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BUDGET BRIEFINGS		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Appropriations	<p>Briefing on the proposed FY 2022 budget, plans and programs, and major accomplishments of the following agencies:</p> <ul style="list-style-type: none"> Department of Agriculture (DA) and its attached agencies and the National Irrigation Administration (NIA) 	<p>The Committee, chaired by Rep. Eric Go Yap (Party-List, ACT-CIS), listened to the presentation on the proposed 2022 budget, plans and programs, and major accomplishments of DA and its attached agencies, NIA, and the DENR.</p> <p>The Committee Vice Chair, Rep. Teodorico Haresco Jr. (2nd District, Aklan), sat as the presiding officer in the continuation of the deliberations on the FY 2022 proposed budget of the DA and NIA, and the initial deliberations on the proposed budget of DENR and its attached agencies.</p> <p>The Committee first discussed DA and NIA's proposed budget last September 8 but had some more issues and concerns that need to be clarified thus this second meeting.</p> <p>Under the FY 2022 National Expenditure Program (NEP), the DA and its attached agencies will receive a budget of P91 billion, which is just 1.05% higher than their current year's appropriation of P90 billion. In terms of allocation by office, P72 billion will go to the DA and its attached agencies. The remaining P19 billion will be distributed to the DA's attached corporations, namely:</p> <ul style="list-style-type: none"> National Food Authority (NFA) - P7 billion; Philippine Crop Insurance Corporation (PCIC) – P4.5 billion; Philippine Fisheries Development Authority (PFDA) – P4.21 billion; Philippine Coconut Authority (PCA) – P1.10 billion; Sugar Regulatory Administration (SRA) – P712.26 million; Philippine Rice Research Institute (PhilRice) – 621.80 million; National Tobacco Administration (NTA) – P505.49 million; and National Dairy Authority (NDA) – P346.16 million. <p>As for the NIA, its proposed budget under the FY 2022 NEP is P32.08 billion which is 1.18% lower than its current budget of P32.46 billion.</p> <p>Rep. Jose "Bonito" Singson Jr. (Party- List, PROBINSYANO AKO) requested the DA to submit the details of the NTA's proposed budget.</p> <p>Rep. Ferdinand Gaité (Party-List, BAYAN MUNA) said that there should be a budget allocation for the payment of hazard pay to the personnel of the National Meat Inspection Service (NMIS), an attached agency of the DA. The NMIS employees are also considered public health workers, he said.</p> <p>Deputy Speaker Henry Oaminal (2nd District, Misamis Occidental) asked if the municipal, city, and provincial roads are already excluded from projects involving the construction, restoration, and rehabilitation of farm-to-market roads (FMR) because of DA's Administrative Order No.16, series of 2020.</p>

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- Department of Environment and Natural Resources (DENR)

The DA's Circular provides that the FMR Development Program (FMRDP) shall give priority to the concreting of existing unpaved FMRs as well as new road openings that links production areas to markets. Access roads classified as national, provincial, city, or municipal roads that are identified as industrial roads or farm-to-mill roads are not eligible for funding under the FMRDP.

DA Undersecretary for Operations and Agri-Fisheries Mechanization Ariel Cayanan clarified that the barangay roads are given priority in the construction, restoration, and rehabilitation under the FMR projects. Nevertheless, requests for concreting, road openings, and rehabilitation of municipal, city, and provincial roads may still be submitted to the concerned DA Regional Office through the Regional Agricultural Engineering Division for validation, he said.

On the issue of fish importation, Rep. Singson asked why the country still imports *galunggong* (round scad) which, he said, puts the local fisherfolk at a disadvantage as they could not compete with the cheaper price of imported *galunggong*. Instead of importing, the DA should promote the production of fish in the country, he said.

DA Undersecretary for Agri-Industrialization and for Fisheries Cheryl Marie Natividad-Caballero said that importation of *galunggong* from Vietnam and China started last 2018. She said that importation is allowed during the three-month closed fishing season wherein fishing is prohibited in major fishing grounds. The Bureau of Fisheries and Aquatic Resources (BFAR) recommends the importation as necessary through its issuance of a Certificate of Necessity to Import. (Closed fishing season is a fisheries management and conservation measure that aims to protect and replenish the population of fish, such as *galunggong*.)

The Committee requested the DA to submit data on the country's consumption of *galunggong* and the basis for the decision of importing the same. Rep. Haresco recalled that in the previous meeting, several lawmakers suggested increasing the budget of DA, particularly BFAR, in order to promote the development, production, and exportation of marine products.

After the Members have given their manifestations and brought up their concerns, the Committee terminated the 2022 proposed budget of DA and NIA.

DENR Secretary Roy Cimatu informed the body that the proposed budget of the DENR under the FY 2022 NEP is P25.30 billion, which is 7.2% higher than the current year's appropriation of P23.60 billion. Out of the DENR's 2022 proposed budget, P19.59 billion will go to the Office of the Secretary (OSEC) and the rest will be distributed to its attached agencies as follows:

- Environmental Management Bureau (EMB) – P2.86 billion;
- Mines and Geosciences Bureau (MGB) – P1.34 billion;
- National Mapping and Resource Information Authority (NAMIRIA) – P1.27 billion;
- National Water Resources Board (NWRB) – P129.18 million; and
- Palawan Council for Sustainable Development Staff (PCSDS) – P106.61 million.

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By expense class, the DENR's proposed budget for 2022 will be allocated as follows: maintenance and other operating expenses (MOOE), P9.92 billion; personal services (PS), P9.72 billion; and capital outlay (CO), P5.66 billion.

Rep. Arlene Brosas (Party-List, GABRIELA) questioned the DENR for approving the renewal of the mining permit of the OceanaGold Corporation for another 25 years despite reports and complaints against the latter of being responsible for polluting the bodies of water near its mining site in Nueva Vizcaya.

MGB Director Wilfredo Moncano replied that based on the investigation and assessment conducted by the MGB, it was determined that the pollution was caused by small-scale miners and not OceanaGold. He said this prompted the MGB to demolish the mining sites of two small-scale miners in Nueva Vizcaya.

Further, Moncano reported that during the renegotiation of the terms and conditions of the mineral production sharing agreement with OceanaGold, the government was able to secure an additional 1.5% share in the gross revenue of the mining company for community development amounting to about P160 million a year. He said this is on top of the royalty being paid to the government, which is 5% of the market value of the gross output of the minerals or mineral products extracted or produced from the mining operations within the mineral reservation areas, exclusive of all other taxes.

Rep. Brosas requested the MGB to submit a detailed report on the water testing it has conducted on the bodies of water in Nueva Vizcaya.

On the query of Deputy Speaker Jose Atienza Jr. (Party-List, BUHAY) if the DENR is open to the legislative proposal of further increasing the royalty rate being imposed on mining companies, Moncano answered in the affirmative.

Reacting to the statement of DENR Undersecretary for Finance, Information Systems and Climate Change Annaliza Rebuelta-Teh that the original budget proposal of the DENR for FY 2022 is P46.49 billion, Deputy Speaker Rufus Rodriguez (2nd District, Cagayan de Oro City) asked what priority program of the DENR would be affected by this huge budget cut made by the Department of Budget and Management (DBM).

The DENR Secretary answered that it is the National Greening Program (NGP). Cimatu explained that the NGP is an important project considering the depletion of the country's forest cover. The NGP is a reforestation program that seeks to bring back the vegetative cover of the country's upland areas, he added.

Deputy Speaker Rodriguez requested the DENR to submit to the Committee the budgetary requirements of the NGP for 2022 in order to determine the amount that will be requested from the DBM to augment the program's budget. Cimatu replied that the DENR is proposing an additional budget of P5.3 billion for the Bamboo Plantation Project under the NGP to be implemented in the different regions and provinces for 2022.

Rep. Sarah Jane Elago (Party-List, KABATAAN) inquired how much of the P1 billion budget for the Solid Waste Management

Continuation... Appropriations		<p>Program of the DENR for 2022 will be allotted for the construction of waste to energy (WTE) facilities. Rebuelta-Teh replied that the proposed budget for WTE facilities is P774 million.</p> <p>As a follow-up query, Rep. Elago asked where these WTE facilities will be located and if the DENR will be capable of monitoring their emissions in accordance with safety standards. DENR Undersecretary for Policy, Planning and International Affairs Jonas Leones replied that for next year, only one WTE facility will be constructed which is a pilot project of the DENR to be located in Davao City. He also assured that the EMB will be capable of monitoring the dioxins and furans (pollutants or toxins) emitted by the WTE facility. EMB OIC-Assistant Director Vizmindia Osario affirmed that the EMB has the capability to monitor the emissions of these facilities.</p> <p>In reply to Rep. Singson regarding the guidelines of the DENR on the disposal of COVID-19 medical wastes like face masks and personal protective equipment, Osario said the DENR requires hospitals and healthcare establishments to treat their medical wastes before they are disposed. Leones added that the DENR assists the local government units (LGUs) and the hospitals/healthcare establishments in the disposal or transport of these wastes to treatment, storage and disposal (TSD) facilities.</p> <p>After due deliberations, the Committee terminated the budget hearing on the 2022 proposed budget of the DENR and its attached agencies. The DENR was requested to submit its action plan for the implementation of the NGP for FY 2022.</p>
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COMMITTEE MEETING ON HOUSE MEASURES				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Ways and Means	Substitute Bill to HB 7963	Rep. Gaite	Ensuring the effectiveness of all Official Development Assistance (ODA) loans and grants, amending for the purpose RA 8182, otherwise known as the ODA Act of 1996, as amended	The Committee, chaired by Rep. Joey Sarte Salceda (2 nd District, Albay), approved the Substitute Bill to House Bill 7963 subject to style and amendment. The corresponding Committee Report was also approved.
	Substitute Bill to HBs 22, 44, 165, 439, 536, 602, 670, 690, 763, 874, 1304, 1366, 1494, 1557, 1787, 2081, 2700, 3159, 3276, 3291, 3355, 3487, 3511, 3801, 3985, 4096, 4271, 4395, 4575, 5003, 5026, 5057, 5342,	Deputy Speaker Escudero, Reps. Benitez, Belmonte, Deputy Speaker Revilla, Minority Leader Paduano, Reps. Acop (dec.), Salo, Quimbo, Biazon, Tiangco, Villafuerte, Deputy Speaker Hernandez, Reps. Tan (A.), Baronda, Espino, Sy-Alvarado,	Providing for a Magna Carta for Barangay Health Workers (BHWs)	<p>The Committee approved with amendments the tax provisions of the Substitute Bill to the 37 bills.</p> <p>Rep. Angelica Natasha Co (Party-List, BHW), author of HB 3985, agreed with the proposal to include a new provision under Section 8 (Incentives and Benefits) of the substitute bill, which pertains to the discount privilege of BHWs.</p> <p>The new provision will read as: "All BHWs shall be entitled to a 20% discount on all the items enumerated under Section 4, paragraph (a) of Republic Act 9994, otherwise known as the Expanded Senior Citizens Act of 2010: Provided, that the privilege shall not be claimed if the BHW is eligible for a higher</p>

Continuation... Ways and Means	5496, 6263, 6562 & 6629	Panotes, Tan (Shermee), Romualdez (Y.M.), Vargas, Almario, Aragones, Deputy Speaker Rodriguez, Reps. Co (A.N.), Defensor, Suarez (A.), Calixto, Deputy Speaker Oaminal, Reps. Olivarez, Agabas, Pimentel, Nieto, Deputy Speaker Romero, Reps. Gaitte, and CaboChan		discount as may be granted by the commercial establishment and/or other existing laws.” The new provision also provides that the commercial establishment may claim the discount granted under Section 8 as tax deduction based on the cost of goods or services rendered. The total amount of the claimed tax deduction net of value-added tax, if applicable, shall be included in the business establishment’s gross sales receipt for tax purposes and shall be subject to proper documentation and to the provisions of the NIRC, as amended.
	Substitute Bill to HBs 97, 294, 975, 1675, 1973, 3179, 4015, 4223, 4909, 6814, 6892, 7033 & 7643	Rep. Acosta- Alba, Yap (V.), Deputy Speaker Romero, Reps. Villafuerte, CaboChan, Tolentino, Villarica, Nieto, Romulo, Reyes, Deputy Speaker Revilla, and Rep. Delos Santos	Providing for the comprehensive management of hazardous waste	The Committee approved with amendments the tax provisions of the Substitute Bill to the 13 bills. Rep. Ma. Lourdes Acosta-Alba (1 st District, Bukidnon), author of HB 97, said that the substitute bill seeks to provide a comprehensive policy framework for hazardous, radioactive, and healthcare waste which shall cover the generation, possession, collection, recovery, reuse, storage, transport, treatment, disposal, and entry into the country or transit of hazardous radioactive waste. Likewise, the proposed law aims to protect human health and the environment from potential risk of hazardous and radioactive wastes. Rep. Acosta-Alba agreed with the proposed amendment of the Committee on Section 33 (Incentives Schemes) of the substitute bill. Likewise, the Committee adopted Section 18 (Registration Certificate for Treatment, Storage, or Disposal of Hazardous Waste) of the proposed law.
	Substitute Bill to HB 2621	Rep. Mendoza	Strengthening the constitutional rights of government employees to self-organization, collective bargaining and negotiation and peaceful concerted activities and use of voluntary modes of dispute settlement	The Committee approved the tax provision of the Substitute Bill to HB 2621 with amendments. Rep. Raymond Democrito Mendoza (Party-List, TUCP), author of HB 2621, said that the bill when enacted will serve as the enabling law of the International Labor Organization (ILO) Convention No. 151, or the Labor Relations (Public Service) Convention 1978, to which the country is a signatory. The ILO Convention guarantees the rights of public employees to organize and the procedures for determining the terms and conditions of their employment.

Continuation... Ways and Means				<p>Rep. Mendoza added that the proposed law ensures the protection of the public sector employees' right to organize; provides the facilities to public sector employees' organizations to function effectively and efficiently; and abolishes the Public Sector Labor Management Council created under Executive Order 180, to reconstitute a Public Sector Labor Relations Board, among others.</p> <p>Rep. Mendoza was amenable to the Committee's proposed amendment to Section 11 (Rights of a Registered Organization) of the substitute bill. The said provision shall now read as: "The income of legitimate employees' organization or federation or confederation shall be exempt from tax in accordance with Section 30 (a) of the National Internal Revenue Code (NIRC) of 1997, as amended: Provided, that the income of whatever kind and character of the foregoing organizations from any owned property, real or personal, or from any activity conducted for profit, regardless of disposition made of such income, shall be subject to tax imposed under the same Code.</p> <p>All grants, bequests, endowments, donations and contributions made to and used actually, directly and exclusively by the employees' organizations, federation, or confederation for official purposes shall be exempt from donor's tax, and the same shall be considered as allowable deduction from the gross income for the purpose of computing the taxable income of the donor in accordance with the NIRC, as amended."</p>
	Substitute Bill to HBs 2737 & 3237	Deputy Speaker Rodriguez and Rep. Dimaporo (A.)	Strengthening the Mindanao State University System and appropriating funds therefor	<p>The Committee approved the tax provision of the Substitute Bill to HBs 2737 and 3237 without amendment.</p> <p>Baguio City Rep. Mark Go, Chair of the Committee on Higher and Technical Education, sponsored the substitute bill. He said that the tax provision of the bill is the standard language applicable to all state universities and colleges (SUCs).</p>
	Substitute Bill to HB 3372	Rep. Garin (S.)	Establishing the Biotechnology Authority of the Philippines and appropriating funds therefor	<p>The Committee approved the tax provision of the Substitute Bill to HB 3372 with amendments.</p> <p>Rep. Sharon Garin (Party-List, AAMBIS-OWA), author of HB 3372, sponsored the substitute bill, referring to the explanatory note attached to her bill as her sponsorship speech.</p> <p>HB 3372 seeks to expedite the regulatory decision-making process in biotechnology to help ensure the health and well-being of Filipinos, promote competitiveness, help reduce hunger and poverty, and help mitigate the effects of climate change.</p> <p>Reps. Salceda and Jericho Jonas Nograles (Party-List, PBA) expressed support for the bill.</p>

Continuation... Ways and Means				Rep. Garin accepted the Committee's proposed amendment to Section 14 (Exemption from tax) of the substitute bill. The tax provision shall now read as: "All grants, bequests, endowments, donations, and contributions made to and used actually, directly and exclusively by the Biotechnology Authority of the Philippines for modern biotechnology shall be exempt from donor's tax, and the same shall be considered as allowable deduction from the gross income for the purpose of computing the taxable income of the donor in accordance with the provisions of the NIRC of 1997, as amended."
	Substitute Bill to HBs 5964, 5567, 127, 2241, 4389, 4605, 4963, 5378, 5635 & 4184	Reps. Aumentado, Flores, Fernandez, Salceda, Go (E.C.), Tutor, Deputy Speaker Yu, Reps. Lara, and Balindong	Strengthening the governance and management of the Philippine Science High School System	<p>The Committee approved with amendments the tax provision of the Substitute Bill to the 10 bills.</p> <p>The Committee Senior Vice Chair, Rep. Estrellita Suansing (1st District, Nueva Ecija), sat as the presiding officer to allow Rep. Salceda to sponsor his bill.</p> <p>The substitute bill aims to establish Philippine Science High School (PSHS) campuses in various parts of the country.</p> <p>Rep. Salceda, author of HB 2241, said that a strong background in science and technology education is crucial, especially in producing scientists for the nation with the end in view of serving the needs of the Filipino people. He said the establishment of the PSHS Daraga campus strives to provide quality and free access to education while addressing the future of its youth.</p> <p>Deputy Speaker Divina Grace Yu (1st District, Zamboanga del Sur), author of HB 5378, manifested that the explanatory note attached to her bill shall serve as her sponsorship speech. HB 5378 aims to establish a PSHS campus in Libangan, Zaboanga del Sur.</p> <p>PSHS System Executive Director Lilia Habacon expressed support for the bill.</p> <p>The authors are amenable to the Committee's proposed amendment to Section 14 (Exemption from tax) of the substitute bill. The tax provision shall now read as: "All grants, bequests, endowments, gifts, donations, and contributions made to and used actually, directly and exclusively for education purposes by PSHS, shall be exempt from donor's tax and the same shall be considered as allowable deductions from gross income for purpose of computing the taxable income of the donor, in accordance with the NIRC of 1997, as amended."</p>
	Substitute Bill to HBs 7028, 7590	Reps. Qimbo, Gaité, and Olivarez	Instituting a national unemployment insurance program and appropriating funds therefor	The Committee approved the tax provision of the substitute bill with amendments.

Continuation... Ways and Means	& 8229			<p>Rep. Stella Luz Quimbo (2nd District, Marikina City), author of HB 7028, said the substitute bill seeks to institutionalize a National Unemployment Insurance Program (NUIP) to protect workers from the risk of substantial income loss and consumption reduction caused by job loss.</p> <p>Among the key provisions of the substitute bill are: provision of a basic unemployment insurance benefits limited to at most three monthly payments with each monthly payments equivalent to 80% of the worker's basic pay prior to separation from work; creation of a Philippine Job Insurance Corporation (Philjobs), tasked to administer and implement the NUIP; compulsory participation by individuals who are formally employed in the private and public sectors; voluntary participation by self-employed and informal sector; progressive, income-based premium contributions; and shared premium contributions among the government, employer and employee.</p> <p>Rep. Quimbo agreed with the Committee's proposed amendment to Section 26 (Exemption from Tax, Legal Processes and Lien and Government Guarantee) of the substitute bill. The tax provisions shall now read as: "Notwithstanding any laws to the contrary, the Corporation, its assets, revenues including all accruals thereto, and benefits paid, shall be exempt from all taxes, assessments, fees, charges or duties of all kinds."</p>
	Substitute Bill to HB 6434	Rep. Calderon	Converting the Cebu Technological University (CTU) into a university system to be known as the CTU System, and appropriating funds therefor	The Committee approved the tax provision of Substitute Bill to HB 6434 with amendment.
	Substitute Bill to HBs 9834 and 7096	Reps. Salceda and Villafuerte	Granting lucky 8 Star Quest Inc. a franchise to operate offsite betting activities on duly-licensed cockfighting, derbies, and similar activities through online or other modern means, anywhere in the Philippines	The Committee approved the tax provisions of the substitute bill without amendment.

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