



# Committee Daily Bulletin

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## COMMITTEE MEETINGS ON HOUSE MEASURES

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Rural Development	Substitute Bill to HB 7452	Rep. De los Santos	Promoting rural financial inclusion and literacy	<p>The Committee, chaired by Rep. Elisa "Olga" Kho (2<sup>nd</sup> District, Masbate), approved the Substitute Bill to House Bill 7452, subject to style.</p> <p>At the outset, Rep. Kho expressed her appreciation for the active participation of all the resource persons in the crafting of the proposed law. She said that the pro-poor and pro-growth legislative measure seeks to promote financial literacy and inclusion in the rural areas and far-flung communities, reaching out to the unbanked, unserved and underserved sectors such as the small farmers, fisherfolk, persons with disabilities, and indigenous peoples.</p> <p>Rep. Kho noted that in the recent State of the Nation Address of President Rodrigo Duterte, he mentioned that one of the flagship economic programs of the Duterte administration is the National Strategy on Financial Inclusion Program. The proposed law is consistent with the President's program, which according to Rep. Kho aims to strengthen the mechanisms to ensure that the poorest Filipinos in the provinces are able to avail themselves of financial services.</p> <p>Rep. Alfred delos Santos (Party-List, ANG PROBINSYANO), author of HB 7452 and chair of the technical working group (TWG) that drafted the substitute bill, presented the suggestions of the resource persons that were adopted by the TWG. Among these are as follows:</p> <ul style="list-style-type: none"> <li>Established cooperatives, such as those assisted by the Department of Agrarian Reform (DAR), will be included among the entities that will be allowed to provide financial services in the rural areas.</li> <li>Financial and digital literacy programs shall be established in the rural areas which shall include the conduct of seminars, development of appropriate modules, and other similar activities as envisioned in the proposed law.</li> <li>Priority sectors that will be covered under the proposed law shall include small farmers, fisherfolk, and micro, small and medium enterprises.</li> <li>The National Financial Inclusion Steering Committee (NFISC), which is chaired by the Bangko Sentral ng Pilipinas, shall be the lead agency to implement financial and digital literacy programs.</li> </ul>

Continuation... Rural Development				<ul style="list-style-type: none"> <li>Local government units, non-government organizations, civil society organizations, industry associations, and federations of cooperatives shall also implement financial and digital literacy programs in partnership with the NFISC.</li> <li>Financial institutions in rural areas shall be required to carry out and promote capacity-building programs in their respective localities.</li> </ul>
<b>Ways and Means</b>	Substitute Bill to HBs 9888, 9891, 9899 & HR 2040	Reps. Castelo, Salceda, Ordanes, and Deputy Speaker Romero	Exempting incentives, rewards, and emoluments in favor of national athletes and coaches from taxes, amending for the purpose Section 4 of RA 10699 or the National Athletes and Coaches Benefits and Incentives Act	<p>The Committee, chaired by Rep. Joey Sarte Salceda (2<sup>nd</sup> District, Albay), approved the Substitute Bill to the four measures, using House Bill 9891 as the base bill. The corresponding Committee Report was likewise approved.</p> <p>The Committee Senior Vice Chairperson, Rep. Estrellita Suansing (1<sup>st</sup> District, Nueva Ecija), took over as presiding officer during the deliberation on the substitute bill to allow the Chair to sponsor his bill, HB 9891.</p> <p>Rep. Salceda said that the proposed law, also called the "Hidilyn Diaz Act," seeks to exempt rewards for national athletes and coaches who compete or win in international sports competitions from all taxes, fees, and charges.</p> <p>Weightlifter Hidilyn Diaz is the first Filipino Olympic gold medalist who won in the women's 55-kilogram weightlifting category in the just concluded 2020 Summer Olympics in Tokyo, Japan.</p> <p>Rep. Precious Hipolito Castelo (2<sup>nd</sup> District, Quezon City), author of HB 9888, said that her bill seeks to exempt the prizes and donations given by third parties to the national athletes from the payment of donor's tax. This, she said, will encourage private entities to incentivize Filipino athletes who have worked hard in representing the country in the international sports domain.</p> <p>Likewise, Rep. Rodolfo Ordanes (Party-List, SENIOR CITIZENS), author of HB 9899, said that the bill will help improve the welfare of Filipino athletes and thereby promote excellence in sports.</p> <p>Rep. Anthony Peter "Onyx" Crisologo (1<sup>st</sup> District, Quezon City) expressed his support for the bill.</p> <p>Also expressing their support for the proposed law were the resource persons from the Department of Finance, Bureau of Internal Revenue, Philippine Sports Commission, and Philippine Paralympic Committee.</p>
	Substitute Bill to HB 36	Rep. Biazon	Declaring a portion of the Philippine Rise situated within the exclusive economic zone of the Philippine sea as a protected area with the category of marine resource reserve under the National Integrated Protected Areas System (NIPAS), to be	<p>The Committee approved the tax provisions of the Substitute Bill to HB 36 subject to amendment.</p> <p>Muntinlupa City Rep. Ruffy Biazon, author of HB 36, apprised the body of the main objectives and key provisions of the substitute bill. He said that</p>

Continuation... Ways and Means			referred to as the Philippine Rise Marine Resource Reserve, providing for its management and appropriating funds therefor	<p>the proposed law covers the Benham Bank and its surrounding areas of about 352,390 hectares (ha), which will be referred to as the Philippine Rise Marine Resource Reserve. He explained that declaring just a portion of the Philippine Rise as a protected area with the category of marine resource reserve under the NIPAS will be for the best interest of the country. Through this, he said the country will still be able to utilize the natural resources found in the other portions of the Philippine Rise not declared as protected areas.</p> <p>Deputy Speaker Jose Atienza Jr. (Party-List, BUHAY) objected to the final version of the substitute bill. He maintained the position that the bill's original intent which was to declare the entire Philippine Rise as a protected area under the NIPAS is more favorable to the country.</p>
	Substitute Bill to HBs 663, 4694, 652, 1031, 2535, 2738, 2785, 4267, 4558, 5005, 6316, 7191 & 7675	Reps. Salo, Lacson, Abaya, Salceda, Aumentado, Deputy Speakers Rodriguez and Romero, Reps. Sy-Alvarado, Olivarez, Garin (S.), and Macapagal Arroyo	Providing for a comprehensive atomic regulatory framework, creating for the purpose the Philippine Atomic Regulatory Commission (PARC), and appropriating funds therefor	<p>The Committee approved the tax provisions of the substitute bill subject to amendment.</p> <p>Rep. Mario Vittorio "Marvey" Mariño (5<sup>th</sup> District, Batangas), Chair of the Committee on Government Reorganization to which the bills were primarily referred, said that the substitute bill was deliberated on jointly with the Committees on Energy and Science and Technology.</p> <p>The Committee agreed to amend Section 21 of the substitute bill by including a provision which states that "upon certification by the PARC, importations of atomic fuel for use in the facilities of registered business enterprises may be free from taxes and duties in accordance with Title XIII (Tax Incentives) of the National Internal Revenue Code of 1997, as amended."</p> <p>The bill's Section 12, which authorizes the PARC to collect reasonable fees in the performance of its regulatory functions, was approved without amendment.</p>
	Substitute Bill to HB 7850	Deputy Speaker Garcia	Institutionalizing water demand management framework to conserve and protect the country's water resources, providing tax incentives and appropriating funds therefor	<p>The Committee approved the tax provisions of the Substitute Bill to HB 7850 subject to amendment.</p> <p>The Committee agreed to amend Section 13 of the substitute bill by integrating the tax incentive stated in Section 8.</p> <p>Section 13 shall now be read as "Registered business enterprises following the national water demand framework may avail of the tax incentives under Title XIII (Tax Incentives) of the National Internal Revenue Code of 1997, as amended."</p> <p>On the other hand, Section 12, which pertains to the proposed Special National Water Conservation Fund, was approved without amendment.</p> <p>Rep. Salceda suggested that the Department of Environment and Natural Resources shall coordinate with the Department of Trade and Industry and National Economic and Development Authority in recommending reasonable incentives</p>

Continuation... Ways and Means				in favor of registered business enterprises that will adopt the national water demand framework.  Deputy Speaker Pablo John Garcia (3 <sup>rd</sup> District, Cebu), author of HB 7850, agreed with the amendment made on Section 13 of the bill.
	Substitute Bill to HB 1050	Rep. Fuentebella	Establishing a national high school for the arts in Barangay San Rafael, Municipality of Tigaon, Province of Camarines Sur to be known as San Rafael National High School for the Arts and appropriating funds therefor	The Committee approved the tax provision of the Substitute Bill to HB 1050, subject to amendment.  Rep. Arnie Fuentebella (4 <sup>th</sup> District, Camarines Sur), author of HB 1050, agreed with the suggestion of the Committee to amend Section 9 by including a provision which states that "the importation by the school of economic, technical, and cultural books or publications, which are for economic, technical, vocational, scientific, philosophical, historical, or cultural purposes shall, upon certification by the Commission on Higher Education, be exempt from customs duties in accordance with RA 10863 or the Customs Modernization and Tariff Act."

TECHNICAL WORKING GROUP MEETINGS ON HOUSE MEASURES				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
<b>Energy</b> (Technical Working Group on HB 8762)	Draft Substitute Bill to HB 8762	Rep. Macapagal Arroyo	Further amending Presidential Decree 334, as amended, otherwise known as the Charter of the Philippine National Oil Company (PNOC)	<p>The technical working group (TWG), chaired by Committee Vice Chair Rep. Hector Sanchez (Catanduanes), terminated its deliberation on the draft substitute bill. The substitute bill will be presented to the mother Committee for its consideration and approval.</p> <p>The proposed law seeks to grant the PNOC additional powers and incentives so that it will be more responsive and flexible in addressing the current challenges in the energy sector, especially in meeting the growing demand for stable and reliable energy resources. It will also enable the PNOC to capitalize on new opportunities related to energy exploration, exploitation, development, storage, and transportation. The goal is for the PNOC to not merely act as a passive government-owned and controlled corporation (GOCC) but as a business entity making profits for the government and at the same time contributing to nation building.</p> <p>In today's meeting, the TWG agreed that the proposed power and function of the PNOC to establish and administer a comprehensive and integrated program for the exploration, exploitation, development, and extraction of fossil fuels, shall be retained by the Department of Energy (DOE).</p> <p>Under RA 7638 (DOE Act of 1992), the DOE is mandated to prepare, integrate, coordinate, supervise, and control all plans, programs, projects, and activities of the government relative</p>

<p>Continuation... Energy (Technical Working Group on HB 8762)</p>				<p>to energy exploration, development, utilization, distribution, and conservation.</p> <p>The TWG also agreed not to exempt the PNOC from the requirements of public bidding pursuant to Republic Act 9184 (Government Procurement Reform Act) and to state instead in the bill that the PNOC shall still be covered by the said law.</p> <p>On the query of Rep. Sanchez as to how much would be the projected income of PNOC Exploration Corporation (PNOC-EC) for 2021, PNOC-EC President and Chief Executive Officer Rozzano Briguez said it is about P600 million. Briguez added that 50% of this amount shall be remitted to the Bureau of Treasury representing the government's share in PNOC's income earnings.</p> <p>PNOC-EC is the upstream oil, gas, and coal subsidiary of the PNOC.</p> <p>Committee Vice Chair Rep. Presley De Jesus (Party-List, PHILRECA) requested the PNOC-EC to submit its financial statement covering the last five years. He also inquired about the contingency plan of the DOE for the upcoming maintenance shutdown of the Malampaya Deep Water Gas-to-Power Project scheduled on October 2 to 22. Rep. De Jesus cautioned that this will likely increase the electricity rates and trigger power outages in some parts of the country.</p> <p>The Malampaya Project supplies natural gas to five power plants in Luzon with a combined capacity of 3,200 megawatts (<i>Source: Malampaya website</i>).</p> <p>DOE Undersecretary Emmanuel Juaneza said the strategy is to get all other plants using conventional fuel to resume its operations to cover the gap in power supply during the Malampaya shutdown. According to DOE Undersecretary Jesus Cristino Posadas, the DOE is already looking at other power plants such as the Dinginin coal plant located in Mariveles, Bataan to provide additional power, if needed.</p>
<p><b>Energy</b> (Technical Working Group on HB 9544)</p>	<p>Draft Substitute Bill to HB 9544</p>	<p>Deputy Speaker Rodriguez</p>	<p>Creating the Philippine Renewable Energy Corporation (PREC), defining its powers and functions, and appropriating funds therefor</p>	<p>The technical working group (TWG), chaired by Committee Vice Chair Rep. Presley de Jesus (Party-List, PHILRECA), approved the draft substitute bill to House Bill 9544, subject to style. The draft substitute bill will be presented to the mother Committee for its consideration and approval.</p> <p>The proposed law creates a corporate body, the PREC, which shall be mandated to promote and undertake research, development, utilization, manufacture, sale, marketing, distribution, and commercial application of new renewable, non-conventional, and environment-friendly energy sources and systems. For this purpose, the existing Philippine National Oil Company Renewables Corporation (PNOC-RC) will be abolished and its powers and functions will be</p>

<p>Continuation... Energy (Technical Working Group on HB 9544)</p>				<p>transferred to the PREC. The goal is to further accelerate the exploration and development of renewable energy sources to reduce the country's dependence on fossil fuels thereby minimizing the country's vulnerability to price fluctuations in the international market and mitigating the impact of climate change.</p> <p>Rep. De Jesus reported that all the suggestions that were approved in the last TWG meeting were already incorporated in the draft substitute bill. This includes the suggestion of Rep. Sergio Dagooc (Party-List, APEC) to transfer the ownership of the Agus-Pulangi Hydropower Complex (APHC), which is composed of seven hydropower plants, from the Power Sector Assets and Liabilities Management Corporation (PSALM) to the proposed PREC. The APHC is currently being operated by the National Power Corporation (NPC).</p> <p>Department of Finance representative Aileen Tambanillo recommended that the positions of the PSALM and NPC on the matter be sought.</p> <p>Deputy Speaker Rufus Rodriguez (2<sup>nd</sup> District, Cagayan de Oro City), the author of HB 9544, said that the comments of the PSALM and NPC may just be requested during the deliberations by the mother Committee, noting that the two agencies are not present in today's meeting. He then manifested his support for the draft substitute bill and urged for its immediate approval.</p> <p>Catanduanes Rep. Hector Sanchez recommended that the ownership of other existing mini hydropower plants that are being operated by the government or the NPC should also be transferred to the PREC.</p> <p>Rep. Dagooc and PNOC-RC President and Chief Executive Officer John Arenas agreed with the suggestion of Rep. Sanchez. They also proposed that the transfer of ownership of these hydropower plants to the PREC should likewise entail the absorption of the employees by the PREC so that no one will be displaced at this time of the pandemic.</p> <p>Reps. Adriano Ebcas (Party-List, AKO PADAYON PILIPINO) and Godofredo Guya (Party-List, RECOBODA) urged the Committee to consider the substitute bill as its priority measure so that it can be signed into law by the President before the year ends.</p>
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