

Committee Daily Bulletin



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COMMITTEE MEETINGS				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Energy	Substitute Bill to HBs 1223, 1224 and 3351	Reps. Umali and Uybarreta	Ensuring the continuous and uninterrupted transmission and distribution of electricity, protecting the integrity and reliability of the transmission and distribution systems, promoting public safety, and providing penalties for violation thereof	<p>The Committee, chaired by Marinduque Rep. Lord Allan Jay Velasco, approved the substitute bill subject to style and amendment.</p> <p>The Secretariat was directed to prepare the corresponding Committee Report.</p> <p>1-CARE Party-List Rep. Carlos Roman Uybarreta, author of HB 3351 and chair of the technical working group (TWG) that prepared the substitute bill, presented to the Committee the output of the TWG.</p> <p>AKO BICOL Party-List Rep. Rodel Batocabe and Rep. Lianda Bolilia (4th District, Batangas) proposed amendments to some of the provisions of the substitute bill.</p> <p>Rep. Wilter "Sharky" Wee Palma II (1st District, Zamboanga Sibugay) noticed the "spaghetti-like wires" hanging from the utility poles of the Manila Electric Company (MERALCO) and asked the power company how it intends to address such a potential safety hazard. MERALCO Engineer Edgardo Kempis said that the company's Foreign Attachment Administration-Operations and Control Office manages the use of these utility poles and reviews applications for pole attachments. Kempis admitted that there are many cases of illegal use of MERALCO's utility poles which cause the overcrowding of wires.</p>
	Substitute Bill to HBs 3353, 4408 and 5167	Rep. Uybarreta and Deputy Speaker Singson	Institutionalizing the Electric Cooperatives Emergency and Resiliency Fund and providing funds therefor	<p>The Committee approved the substitute bill subject to style and amendment.</p> <p>The Secretariat was directed to prepare the corresponding Committee Report.</p> <p>Rep. Uybarreta presented the main features of the substitute bill which was drafted by the TWG created for the purpose and which he chaired.</p> <p>Acknowledging the point raised by Rep. Batocabe, Rep. Uybarreta acceded to the amendment of Section 10 (Appropriations) of the bill by granting the National Electrification Administration (NEA) automatic appropriations of one billion pesos to initially implement the proposed law.</p>

<p>Good Government and Public Accountability</p>	<p>HR 882</p>	<p>Majority Leader Fariñas</p>	<p>Inquiry into the use by the Provincial Government of Ilocos Norte of its shares from the excise taxes on locally manufactured Virginia-type cigarettes or the Special Support Fund under RA 7171 for a purpose other than those provided for by the said law, in its highly irregular purchase of motor vehicles made through cash advances without the benefit of public biddings for the total amount of P66.45 million</p>	<p>The Committee, chaired by Rep. Johnny Ty Pimentel (2nd District, Surigao del Sur), decided to continue its inquiry relative to HR 882 on August 9.</p> <p>Majority Leader Rodolfo Fariñas (1st District, Ilocos Norte) confronted Ilocos Norte Provincial Governor Imee Marcos for the latter's accusation that the Liberal Party gave out P100 million as bribe money to lawmakers to ensure her detention in connection with the inquiry. The Majority Leader stressed that the malicious imputation attacks the integrity and reputation of all House members.</p> <p>After being warned that she could be cited for contempt for not revealing the source of her accusation, Marcos apologized and retracted her statement, admitting that it was merely her suspicion.</p> <p>On the cash advances made by the Provincial Government of Ilocos Norte for the purchase of five buses, 40 minicabs, and 70 mini trucks, Marcos insisted that the transactions were legal, explaining that cash advance is a recognized mode of payment under existing laws.</p> <p>Rep. Juan Pablo "Rimpy" Bondoc (4th District, Pampanga) argued that the said cash advances violate Commission on Audit (COA) Memorandum Circular No. 92-382, s. 1992 which provides for the accounting and auditing rules governing the handling of funds by local government units.</p> <p>Marcos also explained that the provincial government resorted to direct contracting for the purchase of Foton mini trucks upon the recommendation of the provincial government's Bids and Awards Committee (BAC).</p> <p>Ilocos Norte BAC Chair Pedro Agcaoili Jr. added that the procurement of the mini trucks through direct contracting is in accordance with RA 9184 or the Government Procurement Reform Act.</p> <p>Reps. Doy Leachon (1st District, Oriental Mindoro) and AKO BICOL Party-List Rep. Alfredo Garbin Jr. questioned the non-registration of the mini trucks with the Land Transportation Office (LTO). Marcos claimed that the mini trucks need not be registered with the LTO since these are considered as farm equipment used for transporting agricultural products.</p> <p>Rep. Pimentel opined that only heavy equipment are exempted from registration with the LTO. All other vehicles, including mini trucks, should be duly registered with the said agency.</p> <p>Pressed further why she authorized the purchase of the motor vehicles in question when there were already indications of anomalies, Marcos replied that she did not notice any</p>
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Continuation... Good Government and Public Accountability				<p>irregularities in those transactions as she was confident that the concerned units in the provincial government were following the legal procedures.</p> <p>Meanwhile, the Committee lifted the detention order issued to the six provincial officials of Ilocos Norte who were earlier cited for contempt during the Committee's May 29 meeting when they refused to respond appropriately to the Members' questions. They were ordered released from detention in a detention facility within the House of Representatives after they finally affirmed the authenticity of their signatures on the disbursement vouchers and other documents relative to the procurement of vehicles being questioned by Majority Leader Fariñas.</p> <p>The Committee will issue subpoena <i>duces tecum</i> and <i>ad testificandum</i> to Julieta Esteban, department manager of Land Bank of the Philippines (LBP) in Laoag, Ilocos Norte, to compel her to attend the Committee's next meeting and present the required documents.</p> <p>The Secretariat was directed to secure a copy of the certificate of exemption granted to the Provincial Government of Ilocos Norte by the Commission on Elections (COMELEC) allowing the former to distribute the mini trucks even during the period of an election ban in 2013.</p>
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AGENCY BRIEFINGS		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Metro Manila Development	Discussion on the alleged suspension of operations of transport network companies (TNC) Uber and Grab	<p>The Committee, chaired by Rep. Winston "Winnie" Castelo (2nd District, Quezon City), listened to the explanation of the Land Transportation Franchising and Regulatory Board (LTFRB) relative to the alleged suspension of operations of transportation network companies (TNC) Uber and Grab.</p> <p>Rep. Castelo underscored the need for LTFRB to explain the reason for such suspension considering that the welfare of the riding public is at stake.</p> <p>LTFRB Chair Martin Delgra III clarified that the agency did not intend to suspend Uber and Grab but only their operators and drivers who did not comply with government requirements. He added that those with valid franchise or certificates of public convenience (CPCs) and with provisional authorities (PAs) are allowed to continue to operate.</p> <p>On the query of Rep. Gus Tambunting (2nd District, Parañaque City), LTFRB Board Member Aileen Lizada said that the LTFRB will be ready to lift the suspension order as soon as the transport network vehicle service (TNVS) drivers have complied with all the requirements.</p> <p>Clarifying the liability to the passenger in the event an accident occurs, Uber Philippines' Government Relations and Public Policy head Yves Gonzales said that all passengers of</p>

<p>Continuation... Metro Manila Development</p>		<p>Uber are insured. Passenger Accident Management and Insurance Agency, Inc. (PAMI) Assistant Vice President Jose Reyes also mentioned that PAMI provides insurance coverage to passengers of up to P200,000.00.</p> <p>AKO BICOL Party-List Rep. Rodel Batocabe raised the issue of whether the LTFRB has jurisdiction over TNCs which are only mobility service providers. He suggested that the matter may be clarified through an executive order (EO) or a legislation.</p> <p>Malabon City Rep. Federico "Ricky" Sandoval II urged the TNCs to comply with the requirements set by the LTFRB, noting that the requirements are just minimal.</p> <p>Grab Philippines Country Head Brian Cu admitted that his company was negligent in checking the required documents submitted by the operators/drivers.</p> <p>The Committee directed both Uber and Grab to submit their timeline within which to comply with LTFRB's requirements, as well as a copy of their financial statements.</p>
<p>Ways and Means</p>	<p>Briefing by the Bureau of Internal Revenue (BIR) on the reduced tax liabilities of Del Monte Philippines, Inc. for taxable years 2011 to 2013</p>	<p>The Committee, chaired by Quirino Rep. Dakila Carlo Cua, listened to the briefing of the BIR on the alleged huge reduction in the tax liabilities of Del Monte Philippines, Inc. for taxable years 2011 to 2013.</p> <p>At the outset, Rep. Cua explained that the BIR was asked to give a briefing on the matter to clarify allegations that irregularities were committed by BIR officials that led to the significant reduction of Del Monte's tax liabilities.</p> <p>BIR Commissioner Caesar Dulay revealed that two complaints were filed against him and other BIR employees accusing them of plunder for allegedly conspiring and conniving to reduce the tax liability of Del Monte from P30 billion to only P65.4 million.</p> <p>Denying prior knowledge of and involvement in the assessment of Del Monte's tax liabilities, Dulay claimed that tax assessments do not pass through the Office of the BIR Commissioner unless a taxpayer, who does not accept the final tax assessment, files a motion for reconsideration with this office.</p> <p>According to Dulay, the first complaint against him and other BIR personnel was filed with the National Investigation Division of the BIR-Legal Group by the Tax Informers Network, Inc., while the other one, signed by a certain Danilo Lihaylihay, was addressed to the Office of the President with a copy furnished to the Office of the Ombudsman. The second complaint was later endorsed to the Department of Finance (DOF) which is now investigating the matter.</p> <p>Speaker Pantaleon "Bebot" Alvarez (1st District, Davao del Norte) chided Dulay for his inaction on the issue. The Speaker stressed that tax assessments which are reduced significantly should be scrutinized by the BIR Commissioner.</p> <p>Del Monte General Manager and Chief Operating Officer Luis Alejandro stressed that the company has diligently paid its taxes and is in fact one of the top taxpayers in the country for years. He denied media reports that the company has underpaid its tax obligations amounting to P30 billion, saying that such figure is "absurd."</p>

<p>Continuation... Ways and Means</p>		<p>Replying to the query of Rep. Evelyn Mellana (2nd District, Agusan del Sur), BIR OIC-Assistant Commissioner for Large Taxpayers Service Teresita Angeles disclosed that the BIR's preliminary assessment notice for years 2011 to 2013 issued to Del Monte involves the amount of P8.72 billion. This amount was disputed by Del Monte and was later reduced to P65 million after further review of pertinent documents.</p> <p>Several House members expressed dismay at the huge tax reduction saying that it casts doubt on the way BIR officials handled the Del Monte case.</p> <p>When asked by Deputy Speaker Rolando Andaya (1st District, Camarines Sur) if BIR officials exercise discretion in revising the tax deficiency assessment of a company which disputes the said assessment, Angeles denied it, explaining further that tax assessments are based on supporting documents submitted and explanations of the taxpayer.</p> <p>AKO BICOL Party-List Rep. Rodel Batocabe inquired if the National Internal Revenue Code (NIRC) of 1997 has a provision penalizing BIR employees who make wrong tax assessments. Dulay answered that there is no such provision in the law.</p> <p>The BIR was requested to submit a list of cases involving protested tax assessments for taxable years 2011 to 2015, including the amount of taxes paid to settle each case.</p>
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