



REPUBLIC OF THE PHILIPPINES
Senate
Pasay City

Journal

SESSION NO. 42
Wednesday, January 25, 2023

NINETEENTH CONGRESS
FIRST REGULAR SESSION

Prepared by the
LEGISLATIVE JOURNAL SERVICE
Senate of the Philippines

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CALL TO ORDER

At 3:01 p.m., the Senate President, Hon. Juan Miguel "Migz" F. Zubiri, called the session to order.

PRAYER

Sen. Ramon "Bong" Revilla Jr. led the prayer, to wit:

Mapalad ang bansa na ang Diyos ay ang Panginoon; ang bayan na Kaniyang pinili sa ganang Kaniyang sariling mana. – Salmo 33:12

Panginoon, ito ang aming salmong deklarasyon para sa aming bansa.

Every day we see and feel the vastness of Your power and love for our country, from the richness of our seas to our fertile grounds and the serenity of our skies.

For all these graces, we are grateful. You bless us immensely by Your supreme power, majesty, and glory.

Panginoon, humihingi po kami ng Inyong patnubay at kalinga sa panahong ito na sumusubok sa aming tibay. Hayaan po Ninyong humugot kami sa Inyo ng lakas at pag-asa. We humbly come before You, embrace us with Your holy mantle of protection.

Iligtas po Ninyo kami sa mga delubyo at sakuna. Alalayan po Ninyo ang sambayanan upang tulungang makabangon mula sa hagupit ng pandemya, kalamidad, mga pagsubok, at kahirapan.

Panginoon, dalangin po namin ang lakas, determinasyon, pagkakaisa, at dedikasyon upang sa munti naming mga paraan ay patuloy kaming makapaglingkod sa bayan sa pamamagitan ng pagsulong ng makabuluhang mga panukala at bukal na pagtulong sa kapwa.

All this we pray, in Jesus' Name. Amen.



SUSPENSION OF SESSION

Upon motion of Senator Villanueva, the session was suspended.

It was 3:01 p.m.

RESUMPTION OF SESSION

At 3:01 p.m., the session was resumed.

ROLL CALL

Upon direction of the Senate President, the Secretary of the Senate, Atty. Renato N. Bantug Jr. called the roll, to which the following senators responded:

Angara, S.	Marcos, I. R.
Binay, M. L. N. S.	Padilla, R. C.
Cayetano, P. S.	Pimentel III, A. K.
Dela Rosa, R. B. M.	Poe, G.
Ejercito, J. V. G.	Revilla Jr., R. B.
Estrada J. E.	Tolentino, F. T. N.
Gatchalian, W.	Tulfo, R. T.
Go, C. L. T.	Villanueva, J.
Hontiveros, R.	Villar, C. A.
Lapid, M. L. M.	Villar, M. A.
Legarda, L.	Zubiri, J. M. F.

With 22 senators present, the Chair declared the presence of a quorum.

Senator Escudero was unable to attend the session because he was out of the country, as stated in the letter of his chief of staff dated January 23, 2023.

Senator Cayetano (A) was absent.

DEFERMENT OF THE APPROVAL OF THE JOURNAL

Upon motion of Senator Villanueva, there being no objection, the Body deferred the consideration and approval of the Journal of Session No. 41 (January 24, 2023) to a later hour.

ACKNOWLEDGMENT OF THE PRESENCE OF GUESTS

At this juncture, Senator Villanueva acknowledged the presence in the gallery of the following guests:

- Undersecretary Alexander Ramos of DICT's Cybercrime Investigation and Coordinating Center;
- Mayor Antonio S. Lura Sr. of Malitbog, Southern Leyte;
- Philippine Councilors League-Cagayan Chapter – Maria Rosario Soriano, president; and officers Jude Bayona, Mark Anthony Donato, Dian Dayag, Claire Callangan, Luciano Talang, Roy Tumaneng, Audrey Ancheta, Ronald Ortiz, Maria Herrera, Atty. Unsulom, Joverin Jonald Mendoza, and Jeffrey Lodevico; and
- Members of the JIL – Catherine Lopez, Nancy Teodoro, Precy Canlas, and Celia de Guzman.

MOTION OF SENATOR PIMENTEL

Senator Pimentel recalled that both the Senate and House bills pertaining to the Maharlika Fund were referred to the Committee on Banks, Financial Institutions and Currencies as the primary committee. He believed, however, that the Committee on Government Corporations and Public Enterprises would be the most suitable and appropriate primary committee for the two bills which seek to establish the Maharlika Investment Corporation. He presented three arguments: 1) that the corporation sought to be created would be a government-owned and controlled corporation and not a bank; 2) that the bills were not about currencies; and 3) that a financial institution is defined as an institution under the supervision of the BSP that deals with public money that is directed to those in need of funding.

Senator Pimentel then moved that the bills creating the Maharlika Investment Corporation be instead referred to the Committee on Government Corporations and Public Enterprises as the primary committee.

Senate President Zubiri remarked that the House of Representatives referred the Maharlika Fund Bill to its Committee on Banks, Financial Institutions and Currencies as the lead committee and passed it along with other secondary committees which had concern over the matter. He explained that the bills seek to establish a government financial institution that would serve as a funding source. He added that the bills would not include a charter, which is a requirement for creating or setting up a new GOCC.

Senator Pimentel believed that the Senate was not bound by the actions of the House of Representatives. He recalled a time when, as chairman of the Senate Committee on Trade, Commerce and Entrepreneurship, his House counterpart was the chairperson of a different committee, not the House Committee on Trade chairperson.

He reiterated that the bills would establish the Maharlika Investment Corporation to manage the fund, not a bank or other financial institution under the supervision of the BSP.

At this point, Senator Villanueva stated that the Senate was indeed not bound by the actions and rules of the House of Representatives, and that it could actually transfer the referral of the bills. However, he pointed out that the *Rules of the Senate* clearly provides for the jurisdiction of the Committee on Banks, Financial Institutions and Currencies over "all matters relating to banks, financial institutions, government and private currencies, capital markets, mutual funds, securitization, coinage and circulation of money.

He noted that Senate Bill No. 1670 proposed the establishment of an independent investment fund to be sourced from investable funds of select government financial institutions (GFIs), national government contributions, and declared dividends of the BSP, among others. In addition, he cited Section 11 of the bill, which stipulates that the initial capitalization must be sourced from LANDBANK and DBP, both government financial institutions. He explained that the main reason why the bills were referred to the Committee on Banks, Financial Institutions and Currencies was that other GFIs and GOCCs may be authorized to contribute to the MIF, subject to their respective investment and risk management strategies.

He pointed out that the Committee on Government Corporations and Public Enterprises has jurisdiction over issues pertaining to government corporations, including all amendments to their charters and government interest in various industrial and commercial enterprises. He stated, however, that the said committee remained a part of the referral as the secondary committee.

Senator Pimentel stated that many sections of the bills identified government institutions as the initial capitalization sources for the proposed entity. He emphasized that Congress would create

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a government corporation called the Maharlika Investment Corporation to administer the investment fund.

Senate President Zubiri underscored that the primordial concern of the bill filed by Senator Villar (M) was the establishment of the fund and, consequently, the creation of the investment corporation. He stated that as a result, the primary committee should be the Committee on Banks, Financial Institutions and Currencies and the secondary committee would be the Committee on Government Corporations and Public Enterprises.

MANIFESTATION OF SENATOR TOLENTINO

Senator Tolentino cited the jurisdiction of the Committee on Government Corporations and Public Enterprises, which encompasses "all questions affecting government corporations including all amendments to their charters." He believed that it presupposes the existence of a government corporation, but that in that instance, there was neither a government corporation nor a charter to be amended. In addition, he stated that the mere mention of a GFI, which was still a work in progress, would not be sufficient reason to lodge the jurisdiction of the Maharlika Investment Fund to the Committee on Government Corporations and Public Enterprises. He agreed that the primary referral should be to the Committee on Banks, Financial Institutions and Currencies.

Senator Pimentel believed that the jurisdiction over all questions affecting government corporations includes the creation of a government corporation.

Senate President Zubiri surmised that Senator Pimentel's argument was that the primary objective of the bills was to establish a government corporation. He clarified that the primordial concern of the bills was to create a mutual fund to be sourced from the funds of the banks, particularly LANDBANK and DBP. Senator Pimentel stated that the greater critical concern would be which corporation would manage the fund.

At this juncture, Senator Villanueva registered his objection to the motion of Senator Pimentel to transfer the referral of the bills creating the Maharlika Investment Corporation from the Committee on Banks, Financial Institutions and Currencies to the Committee on Government Corporations and Public Enterprises as the primary committee.

Senator Hontiveros seconded the motion of Senator Pimentel.

VOTING ON THE MOTION

Thereupon, the Chair submitted the motion to a vote by raising of hands, and with the majority voting against, the motion was lost.

MANIFESTATION OF SENATOR CAYETANO (P)

Senator Cayetano (P) stated that she abstained from voting on the motion because her brother, Sen. Alan Peter S. Cayetano, was the chairperson of the Committee on Government Corporations and Public Enterprises.

REMARKS OF THE CHAIR

Senate President Zubiri emphasized that any Senate committee chairperson could hear the measure with professionalism and dedication, and that it was only a matter of determining which committee would handle the same.



Senator Pimentel asserted, however, that the primary committee was important because its chairperson would schedule the hearings, call the resource persons, and draft the committee report.

In response to Senator Pimentel's inquiry regarding the vote tally, Senate President Zubiri stated that there were two affirmative votes, one abstention, and 19 negative votes.

ACKNOWLEDGMENT OF THE PRESENCE OF GUEST

At this juncture, Senator Villanueva acknowledged the presence in the gallery of Rep. Sam Versosa of Tutok To Win Partylist.

Senate President Zubiri welcomed Representative Versosa to the Senate.

SUSPENSION OF SESSION

Upon motion of Senator Villanueva, the session was suspended for an all-senators' caucus.

It was 3:24 p.m.

RESUMPTION OF SESSION

At 7:25 p.m., the session was resumed.

APPROVAL OF THE JOURNAL

Upon motion of Senator Villanueva, there being no objection, the Body dispensed with the reading of the Journal of Session No. 41 (January 24, 2023) and considered it approved.

CHANGE OF REFERRAL

Upon motion of Senator Villanueva, there being no objection, the Body approved the change of primary committee referral of Senate Bill No. 1659 (*Trabaho sa Oras ng Pagbangon Act*) from the Committee on Labor, Employment and Human Resources Development to the Committee on Economic Affairs; and likewise, the inclusion of aforesaid measure in the same subcommittee of the Committee on Economic Affairs handling Senate Bill No. 129 (*Trabaho Para sa Lahat ng Pilipino Act*), pursuant to Section 18 of the *Rules of the Senate*, and upon the instruction of the chairperson of the Committee on Economic Affairs, Senator Poe.

ADJOURNMENT OF SESSION

Upon motion of Senator Villanueva, there being no objection, the Chair declared the session adjourned until three o'clock in the afternoon of Monday, January 30, 2023.

It was 7:27 p.m.

I hereby certify to the correctness of the foregoing.

Atty. **BENATO N. BANTUG Jr.**
Secretary of the Senate

Approved on January 30, 2023