

# Committee Daily Bulletin

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Second Regular Session

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COMMITTEE MEETINGS				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Games and Amusements	HB 6111	Rep. Pineda	Rationalizing and consolidating government regulations relating to all games of chance under the Philippine Amusement and Gaming Corporation (PAGCOR), Games and Amusements Board (GAB), Philippine Charity Sweepstakes Office (PCSO), and special economic zones, creating for the purpose the Philippine Amusements and Gaming Authority (PAGA)	<p>The Committee, chaired by Rep. Gus Tambunting (2nd District, Parañaque City), will deliberate further on HB 6111 in its next meeting.</p> <p>1-PACMAN Party-List Rep. Enrico Pineda, author of HB 6111, said that the bill seeks to establish a single regulatory agency that will supervise the conduct of gaming and gambling activities all over the country and to require all entities in the gaming business to secure a legislative franchise from Congress in order to operate legitimately.</p> <p>Rep. Tambunting underscored the need to study the effect of the proposed law on government agencies that operate and regulate gaming activities.</p> <p>Representatives from PAGCOR, PCSO, GAB, and special economic zone authorities present during the meeting manifested their objections to the proposed law.</p> <p>PAGCOR Assistant Vice President Arnold Salvosa objects to the privatization of PAGCOR-operated casinos, saying that it will deprive government of a huge source of revenues and what will be left will just be the proceeds from license fees paid by gaming operators.</p> <p>Under the bill, PAGCOR will be renamed as PAGA which shall have the authority to regulate and consolidate all regulatory functions relating to all games of chance and shall not be an operator of such.</p> <p>Objecting to the transfer of PCSO's regulatory functions to the proposed PAGA and reducing it to a purely charitable institution, PCSO Legal Chief Marissa Medrano argued that these are contrary to its mandate as the principal government agency responsible for raising and providing funds for health programs, medical assistance, and charities of national in character.</p> <p>Commenting on Section 7 (Abolition of GAB and transfer of GAB's regulatory function) of</p>

Continuation... Games and Amusements				<p>the bill, GAB Commissioner Eduard Trinidad explained that the proposed measure pertains to the regulation of games of chance as opposed to GAB's mandate of regulating and supervising professional sports and games of skills.</p> <p>Similarly, representatives from the Cagayan Economic Zone Authority (CEZA), the Aurora Pacific Economic Zone and Freeport Authority (APECO), and the Authority of Freeport Area of Bataan (AFAB) argued that removing their authority to operate casinos and other gaming facilities would greatly reduce their capacity to generate income.</p> <p>Reps. Peter "Sr. Pedro" Unabia (1st District, Misamis Oriental), Rodel Batocabe (Party-List, AKO-BICOL), and Juliet Marie De Leon Ferrer (4th District, Negros, Occidental), while expressing support for the bill, specifically recommended that GAB be excluded from the coverage of HB 6111, reiterating the position of GAB that its mandate of regulating professional sports is distinct from that of games of chance.</p> <p>The resource persons were requested to submit to the Committee their position papers on the proposed law and all other documents and reports required by the House Members present.</p>
Good Government and Public Accountability	HR 1000	Rep. Marcoleta	Inquiry into the spurious land deals perpetrated by unscrupulous real estate developers in the Municipality of Mariveles, Bataan with the collusion of concerned agencies and public officials	<p>The Committee, chaired by Rep. Johnny Ty Pimentel (2nd District, Surigao del Sur), will deliberate further on the issues raised in HR 1000 in its next meeting.</p> <p>SAGIP Party-List Rep. Rodante Marcoleta, author of HR 1000, explained that his resolution calls for an investigation into the circumstances surrounding the dubious acquisition of the vast tract of land covering more or less 853,000 hectares situated in Mariveles, Bataan. This alleged spurious land deal, which was perpetrated by unscrupulous real estate developers with the collusion of certain agencies and public officials, has deprived the government of millions of pesos in revenues from taxes.</p> <p>Rep. Pimentel said that the Committee will focus its inquiry into the following allegations:</p> <ul style="list-style-type: none"> <li>• That the titles covering the lands previously utilized as military reservations in Mariveles, Bataan were obtained through illegal means and violated existing laws, rules and regulations;</li> <li>• That the transactions involving the questioned titles were anomalous and resulting in losses on the part of the government in terms of taxes and fees; and</li> <li>• That there was collusion between unscrupulous land developers and</li> </ul>

<p>Continuation... Good Government and Public Accountability</p>				<p>public officials and employees tasked in the conveyance of public lands.</p> <p>Rep. Marcoleta questioned the financial capability of Mariveles Resources and Development Corporation (MRDC) to acquire the subject vast tract of lands when its authorized capital is only P1 million and paid-up capital is only P65,000.</p> <p>MRDC legal counsel Antonio Zulueta said that no law was violated when MRDC acquired the property even with such minimal amount of authorized and paid-up capital.</p> <p>Zulueta went on to say that the civil case filed concerning the questioned land titles was settled in a compromise agreement. He said that the court affirmed and acknowledged the validity of Sales Patent No. 3341, Original Certificate of Title (OCT) No. 30, and all the corresponding Transfer Certificate of Titles (TCT). He added that the court found no direct and sufficient evidence to prove that the procurement of the questioned property was tainted with fraud and irregularity.</p> <p>Rep. Marcoleta asserted that the TCTs issued to Lateral Development Corporation (LDC), the previous owner of the land in question, were patently spurious considering that they were issued in 1964 when the lands previously utilized as military reservations in Mariveles, Bataan were not yet declared as alienable and disposable public lands. It was only in 1967 when the United States Military Reservation was effectively classified as alienable and disposable public land, by virtue of Proclamation No. 210-B.</p> <p>Rep. Marcoleta added that the Solicitor General filed a complaint with the Department of Environment and Natural Resources (DENR) on December 26, 1984 cancelling several titles acquired by LDC.</p> <p>Atty. Lourdy Torres, legal counsel of the PMR Group Retirement Plan, Inc., the company which acquired a portion of the consolidated properties of the MRDC, disclosed that PMR was able to buy the lands from MRDC in the amount of P732.50 million through borrowings from several banks.</p> <p>Meanwhile, Securities and Exchange Commission (SEC) General Counsel Camilo Correa promised to submit to the Committee a copy of the PMR's Articles of Incorporation, audited financial statements for years 2006 and 2007, and other pertinent documents submitted by the PMR to SEC.</p> <p>The MRDC was requested to submit details on the acquisition of the questioned property such as when the purchase was made, the number</p>
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Continuation... Good Government and Public Accountability				<p>of parcels of land that were transferred, and the hectarage of each parcel of land.</p> <p>Rep. Pimentel asked the resource persons to submit the requested documents on or before the Committee's next meeting.</p>
	HR 1188	Rep. Evardone	Inquiry into the alleged grossly disadvantageous lease contract entered into by the Department of Trade and Industry (DTI), Philippine Exporters Confederation, Inc. (PHILEXPORT), and the Manila Exposition Complex, Inc. (MECI)	The Committee assumed jurisdiction over HR 1188. The measure is scheduled for deliberations on October 8.
	HR 1212	Rep. Nograles (J.J.)	Inquiry into the alleged purchase and installation of fake train safety equipment on the Metro Rail Transit (MRT) Line 3	The Committee assumed jurisdiction over HR 1212. The measure is scheduled for deliberations on October 4.
	HR 1175	Rep. Teves	Investigation into the alleged recent corruption in the Court of Appeals	<p>The Committee will request the opinion of the Committee on Rules or the legal counsels of the House of Representatives on whether the Committee has jurisdiction over HR 1175, authored by Rep. Arnolfo "Arnie" Teves Jr. (3rd District, Negros Oriental).</p> <p>Rep. Pimentel cited Section 11, Article VIII of the Constitution which provides that the Supreme Court en banc shall have the power to discipline judges of lower courts.</p>
Housing and Urban Development	HB 165	Rep. Belmonte (F.)	Authorizing the sale of parcels of land in Barangay Krus Na Ligas, Quezon City to its legitimate and qualified residents, amending for the purpose RA 9500, otherwise known as the University of the Philippines (UP) Charter of 2008	<p>The Committee, chaired by Rep. Alfredo "Albee" Benitez (3rd District, Negros Occidental), approved HB 165 subject to amendment.</p> <p>Rep. Feliciano Belmonte Jr. (4th District, Quezon City), author of HB 165, said that a bill with similar subject matter was approved on third reading by the House of Representatives during the 16th Congress.</p> <p>UP System President Danilo Concepcion expressed support for the passage of the bill. He, however, requested that the area comprising the Barangay Krus Na Ligas be defined in the proposed law to ensure that only legitimate and benefit from it. He lamented that there are informal settlers who have already occupied some vacant areas within the UP property.</p>
	HB 1848	Rep. Gonzales (A.)	Declaring certain portions of the Welfareville property located in the City of Mandaluyong open for disposition to bona fide residents without public bidding	<p>The Committee approved HB 1848 subject to style and amendment.</p> <p>Mandaluyong City Rep. Alexandria Gonzales, author of HB 1848, said that her bill seeks to allow the disposition of the government-owned Welfareville property through direct negotiated sale to the organized informal settler families (ISFs) and residents in the area. However, the areas in Welfareville which are presently occupied by the National Center for Mental Health (NCMH) and the Correctional Institution for Women (CIW) will not be covered under the proposed law.</p>

Continuation... Housing and Urban Development				Rep. Gonzales explained that the direct negotiated sale is consistent with the provisions of the Constitution on social justice and human rights (Article XII, Section 9,) and of RA 7279 or the Urban Development and Housing Act of 1992.  Former Mandaluyong City Rep. Neptali Gonzales Jr., who was invited as a resource person, said that a bill with similar subject matter has already been discussed thoroughly and approved at the Committee level during the past three Congresses.
Information and Communications Technology	Substitute Bill to HBs 1946, 3052 & 3876	Reps. Santos- Recto, Yap (V.) and Zarate	Strengthening the powers of the National Telecommunications Commission (NTC), amending for the purpose RA 7925, otherwise known as the Public Telecommunications Act of the Philippines	The Committee, chaired by Rep. Victor Yap (2 <sup>nd</sup> District, Tarlac), approved the Substitute Bill to HBs 1946, 3052 and 3876 subject to style and amendment.  The Secretariat was directed to prepare the corresponding Committee Report.
	Substitute Bill to HB 2871	Rep. Yap (V.)	Promoting open access in data transmission, providing additional powers to the NTC	The Committee approved the Substitute Bill to HB 2871 subject to style and amendment.  The Secretariat was directed to prepare the corresponding Committee Report
	HBs 2096 & 6184	Reps. Tinio and Yap (V.)	Amending RA 10175, otherwise known as the Cybercrime Prevention Act of 2012	The Committee agreed to create a technical working group (TWG) to come up with a substitute bill to the four bills.
	HB 3295	Rep. Escudero	Repealing Section 4(c)(4), Chapter II of RA 10175	The TWG will be co-chaired by BUHAY Party-List Rep. Mariano Michael Velarde Jr. and Camiguin Rep. Xavier Jesus Romualdo.
	HB 6342	Rep. Batocabe	Providing for stricter penalty for certain cybercrime offenses, amending for the purpose RA 10175	The resource persons were requested to submit their position papers for the TWG's consideration.

COMMITTEE MEETING		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Ways and Means	<i>Motu proprio</i> investigation into the alleged smuggling of high grade "shabu" through the express lane of the Bureau of Customs (BOC) which was consequently seized by the Bureau's agents together with the National Bureau of Investigation (NBI)	<p>The Committee, chaired by Quirino Rep. Dakila Carlo Cua, approved subject to style and amendment the Ad Hoc Subcommittee Report on the alleged smuggling of P6.4 billion worth of shabu which was seized by the BOC and NBI agents on May 26, 2017 in two warehouses in Valenzuela City.</p> <p>The Committee will adopt the Ad Hoc Subcommittee Report as its Committee Report.</p> <p>Rep. Cua presented the findings contained in the Ad Hoc Subcommittee Report, which include the following:</p> <ul style="list-style-type: none"> <li>• There is widespread and ingrained system of corruption in the BOC, aggravated by the incompetence and willful negligence of the Bureau's officials.</li> <li>• The irregular activities in the BOC have resulted in huge government revenue losses and enabled suspected criminals to escape prosecution and continue with their unlawful activities.</li> </ul> <p>To address corruption in the BOC, it is being recommended that the</p>

Continuation...  
Ways and Means

Bureau be abolished and replaced by two new bureaus that will perform separate functions, namely: Bureau of Customs Service, which will assess and collect import duties and taxes; and Bureau of Security Control, which will be tasked to secure the country's ports and control the movement of goods into and out of the country (border control).

Rep. Cua added that in establishing the proposed bureaus, there will be a two-year transition period within which the following interim measures are recommended to be accomplished or implemented:

- Grant emergency powers to the President to facilitate the institution of reforms in customs administration pursuant to Section 23 (2), Article VI of the Constitution, which allows Congress to authorize the President, for a limited period, to exercise powers necessary and proper to carry out a declared national policy;
- Abolish the BOC's Command Center (COMCEN), created by former Customs Commissioner Nicanor Faeldon, for being contrary to existing laws and for being a "conduit of corruption." (COMCEN has been criticized for its failure to intercept the P6.4 billion worth of smuggled shabu);
- Relieve erring BOC personnel from their posts and conduct an investigation and file appropriate charges against individuals involved in the recent smuggling of shabu;
- Strictly implement the provisions on valuation, issuance of alert order, and post entry audit under RA 10863 or the Customs Modernization and Tariff Act (CMTA); and
- Review the process of accreditation of importers to stop the practice of using "consignees-for-hire."

While the rest of the Committee Members present agreed to the proposal to grant emergency powers to the President, ACT TEACHERS Party-List Rep. Antonio Tinio repeatedly expressed his objection to it.

The Committee Members agreed, to incorporate in the Subcommittee Report the following recommendations, among others:

- State the incompetence of Faeldon as BOC Commissioner, having failed to effectively perform his duties during his term;
- Declare as "undesirable aliens" the foreigners involved in the drug smuggling, but without prejudice to the filing of appropriate criminal complaints against them;
- Include Mike Saban, a certain "Tita Nani," the "Davao Group," and other individuals among the personalities who must be investigated in connection with smuggling of shabu, and to reveal the names of BOC's consultants and contractual employees who are involved in corrupt practices; and
- Include the possible violations of RA 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees) and the Revised Penal Code committed by Faeldon's chief of staff, Atty. Mandy Anderson, for allegedly falsifying public documents when she signed the daily time records (DTRs) of certain BOC consultants and employees who have never even reported for work; and
- Conduct regular meetings with BOC officials to monitor the compliance of the Bureau with the Committee's recommendations.

The Committee will meet with newly-installed BOC Commissioner Isidro Lapeña to brief him about the findings and recommendations contained in the Subcommittee Report and to ask him to present his plans to address widespread corruption in the Bureau.

**IMPEACHMENT PROCEEDINGS**

COMMITTEE	MEASURES NO.	SUBJECT MATTER	ACTION TAKEN/DISCUSSION
Justice	Impeachment Complaint	Verified complaints for impeachment against Supreme Court Chief Justice Maria Lourdes Sereno	<p>The Committee, chaired by Rep. Reynaldo Umali (2nd District, Oriental Mindoro), will require the respondent, Supreme Court Chief Justice Maria Lourdes Sereno, to answer the verified impeachment complaint filed against her after the complaint was determined to be sufficient in form and substance.</p> <p>One of the two impeachment complaints against Sereno, which was filed by Atty. Lorenzo Gadon and endorsed by 25 House Members, was found to be sufficient in form and substance, with the Committee Members voting 30 in favor and four against.</p> <p>The other complaint, filed by Dante Jimenez and Atty. Eligio Mallari and endorsed by 16 House Members, was found to be insufficient in form, following a vote of 5 in favor and 28 against the complaint's sufficiency in form.</p> <p>According to Majority Leader Rodolfo Fariñas (1st District, Ilocos Norte), the complaint filed by Jimenez and Mallari was determined to be insufficient in form as it lacked proper verification. He explained that the complainant must attest that they have personal knowledge of the charges and that the documents attached to the complaint are authentic.</p> <p>In his opening remarks, Rep. Umali said that Sereno, as the highest official in the judicial branch of government, "is insulated from ordinary complaints and may not be removed (from office) through ordinary administrative or quasi-judicial proceedings." However, under the Constitution, the Chief Justice may be removed from office through impeachment and upon conviction by the Senate Impeachment Court for any of the following grounds: culpable violation of the Constitution, treason, bribery, graft and corruption, other high crimes, or betrayal of public trust.</p> <p>Rep. Umali also discussed the rules of procedure in impeachment proceedings. He also mentioned that with the requirements on filing and referral of the complaint having complied with, the impeachment proceeding against the Chief Justice is deemed "initiated" on September 7, 2017. This date becomes the basis for the "one-year bar" rule, which means that no other impeachment complaint may be entertained against the same official for a period of one year.</p> <p>Rep. Anthony Bravo Ph.D. (Party-List, COOP-NATCCO), one of the House Members who endorsed the impeachment complaint, explained that the complaint cited many occasions where Sereno failed to meet the standards set forth by the Supreme Court for judges and court personnel. He said that just as charges against erring judges are heard and decided on by the Supreme Court, so should charges against the Chief Justice be heard and acted on by Congress, which has the constitutional mandate to demand public accountability from the highest officials of the land, including the Chief Justice.</p> <p>Reps. Edcel Lagman (1<sup>st</sup> District, Albay), Kaka Bag-ao (Dinagat Islands), Tom Villarin (Party-List, AKBAYAN), and Carlos Isagani Zarate (Party-List, BAYAN MUNA) voiced out their objections to the impeachment complaints filed against Sereno based mainly on the following:</p> <ul style="list-style-type: none"> <li>• Complainants have no personal knowledge of the charges;</li> <li>• Complaints are based on hearsay, mostly coming from newspaper clippings; and</li> <li>• The accusation of non-disclosure of Sereno's income prior to her appointment as Chief Justice in her Statement of Assets, Liabilities, and Net Worth (SALN) is irrelevant since such income was derived before she entered the Judiciary.</li> </ul>

**TECHNICAL WORKING GROUP MEETINGS**

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Natural Resources (Technical Working Group)	HB 4577	Rep. Savellano	Classifying bamboo as an unregulated forest product	<p>The technical working group (TWG), chaired by LPGMA Party-List Rep. Arnel Ty, will deliberate further on HB 4577 in its next meeting.</p> <p>HB 4577, authored by Rep. Deogracias Victor "DV" Savellano (1st District, Ilocos Sur), provides that the harvesting and transporting of bamboo shall no longer require any permit from any government agency and shall not be subject to inspection while being transported. The aim is to encourage the private sector to invest more in bamboo plantation and the farmers to plant more bamboo thereby improving the supply of bamboo raw materials.</p> <p>Dr. Priscilla Dolom, director of the Forestry Development Center of the University of the Philippines Los Baños (UPLB), supports the deregulation of the harvesting and transporting of bamboo, whether grown in forest lands or in private lands. But, she said, there should still be proper monitoring of bamboo harvesting to ensure the sustainability of the bamboo industry.</p> <p>Department of Trade and Industry's (DTI) Chief Trade and Industry Development Specialist Leonor Paningbatan said there is a high demand for bamboos in the market today, especially in the furniture industry because they serve as alternative materials for wood.</p> <p>National Tax Research Center's (NTRC) Chief Tax Specialist Debbie Asistio-Sy suggested that the bill conforms to the government's efforts to rationalize the grant of fiscal incentives given to various industries or businesses. HB 4577 grants incentives to bamboo plantations based on Presidential Decree 705 or the Revised Forestry Code.</p> <p>Representatives from the Department of Science and Technology (DOST), Board of Investments (BOI), and Bureau of Plant Industry (BPI) also expressed their support for the bill.</p> <p>The resource persons were requested to submit their respective position papers on the bill for consideration by the TWG.</p>
People's Participation (Technical Working Group)	Substitute Bill to HBs 5842, 6120 & 6237	Reps. Vargas, Nieto, and Lee	Encouraging volunteerism during emergencies by protecting volunteers from liability	<p>The technical working group (TWG), chaired by San Jose del Monte City Rep. Florida "Rida" Robes, agreed to fine-tune the substitute bill before submitting it to the mother Committee for its consideration and approval.</p> <p>The resource persons from the following government agencies gave their respective comments and recommendations on the</p>

<p>Continuation... People's Participation (Technical Working Group)</p>				<p>proposed law: Department of Social Welfare and Development (DSWD), Department of Budget and Management (DBM), National Economic and Development Authority (NEDA), Metro Manila Development Authority (MMDA), Office of the Cabinet Secretary (OCS), Office of the Civil Defense (OCD), Commission on Higher Education (CHED), Armed Forces of the Philippines (AFP), Bureau of Fire Protection (BFP), Center for Disaster Preparedness (CDP), and Philippine National Volunteer Service Coordinating Agency (PNVSCA).</p> <p>The Philippine Red Cross and other volunteer groups such as the Red Cross Youth and the International Association for Volunteer Effort (IAVE) also presented their comments and recommendations.</p> <p>All the resource persons present were requested to submit their position papers for consideration by the TWG.</p>
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