

# Committee Daily Bulletin

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BUDGET BRIEFINGS		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Appropriations	<p>Briefing on the proposed FY 2019 budget, plans and programs, and major accomplishments of the following government offices:</p> <ul style="list-style-type: none"> <li>Civil Service Commission (CSC)</li> </ul>	<p>The Committee, chaired by Rep. Karlo Alexei Nograles (1<sup>st</sup> District, Davao City), listened to the presentations on the proposed FY 2019 budget, plans and programs, and major accomplishments of the CSC, CHR, the Judiciary, and DOST.</p> <p>Committee Vice Chair, Rep. Raul del Mar (1<sup>st</sup> District, Cebu City), sat as the presiding officer during the CSC's budget briefing.</p> <p>CSC Chair Alicia dela Rosa-Bala said that under the FY 2019 National Expenditure Program (NEP), the CSC is set to receive a budget of P1.65 billion, which is 4.97% higher than its current budget of P1.57 billion. By expense class, CSC's 2019 proposed budget will be distributed as follows: personnel services (PS), P1.26 billion; maintenance and other operating expenses (MOOE), P317.27 million; capital outlay (CO), P78.05 million; and financial expenses (Finex), P9,000.</p> <p>Several Members of the Committee support the call of the CSC to restore its FY 2019 budget to its original proposal of P2.24 billion.</p> <p>Bala explained that the slashed budget of the CSC will affect the following programs: creation of new positions in the CSC field offices; upgrading of CSC field offices; and reactivation of the CSC Academy.</p> <p>In response to the query of Reps. Carlos Isagani Zarate (Party-List, BAYAN MUNA) and Mark Aeron Sambar (Party-List, PBA), Bala clarified that Joint Circular No.1 series of 2017 issued by the CSC, Commission on Audit (COA) and Department of Budget and Management (DBM), pertaining to the rules and regulations governing contract of service (CS) and job order (JO) workers in the government, does not prevent government agencies from engaging the services of CS and JO workers after December 31, 2018. Bala said the agencies may do so starting January 2019 if they still need the services of these types of employees.</p> <p>The joint circular, among other provisions, provides that the renewal of contracts of government workers with existing CS or JO will only be until December 31, 2018. Thereafter, the hiring of workers under CS or JO will be subject to certain limitations set forth in the joint circular.</p> <p>Bala said that the CSC plans to conduct a series of consultations with concerned stakeholders to solicit their comments relative to the implementation of the joint circular. She said that the CSC has already consulted some employee-confederations/groups and state universities and colleges (SUCs) on the matter. According to Bala, the implementation of the joint circular may be deferred depending on the outcome of these consultations.</p>



Continuation... Appropriations		<p>in Project NOAH already ended and the technologies and services developed by the DOST and its partners were transferred to the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA).</p> <p>Rep. Castelo asked the DOST if it has any update about the "Big One," referring to a powerful earthquake with up to 7.2 magnitude due to the movement of the West Valley Fault that could hit Metro Manila and nearby provinces.</p> <p>DOST Undersecretary Renato Solidum Jr. affirmed that the "Big One" could happen in this lifetime because the West Valley Fault moves roughly every 400 years, and the last time it did was in 1658. He mentioned that in case such a strong earthquake occurs, an alternative government center will be established in New Clark City, Tarlac.</p> <p>Meanwhile, with the recent problems in the supply and prices of rice in the domestic market, Rep. Vicente "Ching" Veloso (3<sup>rd</sup> District, Leyte) suggested that DOST develop new technologies that would improve the production of rice and corn.</p>
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COMMITTEE MEETINGS				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Agriculture and Food	HB 7369	Rep. Sarmiento (C.)	Declaring the Province of Catanduanes as the Abaca Capital of the Philippines	The Committee, chaired by Rep. Jose Panganiban Jr. (Party-List, ANAC-IP), approved the Committee Report on HB 7369 subject to style and amendment.
	Substitute Bill to HBs 6954, 3908, 4173 & 6555	Speaker Macapagal-Arroyo, Deputy Speaker Villarica, former Rep. Aglipay-Villar, and Deputy Speaker Garin	Establishing a national program for the malunggay industry, appropriating funds therefor	<p>The Committee will deliberate further on the substitute bill in its next meeting.</p> <p>Deputy Speaker Sharon Garin (Party-List, AAMBIS-OWA) highlighted the various health benefits of malunggay and the positive effect it will have on the economy once the malunggay industry is developed. However, she also acknowledged that the country still lacks the technological expertise in the most efficient way of cultivating and processing the malunggay.</p> <p>Recognizing the potential economic gains out of developing the malunggay industry, the Members proposed to increase the Malunggay Industry Development Fund (MIDF) from P50 million to P500 million, under Section 6 of the proposed law.</p> <p>Department of Agriculture (DA) Undersecretary Evelyn Laviña informed the Committee that her office is still in the process of formulating the national road map for this industry.</p> <p>The Committee requested the resource persons to submit their respective position papers on the bill.</p>

Economic Affairs jt. w/ Trade and Industry	HB 2429	Rep. Abaya	Establishing the Sangley Point Special Economic Zone in the City of Cavite, Province of Cavite, creating for the purpose the Sangley Point Development Authority, appropriating funds therefor	<p>The Joint Committee, co-chaired by Rep. Gwendolyn Garcia (3<sup>rd</sup> District, Cebu), Chair of the Committee on Economic Affairs, and Rep. Manuel Zubiri (3<sup>rd</sup> District, Bukidnon) for the Committee on Trade and Industry, agreed to create a technical working group (TWG) to study the bills further.</p> <p>The TWG will be co-chaired by Rep. Francis Gerald Abaya (1<sup>st</sup> District, Cavite) and Rep. Zubiri.</p> <p>The National Economic and Development Authority (NEDA), Bangko Sentral ng Pilipinas (BSP), Civil Aviation Authority of the Philippines (CAAP), Philippine Ports Authority (PPA), and the Departments of Environment and Natural Resources (DENR), Labor and Employment (DOLE), Foreign Affairs (DFA), and Energy (DOE) expressed support for the bills. The resource persons underscored the important role of economic zones as catalysts for economic growth and development in the country.</p> <p>Also supportive of the proposed law, Cavite Governor Jesus Crispin Remulla promised to provide inputs to the TWG, if required, as he recognized that certain provisions of the bills needed to be studied further.</p> <p>On the other hand, representatives from the Department of Finance (DOF) and the Bureau of Internal Revenue (BIR) objected to the creation of additional economic zones where business establishments are entitled to certain tax incentives. DOF tax specialist Miriam Tassara opined that the proposed law is inconsistent with the proposed TRABAHO Law, or the Tax Reform for Attracting Better and High-Quality Opportunities, which the Department is pushing forward.</p> <p>The proposed TRABAHO Law is the second package of the administration's tax reform measures that aims to modernize the country's tax incentive regime and to reduce the corporate income tax from 30% to 20%.</p> <p>The resource persons were requested to submit their respective position papers on the bills.</p>
	HB 3133	Rep. Revilla	Directing the conversion of Sangley Point in Cavite City into an international logistics hub	
	HB 2461	Deputy Speaker Yap	Establishing the Bohol Special Economic Zone in the Province of Bohol, creating for the purpose the Bohol Special Economic Zone Authority, appropriating funds therefor and for other purposes	The Joint Committee agreed to create a TWG to fine-tune some provisions of HB 2461, which was already approved at the Committee level, before transmitting it to the Committees on Appropriations and Ways and Means for the deliberation of its appropriations and tax provisions, respectively.
	HB 5322	Rep. Relampagos	Establishing a special economic zone in the Municipalities of Maribojoc, Loon, Calape, and Tubigon, Province of Bohol	The Joint Committee agreed to create a TWG to study the bill further.

Continuation... Economic Affairs jt. w/ Trade and Industry			(North Bohol Ecozone), creating for the purpose the North Bohol Special Economic Zone Authority (NBSEZA), appropriating funds therefor	
	HB 5951	Rep. Aumentado	Establishing a special economic zone in the Municipalities of Buenavista and Getafe, Province of Bohol, creating for the purpose the Northern Bohol Special Economic Zone Authority, appropriating funds therefor	The Joint Committee agreed to create a TWG to study the bill further.
	HB 1636	Rep. Garcia (G.)	Amending Section 24 of RA 7916, otherwise known as the Special Economic Zone Act of 1995 (by granting the province where the economic zone is situated a share of 1.5% of the gross income of business establishments operating therein)	The Joint Committee deferred its discussion on HB 1636 due to the absence of the resource persons.
Ways and Means	Substitute Bill to HBs 3655, 3832, 4011, 4133, 4412 & 7105	Rep. Romero, Minority Leader Suarez, Reps. Limkaichong, Singson, Gatchalian, and Alvarez (P.)	Enhancing revenue administration and collection by granting amnesty on all unpaid impositions levied by government for taxable year 2017 and prior years	The Committee, chaired by Quirino Rep. Dakila Carlo Cua, approved the substitute bill with amendments.

IMPEACHMENT PROCEEDINGS		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Justice	Initial consideration of the seven verified complaints for impeachment against seven Associate Justices of the Supreme Court (SC)	<p>The Committee, chaired by Rep. Doy Leachon (1<sup>st</sup> District, Oriental Mindoro), approved the consolidation of the seven verified complaints of impeachment against seven SC Associate Justices. It also found the complaints to be sufficient in form.</p> <p>At the outset, Rep. Leachon gave assurance that the Committee will conduct the impeachment proceedings with utmost transparency and impartiality, as he also highlighted the importance of restoring public confidence in and ensuring the integrity and independence of the Judiciary.</p> <p>The seven impeachment complaints were filed by Reps. Edcel Lagman (1<sup>st</sup> District, Albay), Teddy Brawner Baguilat Jr. (Ifugao), and Gary Alejano (Party-List, MAGDALO). It was Rep. Alfredo Garbin Jr. (Party-List, AKO BICOL) who moved for the consolidation of the seven complaints saying that they all involve the same issues against the same persons.</p> <p>Reps. Lagman and Alejano cited culpable violation of the Constitution and betrayal of public trust as the grounds for their complaints against newly-appointed Supreme Court Chief Justice Teresita Leonardo-De Castro and six other justices: Diosdado Peralta, Lucas Bersamin, Francis Jardeleza, Noel Tijam, Andres Reyes Jr., and Alexander Gesmundo.</p> <p>Rep. Lagman said that the seven SC Justices violated the Constitution when they acted on the <i>quo warranto</i> petition filed against former SC Chief Justice Maria Lourdes Sereno, which eventually led to the latter's removal from the Supreme Court. Such act usurped the powers of Congress, according to Rep. Lagman,</p>

Continuation... Justice		<p>which has the sole power to remove impeachable officials like the Chief Justice from office and only through the impeachment process, under the Constitution.</p> <p>The ground of “betrayal of public trust” applies to five of the Justices (De Castro, Peralta, Bersamin, Tijam and Jardeleza), who refused to inhibit themselves from voting on the <i>quo warranto</i> petition even after repeatedly showing bias and expressing ill-will against Sereno, according to the complainants. Lagman said that this charge could easily be verified using their testimonies during the impeachment proceedings against Sereno.</p> <p>The Committee scheduled its next meeting on the consolidated impeachment complaints on September 11, 2018.</p>
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TECHNICAL WORKING GROUP MEETING				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Health (Technical Working Group)	Substitute Bill to HB 4161	Rep. Espina	Mandating six months medical service in local health facilities for post-graduate physicians and new medical specialists	<p>The technical working group (TWG), presided by Rep. Tricia Nicole Velasco-Catera (Party-List, MATA), will deliberate further on the substitute bill in its next meeting.</p> <p>Rep. Velasco-Catera relayed to the body the recommendations of the Philippine Hospital Association (PHA) relative to the bill, among which are:</p> <ul style="list-style-type: none"> <li>• Incentivize rural service in key areas based on need;</li> <li>• Provide incentives to encourage medical practitioners to serve in rural areas instead of making rural service compulsory;</li> <li>• Incorporate rural service into the residency training programs;</li> <li>• Limit the compulsory rural service only to the full State scholars; and</li> <li>• Remove provisions of the bill that are not germane to the title.</li> </ul> <p>Biliran Rep. Rogelio Espina, M.D., author of HB 4161, criticized the position of the PHA as being biased to privately-owned hospitals and medical schools, and which can be gleaned as actually objecting to the proposed mandatory six-month rural service for medical practitioners.</p> <p>Rep. Espina emphasized that the aim of the bill is “to serve more than to earn.” He added that the bill aims to expose new physicians and medical specialists to the poor conditions of their fellow countrymen in remote areas, who are unable to receive sufficient medical care and attention, in order to develop in them a greater sense of compassion for others and instill in them moral values which will serve the society well.</p> <p>Representatives from the Department of Health (DOH), Professional Regulation Commission</p>

Continuation... Health (Technical Working Group)				(PRC), and the Philippine Medical Association (PMA) expressed support for the bill.  The resource persons were requested to submit their respective position papers on the bill for the TWG's consideration in its next meeting.
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TECHNICAL WORKING GROUP MEETING		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Cooperatives Development (Technical Working Group) - House and Senate panels	Proposed amendments to RA 6939 or the law creating the Cooperative Development Authority (CDA), in relation to HBs 565, 1275 and 2571, and SBs 305, 1341 and 1934	<p>The Joint Senate-House technical working group (TWG), presided by Committee Secretary Maria Elvira Ursal of the House Committee on Cooperatives Development, continued its deliberation on the proposed amendments to RA 6939.</p> <p>In reviewing the powers, functions and responsibilities of the CDA under Section 3 of RA 6939, the joint TWG agreed that the CDA be vested with additional powers and some of its existing powers and functions be strengthened to be able to effectively fulfill its mandate of promoting the viability and growth of cooperatives in the country. Among these are:</p> <ul style="list-style-type: none"> <li>• Develop and formulate, in consultation with the cooperative sector and other concerned institutions, appropriate regulations, standards, rules, orders, guidelines and/or circulars to implement the proposed Act and the Philippine Cooperative Code of 2008 to ensure safe and sound operation of cooperatives;</li> <li>• Formulate, adopt and implement integrated plans and programs on cooperative development for all government agencies;</li> <li>• Authorize the establishment of branches and satellite offices of cooperatives;</li> <li>• Conduct regular/special inspection or examination of a cooperative in accordance with rules and regulations to be promulgated by the CDA;</li> <li>• Coordinate with the provincial, municipal or city cooperative offices the adoption and implementation of national plans, programs and policies on cooperative development and to establish partnership in the promotion, organization and development of cooperatives within the jurisdiction of the local government units; and</li> <li>• Order the suspension or cancellation of the Certificate of Registration of cooperatives and/or the revocation of the Letter of Authority and/or Certificate of Authority to establish and operate satellite or branch offices after due notice and hearing.</li> </ul>

Comments, suggestions and requests for copies may be sent to the Committee Publication Staff, Committee Management Support Service I, 3rd Floor, Ramon V. Mitra, Jr. Bldg., Batasan Complex, Constitution Hills, Quezon City. Tel. Nos. 9326118; 9315001 local 7122. Also available at <http://www.congress.gov.ph>