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COMMITTEE MEETINGS ON HOUSE MEASURES

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Energy	Draft Substitute Bill to HB 10006	Rep. Macapagal Arroyo	Extending the corporate life of and strengthening the Power Sector Assets and Liabilities Management (PSALM) Corporation, amending for the purpose RA 9136, otherwise known as the Electric Power Industry Reform Act of 2001	<p>The Committee, chaired by Rep. Juan Miguel Macapagal Arroyo (2nd District, Pampanga), approved the Substitute Bill to House Bill 10006 and the corresponding Committee Report.</p> <p>The proposed law seeks to extend the corporate life of the PSALM Corporation for another 30 years or until June 26, 2056.</p> <p>Rep. Arroyo noted that the draft substitute bill is the product of a lengthy and exhaustive discussion among the members of the technical working group (TWG) composed of some Committee Members and stakeholders from both the government and the private sector. Underscoring that there are no more contentious issues concerning the draft substitute bill, he presented the same for the approval of the Members.</p>
Justice	HBs 9565 & 9566	Rep. Garin (S.)	Granting Philippine citizenship to Kaipeng Lyu and Qingtong Lyu, respectively	<p>The Committee, chaired by Rep. Vicente "Ching" Veloso III (3rd District, Leyte), deferred further deliberations on House Bills 9565 and 9566, pending the submission of position papers on the bills by the Department of Justice (DOJ), Department of Foreign Affairs (DFA), and the Bureau of Immigration (BI).</p> <p>At the outset, Rep. Veloso noted that the applicants, Kaipeng Lyu and Qingtong Lyu, have complied with the rules of the Committee on granting Filipino citizenship and have submitted the required documents for naturalization. He further stated that pursuant to the same rules, the applicants have been required to attend the meeting to answer queries that may be propounded by the Committee Members with regard to their application for naturalization.</p> <p>Rep. Sharon Garin (Party-List, AAMBIS-OWA), author of HBs 9565 and 9566, highlighted the contributions of both applicants to the Philippines, particularly their donations of medical supplies and food in various parts of the country during the COVID-19 pandemic. Rep. Garin added that cousins Kaipeng and Qingtong Lyu, who are from Guandong and Hubei, China, respectively, have adapted well to the values and traditions of Filipinos and expressed their desire to be citizens of the Philippines.</p>

<p>Continuation... Justice</p>				<p>DOJ State Counsel Eduardo Vinuya Jr. said that the DOJ has yet to submit its position paper on the bills as it is still awaiting documents from its Records Division containing relevant information about Kaipeng and Qingtong Lyu. Nevertheless, he promised to submit DOJ's position paper in a week's time.</p> <p>Representatives from the DFA, BI, Office of the Solicitor General (OSG), and National Bureau of Investigation (NBI) interposed no objection to the proposed naturalization of Kaipeng and Qingtong Lyu.</p> <p>DFA Office of Consular Affairs Visa Division Director Jahzeel Abihail Cruz informed the body that China does not allow dual citizenship. Hence, the petitioners should be made aware that they will lose their Chinese citizenship once these bills are approved.</p> <p>The Committee recognized DFA's suggestion and also requested the latter to submit a list of countries that do not allow dual citizenship.</p> <p>Meanwhile, the representatives from BI and NBI manifested that Kaipeng and Qingtong Lyu have no derogatory record based on their database.</p> <p>Deputy Speaker Rufus Rodriguez (2nd District, Cagayan de Oro City) requested BI to submit a copy of the complete record of arrivals in and departures from the Philippines of both applicants, including their first arrival in the country. These information, according to the Deputy Speaker, are essential in evaluating if the applicants are qualified to be granted Philippine citizenship, especially in determining if they have complied with the required length of residency in the country to qualify for naturalization.</p> <p>Rep. Veloso noted that the exact dates of the initial arrival of the applicants in the Philippines as stated in the explanatory notes of the bills and through their respective testimonies do not coincide with the records of the BI.</p> <p>The applicants later admitted that they could not remember the exact dates of their arrivals in and departures from the Philippines.</p> <p>Rep. Veloso requested the applicants to provide a copy of their BI stamped visas showing their first arrival in the Philippines.</p> <p>Deputy Speaker Rodriguez expressed his objection to the granting of citizenship to Kaipeng and Qingtong Lyu and moved for</p>
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Continuation... Justice				<p>the deferment of the deliberation of HBs 9565 and 9566.</p> <p>The Deputy Speaker pointed out that both applicants hold tourist and pre-arranged working visas and have not yet attained the 10-year required length of stay in the Philippines. Moreover, he said that there is no indication that the applicants have adapted to the Philippines' culture and tradition as both are still unable to speak Filipino. According to the Deputy Speaker, there are more qualified and deserving foreigners who have stayed longer in the country than Kaipeng and Qingtong.</p>
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TECHNICAL WORKING GROUP MEETING ON HOUSE MEASURES				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Local Government	HBs 259 & 9264	Reps. Ramirez-Sato and Deloso-Montalla	Allowing the conversion of a municipality into a component city in a province that does not have an existing component city, amending for the purpose Section 450 of RA 7160, as amended, otherwise known as the Local Government Code of 1991	<p>The technical working group (TWG), chaired by Rep. Wilter "Sharky" Wee Palma II (1st District, Zamboanga Sibugay), will deliberate further on the eight bills in its next meeting.</p>
	HBs 2702 & 5572	Reps. Panotes and Hofer	Exempting from the income requirement the capital town of a province without a city, amending for the purpose Section 450 of RA 7160, as amended	<p>Rep. Palma, who is also the author of House Bill 3021, explained that the primary purpose of converting a municipality to a city is to provide the province, where the municipality is located, with better opportunities for development considering that a city can exercise expanded revenue-generating powers.</p>
	HBs 3021, 4085, 5535 & 6366	Reps. Palma, Marquez, Daza, and Yap (E.)	Automatically converting the capital town of provinces with no component cities, independent component cities or highly urbanized cities within its territorial jurisdiction, into a component city	<p>Rep. Palma further said that the proposed law will be beneficial to the 26 provinces in the country that do not have component cities, independent component cities or highly urbanized cities, especially upon the implementation of the Supreme Court's Mandanas ruling which will result in local government units (LGUs) having an increase in their share of all national taxes effective 2022. The ruling will also pave the way for the full devolution of functions that are being undertaken by the national agencies to the LGUs.</p> <p>The 26 provinces that Rep. Palma mentioned are the following: Batanes, Nueva Vizcaya, Quirino, Aurora, Marinduque, Occidental Mindoro, Romblon, Camarines Norte, Catanduanes, Aklan, Antique, Guimaras, Siguor, Biliran, Northern Samar, Zamboanga Sibugay, Camiguin, Davao de Oro (formerly Compostela Valley), Davao Occidental, Sarangani, Dinagat, Sulu, Tawi-Tawi, Abra, Apayao, and Ifugao.</p> <p>Rep. Palma stated that most of the capital towns in these provinces do not meet the requirements for conversion into a city. Hence, his bill proposes to amend Section</p>

<p>Continuation... Local Government</p>				<p>450 of Republic Act 7160 or the Local Government Code of 1991, as amended, by inserting a provision which reads as: “Notwithstanding the requisites prescribed under this Section, existing capital towns are hereby converted into component cities of provinces without a city upon approval by a majority of votes cast in a plebiscite to be held in the said capital towns.”</p> <p>Under RA 7160, as amended, a municipality may be converted into a component city if it has a locally generated average annual income of at least P100 million for the last two consecutive years based on 2000 constant prices, as certified by the Department of Finance; and if it has either of the following requisites: a contiguous territory of at least 100 square kilometers, as certified by the Land Management Bureau, or a population of not less than 150,000 inhabitants, as certified by the Philippines Statistics Authority.</p> <p>Rep. Marisol Panotes (2nd District, Camarines Norte), author of HB 2702, said that her bill likewise seeks to exempt the capital town of a province without a city from the requisite income under RA 7160 for conversion into a component city. She pointed out that at present, the income requirement for the creation of provinces and highly urbanized cities is very much lower than that of creating component cities.</p> <p>The resource persons from the League of Provinces of the Philippines (LPP), League of Cities of the Philippines (LCP), and Department of Finance - Bureau of Local Government Finance (DOF-BLGF) gave their comments and suggestions on the proposed law.</p> <p>LPP Director for Policy Development Angelica Sanchez informed the body that a resolution was issued by the LPP in support of the proposed law. However, she mentioned that the LPP is concerned that the province might lose its share in the revenues arising from real property taxes (RPT). Hence, Sanchez suggested that a provision be included in the bill allowing provinces to retain their share in the revenues generated from RPT.</p> <p>LCP Executive Director Ma. Veronica Hitois advised the TWG to study the impact of automatically converting the capital towns of the 26 provinces mentioned by Rep. Palma. She opined that while cityhood could be a way to progress, there might be unintended consequences for doing such “wholesale conversion” which might not serve the interest of the newly created cities and their constituents.</p>
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<p>Continuation... Local Government</p>				<p>Hitosis explained that newly created cities that have not met the income requirement for conversion into a component city will experience the brunt of this conversion as they are obliged to pursue economic development even with limited resources. It will be all the more difficult for converted cities which did not meet the income requirement but have large population and land area as they will need more resources to service the needs of their constituents and develop the areas within their jurisdiction.</p> <p>Meanwhile, DOF-BLGF Director Pamela Quizon presented the profile of the 28 capital towns that may be under the coverage of the proposed law, as well as the revenue impact if these capital towns will be converted into component cities. She said that the DOF included the Province of Maguindanao and Mountain Province in its analysis together with the 26 provinces earlier enumerated by Rep. Palma. The DOF discussed the capital towns' income class, census population in fiscal year (FY) 2020, land area, and the estimated average income for the last two fiscal years. According to Quizon, based on the DOF-BLGF's computation, none of the 28 capital towns will meet the existing income requirement for conversion into a component city.</p> <p>Quizon also disclosed that the conversion of capital towns into component cities will have an overall impact on the distribution of the FY 2021 Internal Revenue Allotment, wherein cities will have an average reduced share of 9.87%, while municipalities will have an average increased share of 2.04%.</p> <p>The resource persons were asked to submit their respective position papers on the bills to the Committee Secretariat.</p>
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