someone cannot be chair without being appointed by the GAB, a representative from the Department of Health could not be appointed without the nomination from the DOH, and the two other commissioners cannot be appointed without the nomination of the GAB. He pointed out that lines 8 and 9 are silent whether a nomination is necessary.

#### **SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1306**

Senator Sotto suggested that the consideration of the measure creating the Philippine Boxing Commission be suspended so that other measures could be discussed.

Upon motion of Senator Sotto, there being no objection, the Body suspended consideration of the bill.

#### **COMMITTEE REPORT NO. 56 ON SENATE BILL NO. 1395 (Continuation)**

Upon motion of Senator Sotto, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1395 (Committee Report No. 56) entitled

#### **AN ACT RIGHTSIZING THE NATIONAL GOVERNMENT TO IMPROVE PUBLIC SERVICES DELIVERY AND FOR OTHER PURPOSES.**

Senator Sotto stated that the status was the period of interpellations.

Thereupon, the Chair recognized Senator Legarda, sponsor of the measure.

#### **SUSPENSION OF SESSION**

Upon motion of Senator Sotto, the session was suspended.

*It was 6:41 p.m.*

#### **RESUMPTION OF SESSION**

At 6:47 p.m., the session was resumed.



## **SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1395**

Upon motion of Senator Sotto, there being no objection, the Body suspended consideration of the bill.

## **COMMITTEE REPORT NO. 60 ON SENATE BILL NO. 1439**

*(Continuation)*

Upon motion of Senator Sotto, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1439 (Committee Report No. 60), entitled

**AN ACT ESTABLISHING THE ENERGY VIRTUAL ONE STOP SHOP FOR THE PURPOSE OF STREAMLINING THE PERMITTING PROCESS OF ENERGY GENERATION PROJECTS.**

Senator Sotto stated that the status was the period of interpellations.

Thereupon, the Chair recognized Senator Gatchalian, sponsor of the measure.

## **MANIFESTATION OF SENATOR GATCHALIAN**

Senator Gatchalian informed the Body that future interpellations on Senate Bill No. 1439 shall be based on an amendment by substitution which would be introduced at the proper time.

## **SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1439**

Upon motion of Senator Sotto, there being no objection, the Body suspended consideration of the bill.

## **ADDITIONAL REFERENCE OF BUSINESS**

The Secretary of the Senate read the following matters and the Chair made the corresponding referrals:

### **BILL ON FIRST READING**

Senate Bill No. 1487, entitled

**AN ACT SEPARATING THE CITY OF GENERAL SANTOS FROM THE**

**FIRST LEGISLATIVE DISTRICT OF THE PROVINCE OF SOUTH COTABATO TO CONSTITUTE THE LONE DISTRICT OF THE CITY OF GENERAL SANTOS**

Introduced by Senator Emmanuel "Manny" D. Pacquiao

**To the Committees on Local Government; and Electoral Reforms and People's Participation**

## **RESOLUTION**

Proposed Senate Resolution No. 398, entitled

**RESOLUTION DIRECTING THE SENATE COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE STRATEGIES AND MEASURES BEING UNDERTAKEN BY THE CONCERNED GOVERNMENT AGENCIES MANDATED TO CLEAN UP, REHABILITATE AND PRESERVE MANILA BAY, AND RESTORE ITS WATERS TO SB LEVEL TO MAKE IT FIT FOR SWIMMING, SKIN DIVING AND OTHER FORMS OF CONTACT RECREATION UNDER THE WRIT OF CONTINUING MANDAMUS ISSUED BY THE SUPREME COURT**

Introduced by Senator Cynthia A. Villar

**To the Committee on Environment and Natural Resources**

## **SECOND ADDITIONAL REFERENCE OF BUSINESS**

### **MESSAGE OF THE PRESIDENT OF THE PHILIPPINES**

Letter of President Rodrigo Roa Duterte, dated 26, 2017, submitting for the Senate's consideration and concurrence the "Convention Concerning Protection on the Right to Organize and Procedures for Determining Conditions of Employment in the Public Service" which was adopted on 27 June 1978 in Geneva, Switzerland.

**To the Committee on Foreign Relations**

## COMMITTEE REPORTS

Committee Report No. 119, submitted jointly by the Committees on Local Government; and Electoral Reforms and People's Participation, on House Bill No. 4925, introduced by Representative Fariñas, entitled

**AN ACT DIVIDING THE ONE-BARANGAY MUNICIPALITY OF DUMALNEG IN THE PROVINCE OF ILOCOS NORTE INTO THREE (3) DISTINCT AND INDEPENDENT BARANGAYS TO BE KNOWN AS BARANGAY KALAW, BARANGAY CABARITAN AND BARANGAY QUIBEL,**

recommending its approval with amendments.

Sponsor: Senator Sonny Angara;

Committee Report No. 120, submitted jointly by the Committees on Local Government; and Electoral Reforms and People's Participation, on House Bill No. 4927, introduced by Representative Adiong, entitled

**AN ACT CREATING BARANGAY UPPER PUGAAN IN THE MUNICIPALITY OF DITSAAN-RAMAIN, PROVINCE OF LANAO DEL SUR,**

recommending its approval with amendments.

Sponsor: Senator Sonny Angara;

Committee Report No. 121, submitted jointly by the Committees on Local Government; and Electoral Reforms and People's Participation, on House Bill No. 4941, introduced by Representative Campos, *et al.*, entitled

**AN ACT CREATING A BARANGAY TO BE KNOWN AS BARANGAY RIZAL IN THE CITY OF MAKATI,**

recommending its approval with amendments.

Sponsor: Senator Sonny Angara;

and Committee Report No. 122, submitted jointly by the Committees on Local Government;

and Electoral Reforms and People's Participation, on House Bill No. 4940, introduced by Representative Baguilat Jr., entitled

**AN ACT CREATING A BARANGAY TO BE KNOWN AS BARANGAY LIWON IN THE MUNICIPALITY OF ASIPULO, PROVINCE OF IFUGAO,**

recommending its approval with amendments.

Sponsor: Senator Sonny Angara

## To the Calendar for Ordinary Business

## THIRD ADDITIONAL REFERENCE OF BUSINESS

## MESSAGE FROM THE HOUSE OF REPRESENTATIVES

Letter from the House of Representatives, informing the Senate that on 30 May 2017, the House of Representatives adopted Senate Bill No. 1468 as an amendment to House Bill No. 5663, entitled

**AN ACT DESIGNATING CASINOS AS COVERED PERSONS UNDER REPUBLIC ACT NO. 9160, OTHERWISE KNOWN AS THE "ANTI-MONEY LAUNDERING ACT OF 2001," AS AMENDED.**

## To the Archives

## SPECIAL ORDERS

Upon motion of Senator Sotto, there being no objection, the Body approved the transfer of the following from the Calendar for Ordinary Business to the Calendar for Special Orders:

1. Committee Report No. 106 on House Bill No. 4937;
2. Committee Report No. 107 on House Bill No. 4942;
3. Committee Report No. 108 on House Bill No. 2924;
4. Committee Report No. 109 on House Bill No. 4934;
5. Committee Report No. 110 on House Bill No. 4938;



6. Committee Report No. 111 on House Bill No. 4935;
7. Committee Report No. 112 on House Bill No. 4924;
8. Committee Report No. 113 on House Bill No. 4943;
9. Committee Report No. 114 on House Bill No. 4923;
10. Committee Report No. 119 on House Bill No. 4925;
11. Committee Report No. 120 on House Bill No. 4927;
12. Committee Report No. 122 on House Bill No. 4940; and
13. Committee Report No. 121 on House Bill No. 4941.

#### **BILLS CREATING/DIVIDING BARANGAYS**

Upon motion of Senator Sotto, there being no objection, the following House bills were considered, on Second Reading, one after the other:

1. House Bill No. 2924 (Committee Report No. 108), entitled

AN ACT CREATING A BARANGAY TO BE KNOWN AS BARANGAY CRISTO REY IN THE MUNICIPALITY OF CAPAS, PROVINCE OF TARLAC;

2. House Bill No. 4923 (Committee Report No. 114), entitled

AN ACT DIVIDING BARANGAY PAMPANGA IN THE CITY OF DAVAO INTO THREE (3) DISTINCT AND INDEPENDENT BARANGAYS TO BE KNOWN AS BARANGAY PAMPANGA, BARANGAY ALFONSO ANGLIONGTO, SR. AND BARANGAY V. HIZON;

3. House Bill No. 4924 (Committee Report No. 112), entitled

AN ACT DIVIDING BARANGAY MAGUGPO IN THE CITY OF TAGUM, PROVINCE OF DAVAO DEL NORTE INTO FIVE (5) DISTINCT AND INDEPENDENT BARANGAYS TO BE KNOWN AS BARANGAY MAGUGPO POBLACION, BARANGAY MAGUGPO EAST, BARANGAY MAGUGPO WEST, BARANGAY MAGUGPO NORTH AND BARANGAY MAGUGPO SOUTH;

4. House Bill No. 4934 (Committee Report No. 109), entitled

AN ACT CREATING A BARANGAY TO BE KNOWN AS BARANGAY SAN ISIDRO IN THE MUNICIPALITY OF TITAY, PROVINCE OF ZAMBOANGA SIBUGAY;

5. House Bill No. 4935 (Committee Report No. 111), entitled

AN ACT CREATING A BARANGAY TO BE KNOWN AS BARANGAY DON ALBINO T. TARUC IN THE MUNICIPALITY OF SOCORRO, PROVINCE OF SURIGAO DEL NORTE;

6. House Bill No. 4937 (Committee Report No. 106), entitled

AN ACT CREATING A BARANGAY TO BE KNOWN AS BARANGAY CARE IN THE CITY OF TARLAC, PROVINCE OF TARLAC;

7. House Bill No. 4938 (Committee Report No. 110), entitled

AN ACT CREATING A BARANGAY TO BE KNOWN AS BARANGAY POBLACION 3 IN THE MUNICIPALITY OF VILLANUEVA, PROVINCE OF MISAMIS ORIENTAL;

8. House Bill No. 4942 (Committee Report No. 107), entitled

AN ACT CREATING A BARANGAY TO BE KNOWN AS BARANGAY PUDO IN THE MUNICIPALITY OF NATONIN, MOUNTAIN PROVINCE;

9. House Bill No. 4943 (Committee Report No. 113), entitled

AN ACT DIVIDING BARANGAY CANUMAY IN THE CITY OF VALENZUELA INTO TWO (2) DISTINCT AND INDEPENDENT BARANGAYS TO BE KNOWN AS BARANGAY CANUMAY WEST AND BARANGAY CANUMAY EAST;

10. House Bill No. 4925 (Committee Report No. 119), entitled

AN ACT DIVIDING THE ONE-BARANGAY MUNICIPALITY OF DUMALNEG IN THE PROVINCE OF ILOCOS NORTE INTO THREE (3) DISTINCT AND INDEPENDENT BARANGAYS TO BE KNOWN AS BARANGAY KALAW, BARANGAY CABARITAN AND BARANGAY QUIBEL;

11. House Bill No. 4927 (Committee Report No. 120), entitled

AN ACT CREATING BARANGAY UPPER PUGAAN IN THE MUNICIPALITY OF DITSAAN-RAMAIN, PROVINCE OF LANAO DEL SUR;

12. House Bill No. 4940 (Committee Report No. 122), entitled

AN ACT CREATING A BARANGAY TO BE KNOWN AS BARANGAY LIWON IN THE MUNICIPALITY OF ASIPULO, PROVINCE OF IFUGAO; and

13. House Bill No. 4941 (Committee Report No. 121), entitled

AN ACT CREATING A BARANGAY TO BE KNOWN AS BARANGAY RIZAL IN THE CITY OF MAKATI.

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Sotto, only the titles of the bills were read without prejudice to the insertion of their full texts into the Record of the Senate.

Thereupon, the Chair recognized Senator Angara, sponsor of the measures.

#### **OMNIBUS SPONSORSHIP OF SENATOR ANGARA**

With the consent of the Body, the omnibus sponsorship speech of Senator Angara covering 13 House Bills pertaining to the creation/division of barangays was deemed read and inserted into the record.

*Following is the full text of Senator Angara's sponsorship speech:*

*Masugid pong itinutulak ng inyong komite sa Local Government na palakasin at lalong bigyan ng kaukulang kapangyarihan ang ating mga barangay. Naniniwala po kasi kami na ang pagpapalakas at pagpapaunlad sa mga barangay ay katumbas ng pagpapalakas at pagpapaunlad sa kani-kanilang mamamayan at sa ganoong paraan, sa ating demokrasya.*

*Ika nga ng Korte Suprema sa isang 2004 decision, ang barangay, na munting sangay ng gobyerno, ay nagsisilbing pundasyon ng progreso ng ating bansa. Tulad po sa isang mayabong na punong-kahoy na hitik sa bunga, nag-simula ang kanyang paglago dahil sa kanyang*

*malulusog na ugat. Ganoon din po ito sa ating demokrasya na ang ugat ay ang mga barangay.*

#### **Division**

First, the following measures create new barangays by dividing those that already exist in the following locations:

#### **Dumalneg, Ilocos Norte**

*Kabilang po rito ang House Bill No. 4295 ni House of Representatives Majority Leader Rodolfo Fariñas na naglalayong hatiin sa tatlo ang nag-iisang barangay ng bayan ng Dumalneg sa lalawigan ng Ilocos Norte. Kikilalanin ang mga barangay na ito bilang: Barangay Kalaw, Barangay Cabaritan, at Barangay Quibel.*

#### **Asipulo, Ifugao**

*Ang House Bill No. 4940 naman ni Rep. Teddy Baguilat ay naglalayong likhain ang Barangay Liwon bilang isang independent barangay mula sa Barangay Amduntog sa Munisipalidad ng Asipulo, Lalawigan ng Ifugao.*

#### **Davao City**

*House Bill No. 4923 ni Rep. Mylene Garcia-Albano na naglalayong hatiin sa tatlong hiwalay na barangay ang Brgy. Pampanga, Davao City na kikilalaning Brgy. Pampanga, Brgy. Alfonso Angliongto Sr., at Brgy. Vicente Hizon, Sr.*

#### **Tagum City, Davao del Norte**

*House Bill No. 4924 ni Speaker Pantaleon Alvarez na isasailalim sa limang (5) dibisyon ang Brgy. Magugpo sa Tagum City, lalawigan ng Davao del Norte. Tatawagin ang mga bagong barangay bilang Brgy. Magugpo Poblacion, Brgy. Magugpo East, Brgy. Magugpo West, Brgy. Magugpo North at Brgy. Magugpo South.*

#### **Valenzuela City, Metro Manila**

*House Bill No. 4943 ni Rep. Wes Gatchalian na hahatiin sa dalawa ang Barangay Canumay sa Valenzuela City, bilang Brgy. Canumay East at Brgy. Canumay West.*

#### **Creation**

On the other hand, the next few measures pertain to existing barangays that were only created via LGU council resolution. That means these barangays have since been funded by the LGUs that created them. So, by enacting the following measures, we establish that these barangays are entitled to receive their fair share from



the Internal Revenue Allotment (IRA) which, in turn, lifts the financial burden from their mother LGU and empowers them in the process.

#### *Capas, Tarlac*

*Ang House Bill No. 2924 ni Rep. Noel Villanueva na naglalayong likhain ang Brgy. Cristo Rey sa munisipalidad ng Capas, Tarlac. Ang Cristo Rey ay may mahigit tatlumpung-libong (30,000) residente.*

#### *Socorro, Surigao del Norte*

House Bill No. 4935 by Rep. Francisco Matugas II, creating Brgy. Don Albino T. Taruc in the Municipality of Socorro, Surigao del Norte.

#### *Tarlac City, Tarlac*

House Bill No. 4937 by Rep. Victor Yap, creating Brgy. Care in Tarlac City, Tarlac;

#### *Villanueva, Misamis Oriental*

House Bill No. 4938 by Rep. Juliette T. Uy, Brgy. Poblacion 3, Municipality of Villanueva, Province of Misamis Oriental; and

#### *Makati City, Metro Manila*

House Bill No. 4941 by Reps. Luis Jose Campos, Jr., Richard E. Eusebio, Eugene Michael de Vera and Arlene Arcillas, creating Brgy. Rizal in Makati City.

#### *For IP Communities*

The Local Government Code also allows that a barangay can be created without fulfilling the listed requirements for the purpose of enhancing delivery of basic services in indigenous peoples (IP) communities.

#### *Ditsaan-Ramain, Lanao del Sur (ARMM)*

There is House Bill No. 4927 by Con. Ansaruddin Adiong, creating Brgy. Upper Pugaan in the Municipality of Ditsaan-Ramain, Province of Lanao del Sur. This bill is being pushed to enhance delivery of basic services to this indigenous people (IP) community.

#### *Titay, Zamboanga Sibugay*

House Bill No. 4934 filed by Rep. Ann K. Hofer, creating Brgy. San Isidro in the Municipality of Titay, Zamboanga Sibugay. In 2014, out of the 1,705 people living in the area, 1,193 or 70% hail from the Subanen Tribe as certified by the National Commission on Indigenous Peoples (NCIP); and,

#### *Natonin, Mountain Province*

House Bill No. 4942 by Rep. Maximo Dalog, which formally creates in the Municipality of Natonin, Mountain Province, Brgy. Pudo which according to the NCIP has been inhabited since time immemorial by the Balangao Tribe.

By passing these laws, the covered barangays become eligible to receive their own Internal Revenue Allotment (IRA) which empowers them to fulfill their mandate to provide basic services to their constituents.

*Nakaatang sa balikat ng barangay ang ikabubuti ng kanyang nasasakupan, ngunit nakaatang din sa balikat ng pambansang pamahalaan ang pagtulong sa mga ito upang maisakutuparan ang kanilang magagandang proyekto.*

*Saan po ba unang ilalapit ang reklamo tungkol sa gulo sa isang lugar? Hindi po ba sa barangay? Sino po ang unang nagsusumbong ng gulo? Hindi po ba ang kapitan de barangay? Sa mga panahon ng sakuna, ang barangay po ang unang umaagapay sa tao. Paano kung wala sila? Sino po ang magiging koneksyon ng isang malayong lugar sa ating pambansang pamahalaan?*

*Napakahalaga po ng papel ng barangay sa atin. Hindi po kaila na malaki po ang naitutulong ng mga barangay sa paghulma ng ating komunidad. Gaano man ka-sinsiero ang mga opisyal natin sa sangay na ito, kung hindi naman sila natutulungan ng gobyerno, paano nga naman nila magagampanan nang husto ang kanilang tungkulin? Ito po ang dahilan kung bakit po natin itinutulak ang mga panukalang inilahad ko.*

#### **SUSPENSION OF CONSIDERATION OF HOUSE BILL NOS. 2924, 4923, 4924, 4934, 4935, 4937, 4938, 4942, 4943, 4925, 4927, 4940 AND 4941**

Upon motion of Senator Sotto, there being no objection, the Body suspended consideration of the bills.

#### **SPECIAL ORDER**

Upon motion of Senator Sotto, there being no objection, the Body approved the transfer of Committee Report No. 98 on Senate Bill No. 1461 from the Calendar for Ordinary Business to the Calendar for Special Orders.



## **COMMITTEE REPORT NO. 98 ON SENATE BILL NO. 1461**

Upon motion of Senator Sotto, there being no objection, the Body considered, on Second Reading, Senate Bill No. 1461 (Committee Report No. 98), entitled

### **AN ACT INSTITUTIONALIZING THE ELECTRIC COOPERATIVES EMERGENCY AND RESILIENCY FUND AND APPROPRIATING FUNDS THEREOF.**

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Sotto, only the title of the bill was read without prejudice to the insertion of its full text into the Record of the Senate.

The Chair recognized Senator Gatchalian for the sponsorship.

### **SPONSORSHIP SPEECH OF SENATOR GATCHALIAN**

Senator Gatchalian delivered his sponsorship speech, accompanied by a series of slides shown on the screen, to wit:

#### **KEEPING THE LIGHTS ON IN TIMES OF CRISIS**

As representatives of the sovereign people, I believe it is paramount that we stay in touch with the pulse of the people so that we may ensure that the legislation we pass here in the halls of the Senate are meaningful and relevant to the lives of our constituents. In line with this, as the chairman of the Senate Committee on Energy, I have the privilege to travel around the country to speak directly with and listen to the concerns of the energy sector stakeholders.

The measure that I am sponsoring today is largely a product of consultations and dialogues that I have held with the critical class of energy stakeholders—electric cooperatives. Before discussing the details of this bill, Senate Bill No. 1461 under Committee Report No. 98, known for short as the Electric Cooperatives Emergency and Resiliency Fund Act of 2017, allow me to discuss its relevance to the situation faced on the ground by the electric cooperatives and their customers.

I think it is safe to say that most Filipinos are aware of the fact that the Philippines is a

disaster-prone country. Since time immemorial, the Filipino people have borne the unfortunate burden of having to weather storm after vicious storm. Sadly, these typhoons often result in significant property damage, dire emergency situations for typhoon survivors or, in the most tragic circumstances, the loss of life and limb of our fellow countrymen.

According to international research, to say that the Philippines is “disaster prone” is an understatement. The situation is much more precarious than that. According to the 2016 World Risk Report, the Philippines is ranked third on the list of countries most exposed to natural disasters, behind only two of our neighbors along the Pacific Ring of Fire: Vanuatu and Tonga.

Exposure to natural disasters, however, does not necessarily equate to a high risk ranking on the World Risk Index (WRI). A perfect example of this is Japan. In terms of exposure to natural disaster, Japan comes in fourth place right after the Philippines. However, Japan’s actual risk ranking on the WRI is at 17<sup>th</sup>. This significantly lower risk ranking is attributed to Japan’s low vulnerability score, which is calculated by considering the strength of a country’s risk reduction, risk management and emergency response capabilities. Unfortunately, a significantly higher vulnerability score puts the Philippines at third place on the index proper, which means that the Philippines is the third most at-risk country in the face of natural disasters.

If we dissect the Philippines’ vulnerability score, we can see that the problem lies in what the report designates as “lack of coping capacities.” Coping capacities are defined in the report as “measures and abilities that are immediately available to reduce and damages in the occurrence of an event.” In other words, the high-risk rating of the Philippines is largely attributable to the weakness of its disaster response programs.

I have chosen to highlight the weakness of the country’s “coping capacities” or disaster response programs because this is a crucial problem affecting the ability of electric cooperatives to turn the power back on in a speedy and efficient manner after a storm hits. Prolonged power outages in areas already devastated by a natural calamity makes the situation even worse. Disaster and relief operations are hampered. The law and order situation on the ground becomes harder to contain. Commercial establishments and industries unequipped with back-up power generating capacity suffer significant economic losses.

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As the situation stands now, electric cooperatives have a few options other than to apply for interest-bearing loans from private financial institutions or the National Electrification Administration (NEA) to fund their electricity restoration and infrastructure rehabilitation efforts in the wake of a calamity. Although the loans from NEA can sometimes be converted into grants, this process takes up to two years. Sometimes due to lack of funds, some NEA loans are never converted. Since 2004, a total of P1.62 billion worth of calamity loans have not been converted to grants.

This lack of disaster response funding puts electric cooperatives in a tough spot. They often have no choice but to pass on the additional cost of the loan to the consumer which results in higher power rates. For example, the indicative rate impact of a P120.86-million loan applied by a C-rated electric cooperative at 3.25% interest rate to be paid over 10-year period is an average of P0.28 per kilowatt hour. Considering that electric cooperatives fulfil the power needs of more than 85% of barangays nationwide, this creates an unfair situation for power consumers in a vast majority of localities within the Philippines. When you think about it, it is like giving out relief goods, only to ask for disaster survivors to pay for it later. This is an unjust situation, to say the least. That is where Senate Bill No. 1461 comes in.

The Electric Cooperatives Emergency and Resiliency Fund Act of 2017 aims to achieve two things: First, to enhance resiliency by equipping and training electric cooperatives in disaster prevention, preparedness and mitigation; second, to ensure speedy restoration and rehabilitation of damaged infrastructure through interest-free grants to disaster-stricken electric cooperatives.

To do this, a P750-million Electric Cooperatives Emergency and Resiliency Fund will be established to be administered by NEA. Twenty percent (20%) or P150 million will be intended for disaster prevention, disaster preparedness, and disaster mitigation measures, while eighty percent (80%) or P600 million will be dedicated to financing the restoration or rehabilitation of the electric cooperatives' damaged infrastructure after a calamity.

As a prerequisite to access these funds, electric cooperatives are mandated to prepare and submit a Vulnerability Risk Assessment, a Resiliency Compliance Plan, and an Emergency Response Plan to the NEA. Through a Vulnerability Risk Assessment, an electric cooperative is able to identify, quantify, and evaluate critical

assets vis-à-vis top-rated threats arising from natural disasters. The Vulnerability Risk Assessment will then be used to prepare a Resiliency Compliance Plan and an Emergency Response Plan. The Resiliency Compliance Plan contains projects and programs to protect and reduce the vulnerability of identified critical assets, while the Emergency Response Plan includes the structure and procedure for the electric cooperative to restore its system in a safe and timely manner after a fortuitous event or *force majeure*. Through the creation of these plans, it is our hope to cultivate a culture of disaster preparedness in our electric cooperatives.

Since disaster preparedness, prevention, and mitigation do not occur in a vacuum and should be holistic and comprehensive, the NEA, taking into account all the submission of electric cooperatives, is tasked to prepare a National Electric Cooperatives Emergency and Resiliency Plan which shall be integrated in the National Disaster Risk Reduction and Management Plan under Republic Act No. 10121, or the "Philippines Disaster Risk Reduction and Management Act of 2010."

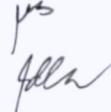
In addition, the NEA will be in charge of ensuring the streamlined process for the availment of the fund, thereby equipping electric cooperatives with timely resources to quickly turn the lights back on after a storm, earthquake, or any other fortuitous event ravages its coverage area. As we continue to implement reforms to enhance the stability of the Philippine energy sector, I hope that this measure will have a meaningful impact on electric cooperatives and the quality of life of their consumers. The plight of disaster survivors, who are forced to suffer in dark for weeks or even months after disaster strikes, has been neglected for far too long. Upon passage of this measure, we can be sure that when calamity strikes the next time around, the lights will stay on for good.

#### **SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1461**

Upon motion of Senator Sotto, there being no objection, the Body suspended consideration of the bill.

#### **SPECIAL ORDER**

Upon motion of Senator Sotto, there being no objection, the Body approved the transfer of Committee Report No. 116 on Senate Bill No. 1478 from the Calendar for Ordinary Business to the Calendar for Special Orders.



**COMMITTEE REPORT NO. 116  
ON SENATE BILL NO. 1478**

Upon motion of Senator Sotto, there being no objection, the Body considered, on Second Reading, Senate Bill No. 1478 (Committee Report No. 116), entitled

**AN ACT INSTITUTIONALIZING THE BAMBOO INDUSTRY DEVELOPMENT IN THE PHILIPPINES, CREATING THE BAMBOO INDUSTRY RESEARCH AND DEVELOPMENT CENTER (BIRDC), APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES.**

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Sotto, only the title of the bill was read without prejudice to the insertion of its full text into the Record of the Senate.

The Chair recognized Senator Zubiri for the sponsorship.

**SPONSORSHIP SPEECH  
OF SENATOR ZUBIRI**

Senator Zubiri submitted to the Body for its plenary consideration Committee Report No. 116 on Senate Bill No. 1478, entitled the "Philippine Bamboo Industry Development Act of 2017 (PhilBIDA), which seeks to promote the potential of bamboo as one of the country's top export products by developing the bamboo industry and recognizing its environmental benefits to aid in DENR's national greening program.

*Following is the full text of Senator Zubiri's sponsorship speech accompanied by a series of slides shown on the screen:*

Bamboo has been called by many names, such as the wonder grass, the tallest grass, poor man's timber and the grass of hope. Bamboo is a plant belonging to the subfamily *Bambusioideae* of grass family *Gramineae* whose culms or stems are woody. Its culm grows faster, at about one meter in 24 hours and completes growth, both in diameter and height, in only 80 to 110 days.

There are more than 1,250 bamboo species belonging to 75 genera which have been reported worldwide. Bamboo forests are extensively distributed in the world and can be divided into three

large areas: the Asia-Pacific bamboo region, the American bamboo region, and the African bamboo region.

In the Philippines, there are about 100 bamboo species, 21 are native species, 15 of which are endemic in the country, and the rest are introduced especially from China. According to the 2008 bamboo inventory report, there were about 40,403 hectares of bamboo stands in the country.

We all know the many uses of bamboo in our daily lives. Its products range from simple chopsticks—which I and Sen. Sherwin Gatchalian used for lunch this afternoon—to a more sophisticated Kenneth Cobonpue furniture, or a Mañosa-designed architectural gem. These are the photos of the many uses and products from bamboo.

In fact, the oldest and world famous Bamboo Organ is in Las Piñas, the hometown of our distinguished colleague and one of the principal authors of the bill, Sen. Cynthia Villar.

Bamboo also provides food, its edible shoots called *labong* is a staple in the Filipino fare *lumpiang sariwa*.

Worldwide, the bamboo industry is about US\$12 billion in 2009 with China as the top exporter of bamboo products valued at US\$1.4 billion while the Philippines is a far fifth place with exports valued at US\$54 million. However, the real size and performance of the industry is difficult to assess due to the absence of reliable data and information on the amount of available raw materials, number of bamboo-based enterprises, demand for bamboo culms, employment in the industry, and its contribution to the Gross Domestic Product.

Currently, there is no institution that is dedicated to oversee the development of the bamboo industry. Programs on bamboo are dispersed among different government agencies and are not cohesive towards a holistic approach to the development of the industry. Policies are not supportive to the industry and there are no incentives for investing in the bamboo industry. Most of all, there are no bamboo industry development programs. Under the government's Comprehensive National Industrial Strategy that will spell out opportunities, coordinate and promote the growth of forward and backward linkages in priority areas and high potential growth sectors, and prepare other industries to attract investments and generate jobs.

I believe that the bamboo industry is one of these high potential industries if given proper attention and priority by the government.

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When I renovated our house, I was looking for wood flooring. I went to Wilcon Builders and I saw beautiful paneling that was made actually of bamboo which made to look like wood panel floorings, and this was bamboo made in the Philippines. So, I had used it and I have seen many other products made of bamboo that can be utilized.

So, if developed, it could generate more jobs and bring inclusive growth in the countryside. With only a handful of countries competing in the bamboo industry worldwide, this is a great potential for the Philippine bamboo industry to get the bigger pie in the world market and be one of the top export products in the country.

And not to mention the fact that bamboo is actually very resilient to climate change. Our climate change champion is right here behind me, who said that it is the number one sequester of carbon. Its being resilient means that it can survive a lot of typhoons that hit our country. We all know the story of the bamboo and the very hard wood tree. It is also a good measure against soil erosion.

Thus, the Committee on Trade, Commerce and Entrepreneurship, jointly with the Committees on Finance, and Ways and Means, is proposing Senate Bill No. 1478 or the Philippine Bamboo Industry Development Act (PhilBIDA) which is aimed at making the bamboo and its products as one of the main actors in our export industries and in providing inclusive growth to our people especially in the rural areas.

The PhilBIDA is based on realistic vision and actionable targets embodied in the Philippine Bamboo Roadmap. Programs and projects in the roadmap are on the scientific propagation, development, management, processing, utilization, and business development as well as commercialization of the Philippine bamboo and its products. It addresses supply, processing and marketing of bamboo and bamboo products. Among these are also the development of nurseries, bamboo backyard farming, market promotion, technical and financial assistance, national greening program, design and fabrication of equipment and machines.

As mentioned earlier, we cannot stress enough the importance of bamboo as a means for climate change, adaptation, and resilience.

With the above-cited reasons and faith in our people in the Philippine bamboo industry who, even without government support and priority—these are the gentlemen and ladies who are with me at the back—have made the country

the top five exporter of bamboo and producer of bamboo products.

I urge our colleagues, therefore, for the passage of this bill.

I sincerely believe that with full government support and attention, the Philippine bamboo industry will grow to greater heights, appropriate for the tallest grass on earth, and only then can we truly say that bamboo is the grass of hope.

Before I end, I have several bamboo seedlings here, of which I will give to the Members present today.

## **COAUTHORS**

Upon their request, Senate President Pimentel and Senators Gordon, Villanueva, Angara and Gatchalian were made coauthors of Senate Bill No. 1478.

## **SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1478**

Upon motion of Senator Sotto, there being no objection, the Body suspended consideration of the bill.

## **SPECIAL ORDER**

Upon motion of Senator Sotto, there being no objection, the Body approved the transfer of Committee Report No. 115 on Senate Bill No. 1477 from the Calendar for Ordinary Business to the Calendar for Special Orders.

## **COMMITTEE REPORT NO. 115 ON SENATE BILL NO. 1477**

Upon motion of Senator Sotto, there being no objection, the Body considered, on Second Reading, Senate Bill No. 1477 (Committee Report No. 115), entitled

## **AN ACT PROMOTING POSITIVE AND NON-VIOLENT DISCIPLINE OF CHILDREN, PROHIBITING ALL FORMS OF CORPORAL PUNISH- MENT, HUMILIATING AND DEGRADING TREATMENT, APPRO- PRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES.**

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon

motion of Senator Sotto, only the title of the bill was read without prejudice to the insertion of its full text into the Record of the Senate.

Thereupon, the Chair recognized Senator Hontiveros, sponsor of the measure.

#### **SPONSORSHIP SPEECH OF SENATOR HONTIVEROS**

Senator Hontiveros, on behalf of the Committee on Women, Children, Family Relations and Gender Equality, submitted for plenary consideration Senate Bill No. 1477, entitled "An Act Promoting Positive and Non-Violent Discipline of Children, Prohibiting All Forms of Corporal Punishment, Humiliating and Degrading Treatment, Appropriating Funds Therefor, and for Other Purposes," under Committee Report No. 115.

*Following is full text of Senator Hontiveros' sponsorship speech follows:*

Last week, circulating in the internet was a video showing a woman viciously hitting and kicking a girl outside what appeared to be a grocery store in Kawit, Cavite. With the video going viral and thousands of netizens weighing in on the abuse they witnessed online, barangay officials were able to identify and track down the mother and the daughter, who was later found out to be all of 12 years old.

In her interview with the barangay, the mother told the local Social Welfare Officer that she flew into a rage after her daughter refused to help her peddle flowers. This incident might count among the more excessive cases of physical violence against a child the public has seen but it certainly is not the worst. And while it may have been, as the mother asserted, the first episode of such severe violence she has inflicted on her daughter, the physical punishments surely started with small instances that later on escalated into this disturbing incident.

The UNICEF-supported National Baseline Study on Violence Against Children (NBS-VAC) conducted by the Council for the Welfare of Children reveals that six out of 10 children suffer from physical and psychological abuse with more than half of these happening at home. Corporal punishment is the most common practice of violence that children experience, and it comes in the form of spanking, hair-pulling, pinching, and twisting of the ears. Also a cause for alarm, two out of these five children commit

a form of physical violence with their peers. The study shows that a child's previous experiences of violence, especially in the home, are risk factors for bullying behavior in school.

It is time to fully recognize that children's rights are human rights. As a signatory to the United Nations Convention on the Rights of the Child, we are obligated to uphold their rights not only as children but also as human beings. In trying to ensure that they grow up to be the kind of adults we want them to become, we sometimes fail to acknowledge the personhood that characterizes the children that they are today. Despite well-meaning intentions, such misgivings often result in depriving children of their rights as human beings especially in keeping them safe from physical and psychological harm. Corporal punishment, while seemingly benign, poses a serious danger not only because of its prevalence in our households and communities but because of its appearance of inoffensiveness. The practice of corporal punishment perpetuates a cycle of violence that is inter-generational. Parents who have suffered from corporal punishment as children continue this pattern of harm on their own children.

This continued normalization of corporal punishment and other violent treatment of children has to stop.

By sponsoring Senate Bill No. 1477 under Committee Report No. 115, entitled "An Act Promoting Positive and Non-Violent Discipline of Children, Prohibiting all Forms of Corporal Punishment, Humiliating and Degrading Treatment," I wish to encourage a culture that will recognize and uphold the rights of children as human beings, as individuals, as members of a family and community who will enjoy the equal protection of the law. Moreover, this Senate bill seeks to develop a comprehensive program to provide parents and those who exercise parental authority over children with adequate parenting tools and learning resources in employing a positive and non-violent way of disciplining children. Among these is how to provide structure to the child by setting and explaining rules and by listening to a child's point of view, by setting clear guidelines of behavior, by preparing them for difficult situations and helping them find ways of correcting their mistakes, and giving them the information they need to make good decisions.

In the spirit of restorative justice, while penal clauses apply, this bill discourages prosecution by proposing a citation system that would require the offender to undergo counsel-

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ing sessions, seminars on positive discipline, anger management, and referral to positive discipline support groups.

As a parent, I know first-hand how challenging it is to raise a child. Often, the world offers both parents and children situations that are far from ideal, situations that sometimes put our patience to the test and exhausts our creativity. But as much as they are challenges, they can also become the source of our joy knowing that we are raising our children not only with the love, caring and support they need but with the respect they deserve as human beings.

#### **SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1477**

Upon motion of Senator Sotto, there being no objection, the Body suspended consideration of the bill.

#### **SPECIAL ORDER**

Upon motion of Senator Sotto, there being no objection, the Body approved the transfer of Committee Report No. 117 on Senate Bill No. 1483 from the Calendar for Ordinary Business to the Calendar for Special Orders.

#### **COMMITTEE REPORT NO. 117 ON SENATE BILL NO. 1483**

Upon motion of Senator Sotto, there being no objection, the Body considered, on Second Reading, Senate Bill No. 1483 (Committee Report No. 117), entitled

**AN ACT MANDATING THE SECRETARIES OF THE DEPARTMENT OF FINANCE, NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY, AND DEPARTMENT OF BUDGET AND MANAGEMENT, AND THE GOVERNOR OF THE BANGKO SENTRAL NG PILIPINAS, TO APPEAR BIANNUALLY BEFORE A JOINT SESSION OF CONGRESS TO REPORT ON THE STATUS AND DIRECTIONS OF THE FISCAL AND MONETARY POLICIES OF THE STATE.**

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon

motion of Senator Sotto, only the title of the bill was read without prejudice to the insertion of its full text into the Record of the Senate.

Thereupon, the Chair recognized Senator Gatchalian, sponsor of the measure.

#### **SPONSORSHIP SPEECH OF SENATOR GATCHALIAN**

Senator Gatchalian, on behalf of the Committee on Economic Affairs, submitted for plenary consideration Senate Bill No. 1483, entitled "An Act Mandating the Secretaries of the Department of Finance, National Economic and Development Authority, and Department of Budget and Management, and the Governor of the Bangko Sentral ng Pilipinas, to Appear Biannually before a Joint Session of Congress to Report on the Status and Directions of the Fiscal and Monetary Policies of the State," under Committee Report No. 117.

*The full text of Senator Gatchalian's sponsorship speech follows:*

I have the honor to sponsor the Fiscal and Monetary Report Act of 2017. This Act mandates the secretaries of the Department of Finance, the National Economic and Development Authority, and the Department of Budget and Management, as well as the Governor of the *Bangko Sentral ng Pilipinas*, to appear biannually before a joint session of Congress to report on the status and directions of the fiscal and monetary policies of the state. It is a legislation that is anchored on the declared policy of the State, subject to reasonable conditions prescribed by law, to submit full public disclosure of all its transactions involving public interest as provided under the Constitution. It is likewise a recognition of the significant effects of fiscal and monetary policies on the development directions of the country.

It is the avowed intent of the Fiscal and Monetary Report Act of 2017 to champion the public interest towards transparency of the country's fiscal and monetary policies to support the government's mechanisms of check and balance and to enhance congressional oversight of our fiscal and monetary management. This would ensure that Congress is kept abreast of the current position and direction of the government's fiscal and monetary policies, especially with regard to the accumulation of foreign debt that could impact the country's economic stability.



Under the present system, the Department of Finance and the *Bangko Sentral ng Pilipinas* report to Congress as members of the Development Budget Coordination Committee during the legislative deliberation of the annual government budget. Their respective reports are however limited to the inputs required for the budget analysis, at the expense of fiscal accountability.

This Act provides for that accountability measure by mandating the concerned agencies to submit to periodic congressional inquiry. It requires the secretaries of the Department of Finance, National Economic and Development Authority, and Department of Budget and Management, as well as the Governor of the *Bangko Sentral* to appear biannually before a joint session of Congress. The joint session will be attended by the Committees on Appropriations, Ways and Means, Economic Affairs, and Banks and Financial Intermediaries of the House of Representatives. The Senate, on the other hand, will be represented by the Committees on Finance, Ways and Means, Economic Affairs, and Banks, Financial Institutions and Currencies.

The reporting shall be done on or before the last Tuesday of March and September of each year. The reports shall cover the status and directions of the fiscal and monetary policies of the government, economic developments and prospects for the future, taking into account past and prospective developments in employment, unemployment, production, investment, real income, productivity, exchange rates, international trade and payments, and prices.

The Act also promotes accountability by providing publicly-accessible reports. The DOF, NEDA, DBM, and BSP shall make available copies of the reports submitted to Congress in their official websites within seven (7) working days following the submission of their respective reports.

I would like to thank Senator Ralph Recto for spearheading the passage of this legislation. The Fiscal and Monetary Report Act of 2017 does not only adhere to the principles of transparency and accountability. It is also a measure that is consistent with the country's commitment to good governance. With this, I recommend the bill's immediate passage.

## SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1483

Upon motion of Senator Sotto, there being no objection, the Body suspended consideration of the bill.

## MEMBERSHIP IN THE COMMISSION ON APPOINTMENTS

Upon motion of Senator Sotto, there being no objection, Senator Villar was elected member of the Commission on Appointments in lieu of Senator Cayetano.

## MEMBERSHIP IN THE SENATE ELECTORAL TRIBUNAL

Upon motion of Senator Sotto, there being no objection, Senator Villanueva was elected member of the Senate Electoral Tribunal in lieu of Senator Villar.

## COMMITTEE MEMBERSHIPS

Upon nomination by Senator Sotto, there being no objection, the following senators were elected to the committees hereunder indicated:

### *Committee on Agrarian Reform*

Chairman – Senator Villar, in lieu of Senator Cayetano

### *Committee on Foreign Relations*

Vice Chairman – Senator Villar  
Member – Senator Binay

## PROPOSED SENATE RESOLUTION NO. 394

Upon motion of Senator Sotto, there being no objection, the Body considered Proposed Senate Resolution No. 394, entitled

### RESOLUTION DECLARING AS READ AND APPROVED THE JOURNAL OF THE 89<sup>TH</sup> SESSION OF THE SENATE.

*Following is the text of the resolution:*

**RESOLVED BY THE SENATE,** That the Journal of the 89<sup>th</sup> Session, May 31, 2017, be declared, as it is hereby declared, read and approved.

## ADOPTION OF PROPOSED SENATE RESOLUTION NO. 394

Upon motion of Senator Sotto, there being no objection, Proposed Senate Resolution No. 394 was adopted by the Body.



## **PROPOSED SENATE RESOLUTION NO. 395**

Upon motion of Senator Sotto, there being no objection, the Body considered Proposed Senate Resolution No. 395, entitled

**RESOLUTION AUTHORIZING THE PRODUCTION AND DISTRIBUTION OF FIFTY (50) PRINTED AND ONE HUNDRED (100) DIGITAL COPIES EACH OF THE JOURNAL AND THE RECORD OF THE SENATE OF THE FIRST REGULAR SESSION OF THE SEVENTEENTH CONGRESS OF THE PHILIPPINES.**

*Following is the full text of the resolution:*

**RESOLVED BY THE SENATE,** To authorize, as it hereby authorizes, the production of fifty (50) printed and one hundred (100) digital copies of the Journal and the Record of the Senate for the First Regular Session of the Seventeenth Congress of the Philippines, and its distribution under the direction of the Secretary of the Senate.

## **SUSPENSION OF SESSION**

With the permission of the Body, the session was suspended.

*It was 7:36 p.m.*

## **RESUMPTION OF SESSION**

At 7:36 p.m., the session was resumed.

## **ADOPTION OF PROPOSED SENATE RESOLUTION NO. 395**

Upon motion of Senator Sotto, there being no objection, Proposed Senate Resolution No. 395 was adopted by the Body.

## **SENATE CONCURRENT RESOLUTION NO. 5**

Upon motion of Senator Sotto, there being no objection, the Body considered Senate Concurrent Resolution No. 5, entitled

**CONCURRENT RESOLUTION PROVIDING FOR THE ADJOURNMENT OF THE FIRST REGULAR SESSION OF THE SEVENTEENTH CONGRESS OF THE PHILIPPINES NOT LATER THAN TWELVE O'CLOCK, MIDNIGHT, TODAY, MAY 31, 2017.**

*Following is the full text of the resolution:*

**RESOLVED BY THE SENATE, THE HOUSE OF REPRESENTATIVES CONCURRING,** That the President of the Senate and the Speaker of the House of Representatives be authorized, as they are hereby authorized, to declare the First Regular Session of the Seventeenth Congress of the Philippines, adjourned *sine die*, by adjourning the sessions of their respective Houses not later than twelve o'clock midnight, today, May 31, 2017.

**RESOLVED FURTHER,** That a committee of three (3) Members of the Senate, appointed by the Senate President, join a committee of the House of Representatives to inform the President of the Republic that the First Regular Session of the Seventeenth Congress is about to close, and that the two (2) Houses are ready to adjourn unless the President has a message or communication to transmit to them.

## **ADOPTION OF SENATE CONCURRENT RESOLUTION NO. 5**

Upon motion of Senator Sotto, there being no objection, Senate Concurrent Resolution No. 5 was adopted by the Body.

## **COMMITTEE TO NOTIFY THE PRESIDENT**

Pursuant to Senate Concurrent Resolution No. 5, upon motion of Senator Sotto, there being no objection, the Chair appointed Senators Zubiri, Villanueva and Hontiveros as members of the committee, on the part of the Senate, to notify the President that the First Regular Session of the Seventeenth Congress was about to adjourn *sine die*.

## **CLOSING STATEMENT OF SENATE PRESIDENT PIMENTEL**

As the First Regular Session of the 17<sup>th</sup> Congress was about to close, Senate President Pimentel delivered the following speech:

My dear colleagues, Senate officials and employees, guests, ladies and gentlemen, the First Regular Session of the Senate of the 17<sup>th</sup> Congress is about to end. On this occasion, let us look back at what we have accomplished thus far.

It has been an eventful session. We celebrated our 100<sup>th</sup> anniversary during this session. We were also able to tackle martial law-related measures. But throughout our session, we were guided in our efforts by the 11-point agenda we agreed upon to form the Majority. In addition to

that 11-point agenda is the general expression of support for President Duterte's Agenda for Change.

Four of our bills have been signed into law, the most important of which is Republic Act No. 10924. As the Majority Leader always reminds us, the most important law each year is the budget. This is the Budget for Change. In this budget, we shared the nation's blessings with our countrymen in the form of noble ideas – free tuition in state universities and colleges, free irrigation to farmers, free health insurance coverage for all, and well-distributed strategic infrastructure works, among others. Through this effort, I believe we have made a bold step towards achieving my mantra for our new government – "the poorest first, the poor second."

But the budget is just the first step. We funded these programs for just one year. The reforms needed by our people should be permanent and institutionalized. Conscious of this need, along with our need for other structural reforms, we coordinated with the House of Representatives in coming up with the list of 40 priority bills to help the President fulfill the promise of change.

Six of those bills have passed both Houses of Congress and now await the signature of the President. These are the Philippine Passport Act, the Free Internet Access in Public Places Act, the Anti-Hospital Deposit Law, the Amendments to the Revised Penal Code, the Affordable Higher Education for All Act, and Amendments to the Anti-Money Laundering Act.

Earlier, we ratified the Bicameral Conference Committee Report on Extending the Validity Period of Drivers' Licenses. In addition, we have passed on third and final reading a total of 33 bills, one of which is the Mental Health Act, currently pending before the House of Representatives. So, it has not only been an eventful session but also a productive session.

We have filed a total of 1,499 bills and 399 resolutions, of which 51 were adopted. These resolutions included the accession of the Senate to treaties such as the Articles of Agreement of the Asian Infrastructure Investment Bank, the RP-Japan Agreement on Social Security, and the landmark Paris Agreement.

For all the work we did, I thank you, my colleagues, but most especially our staff, the officials and employees of the Senate Secretariat. Without the full and complete support and efforts of the entire Senate family, there would not have been any achievement to report. Because of your efforts, our beloved institution would stand proud before the President when he

gives his State of the Nation Address knowing that we have done our job well.

But we are not just praising ourselves. A survey released earlier this month reported that the Senate, your Senate, this Senate, received the highest satisfaction rating among the top four institutions in our country. We were compared with the Cabinet, the Supreme Court and the House of Representatives. For all these good news, I give credit to the Senate family. So, congratulations to all of us. We may have this Minority/Majority division but, in actuality, we are one big family.

With our success comes bigger challenges. While we may have achieved much in the First Regular Session, our work is not yet done. Forty-six bills remain pending on Second Reading, while 1,251 remain pending in our committees.

I have no doubt that we can accomplish all these tasks that await us. When we return, refreshed and re-energized, we will be better equipped to work on Charter Change and the long-awaited shift to Federalism.

Together, we will build a Senate that is independent, responsible and responsive, a Senate that is a pillar of democracy and the pride of the Filipino people.

My dear colleagues, let us continue to work for the Philippine society which is just and fair, which saves and shares, which is scientific and objective, which is peaceful and democratic, which is educated and healthy, and which is, most of all, happy and free, with overflowing love of God and country.

Let us celebrate our achievements and prepare to achieve even more for our country. So, good work.

*Maraming salamat po sa inyong lahat.*

#### ADJOURNMENT SINE DIE

Upon motion of Senator Sotto, there being no objection, the Chair declared the First Regular Session of the Seventeenth Congress of the Philippines, on the part of the Senate, adjourned *sine die*.

*It was 7:46 p.m.*

I hereby certify to the correctness of the foregoing.

  
ATTY. LUTGARDO B. BARBO

*Secretary of the Senate*

Approved pursuant to Senate Resolution No. 52.