



REPUBLIC OF THE PHILIPPINES

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SESSION NO. 42

Tuesday, December 11, 2007

**FOURTEENTH CONGRESS
FIRST REGULAR SESSION**

SESSION NO. 42
Tuesday, December 11, 2007

CALL TO ORDER

At 3:03 p.m., the Senate President, Hon. Manny Villar, called the session to order.

PRAYER

Sen. Mar Roxas led the prayer, to wit:

Let us place ourselves in the presence of the Lord and bow our heads, contemplate and reflect for a minute.

Thank You, dear Lord, for blessing us and gracing us this day. Arm us with truthfulness and sincere intent to do the best for our country.

We ask this through Christ, our Lord.

Amen.

ROLL CALL

Upon direction of the Chair, the Secretary of the Senate, Emma Lirio-Reyes, called the roll, to which the following senators responded:

Angara, E. J.	Lacson, P. M.
Aquino III, B. S. C.	Lapid, M. L. M.
Arroyo, J. P.	Legarda, L.
Cayetano, C. P. S.	Pangilinan, F. N.
Defensor Santiago, M.	Revilla Jr., R. B.
Ejercito Estrada, J.	Roxas, M.
Enrile, J. P.	Villar, M.
Gordon, R. J.	Zubiri, J. M. F.
Honasan, G. B.	

With 17 senators present, the Chair declared the presence of a quorum.

Senators Escudero, Madrigal and Pimentel arrived after the roll call.

Senators Biazon and Cayetano (A) were absent.

Senator Trillanes was unable to attend the session.

DEFERMENT OF THE APPROVAL OF THE JOURNAL

Upon motion of Senator Pangilinan, there being no objection, the Body deferred the consideration and approval of the Journal of Session No. 41 (December 10, 2007).

REFERENCE OF BUSINESS

The Secretary of the Senate read the following matters and the Chair made the corresponding referrals:

BILLS ON FIRST READING

Senate Bill No. 1946, entitled

AN ACT REQUIRING HEALTH INSURERS TO PROVIDE FULL COVERAGE FOR THE PREVENTION, EARLY DETECTION, DIAGNOSIS AND TREATMENT OF AUTISM SPECTRUM DISORDER

Introduced by Senator Miriam Defensor-Santiago

To the Committee on Health and Demography

Senate Bill No. 1947, entitled

AN ACT AMENDING ARTICLE 218, ARTICLE 220 AND ARTICLE 223 OF THE FAMILY CODE TO PROHIBIT ALL FORMS OF CORPORAL PUNISHMENT.

Introduced by Senator Miriam Defensor
Santiago

**To the Committees on Youth, Women and
Family Relations; and Justice and Human Rights**

Senate Bill No. 1948, entitled

AN ACT DEFINING THE CRIME OF
EXPLOITIVE CHILD MODELING AND
PROVIDING PENALTIES THEREFOR

Introduced by Senator Miriam Defensor
Santiago

**To the Committees on Youth, Women and
Family Relations; and Justice and Human Rights**

Senate Bill No. 1949, entitled

AN ACT DEFINING PORNOGRAPHY
AND CHILD ABUSE MATERIALS
AND PENALIZING ALL FORMS
AND MEANS OF COMMISSION

Introduced by Senator Miriam Defensor
Santiago

**To the Committees on Public Information
and Mass Media; Justice and Human Rights;
and Finance**

Senate Bill No. 1950, entitled

AN ACT CREATING THE MINDANAO
RAILWAYS CORPORATION PRES-
CRIBING ITS POWERS, FUNCTIONS
AND DUTIES AND PROVIDING FOR
THE NECESSARY FUNDS FOR ITS
OPERATION

Introduced by Senator Manny Villar

**To the Committees on Government Corp-
orations and Public Enterprises; Public Services;
Ways and Means; and Finance**

Senate Bill No. 1951, entitled

AN ACT REQUIRING PROVINCIAL
GOVERNORS, CITY AND MUNICI-
PAL MAYORS AND PUNONG
BARANGAY TO POST AND

PUBLISH WITHIN THE TERRI-
TORIAL JURISDICTION OF THEIR
LOCAL GOVERNMENT UNITS A
SUMMARY OF ALL INCOME AND
REVENUE FROM BOTH PUBLIC
AND PRIVATE SOURCES AS WELL
AS A LISTING OF ALL DISBURSE-
MENTS, EXPENDITURES AND
UTILIZATION OF FUNDS AND FOR
OTHER PURPOSES

Introduced by Senator Manny Villar

To the Committee on Local Government

Senate Bill No. 1952, entitled

AN ACT AUTHORIZING THE LOCAL
GOVERNMENT UNITS TO DECLARE
A DAY DEDICATED TO TREE
PLANTING TO BE KNOWN AS
"ARBOR DAY", APPROPRIATING
FUNDS THEREFOR, AND FOR
OTHER PURPOSES

Introduced by Senator Manny Villar

**To the Committees on Environment and
Natural Resources; Local Government; and
Finance**

RESOLUTION

Proposed Senate Resolution No. 241, entitled

RESOLUTION DIRECTING THE APPRO-
PRIATE COMMITTEES IN THE
SENATE TO CONDUCT AN INQUIRY,
IN AID OF LEGISLATION, INTO
THE PROLIFERATION OF SUB-
STANDARD MOTORCYCLE HELMETS
WHICH LEAD TO SERIOUS HEAD
INJURIES, DISABILITIES AND
DEATH TO MANY MOTORCYCLE
DRIVERS AND PASSENGERS IN
THE EVENT OF ROAD ACCIDENTS,
WITH THE END IN VIEW OF
PROVIDING STRICT REGULATION
AND ENFORCEMENT IN THE
MANDATORY USE OF INTER-
NATIONALLY-ACCEPTED MOTOR-
CYCLE HELMETS IN ORDER TO
PROTECT THE LIVES AND WELFARE
OF THE GENERAL PUBLIC

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Introduced by Senator Manuel "Lito" M. Lapid

OTHERWISE KNOWN AS THE FIRE CODE OF THE PHILIPPINES

To the Committees on Public Services; and Trade and Commerce

Introduced by Senator Ramon "Bong" Revilla Jr.

ADDITIONAL REFERENCE OF BUSINESS

To the Committees on Public Order and Illegal Drugs; and Local Government

MESSAGE OF THE PRESIDENT OF THE PHILIPPINES

RESOLUTIONS

Letter of Her Excellency, President Gloria Macapagal Arroyo, dated 11 December 2007, certifying to the necessity of the immediate enactment of House Bill No. 2454, entitled

Proposed Senate Resolution No. 242, entitled

AN ACT APPROPRIATING FUNDS FOR THE OPERATION OF THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES FROM JANUARY ONE TO DECEMBER THIRTY-ONE, TWO THOUSAND EIGHT, AND FOR OTHER PURPOSES,

RESOLUTION DIRECTING THE COMMITTEES ON LOCAL GOVERNMENT, GOVERNMENT CORPORATIONS AND PUBLIC ENTERPRISES; AND FINANCE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE STATUS OF THE IMPLEMENTATION OF G SIS INSURANCE COVERAGE OF BARANGAY OFFICIALS AS PROVIDED UNDER THE LOCAL GOVERNMENT CODE OF 1991 IN ACCORDANCE WITH REPUBLIC ACT NO. 6942

to address the urgent need to sustain government operations beginning January 1, 2008, to fund immediately the CY 2008 programs, projects and activities, to maintain the momentum of our development, and to ensure budgetary preparedness that will enable us to effectively and fully perform our constitutional mandate.

Introduced by Senator Gregorio B. Honasan II

To the Committee on Rules

To the Committees on Government Corporations and Public Enterprises; Local Government; and Finance

BILLS ON FIRST READING

Senate Bill No. 1953, entitled

Proposed Senate Resolution No. 243, entitled

AN ACT AMENDING ARTICLE TWO HUNDRED EIGHTY-EIGHT OF PRESIDENTIAL DECREE NO. 442, OTHERWISE KNOWN AS THE "LABOR CODE OF THE PHILIPPINES" AND FOR OTHER PURPOSES

RESOLUTION EXPRESSING THE SENSE OF THE SENATE THAT THE REPRESENTATIVES FROM BOTH HOUSES OF CONGRESS IN THE JUDICIAL AND BAR COUNCIL SHOULD BE MAINTAINED AND THE CURRENT MANNER OF VOTING WHICH ENTITLED EACH OF THE REPRESENTATIVES OF CONGRESS TO A FULL VOTE SHOULD BE UPHELD

Introduced by Senator Ramon "Bong" Revilla, Jr.

To the Committee on Labor, Employment and Human Resources Development

Introduced by Senator Pangilinan

Senate Bill No. 1954, entitled

AN ACT AMENDING SECTION 14 OF PRESIDENTIAL DECREE NO. 1185,

To the Committee on Rules

ACKNOWLEDGMENT OF THE PRESENCE OF GUEST

At this juncture, the Chair acknowledged the presence of former Senator Santanina T. Rasul.

REPORT OF SENATOR ZUBIRI

Senator Zubiri reported on the participation of the Members of the Senate who were part of the official delegation of the President's state visit to Spain from December 2 to 5, 2007.

Following is the full text of his report:

Despite the Philippines' deep historical, cultural and religious ties with Spain, being its colony for more than 300 years, Spain is only our 31st trading partner in terms of volume of trade for 2006, accounting for only 0.20% of the total Philippine trade with the world. The Philippine exports to Spain totaled U.S.\$87.3 million in 2006 while imports were U.S.\$112.64 million for the same period. Our primary export products to Spain are crude coconut oil, fashion jewelry, Portland cement and machine parts and accessories, while imports are mainly spirits, pharmaceutical products, parts and accessories of transmission and radio transceivers, sausage and ham casings, and other food products.

Our trade with Spain is not only too small but we are also a net importer for the past five years. Thus, it is important to enhance our economic relations with Spain and become a net exporter instead of a net importer, as well as benefit from it in terms of increased Spanish investments in the country. Spain, being the second biggest producer or developer of renewable energy in the world with its 30% growth rate in installed capacity in the last three years, can tremendously help us in the development of our renewable energy program.

This has been my primary interest in joining the presidential state visit to Spain. We can learn a lot from Spain's experience in the development and utilization of renewable energy and biofuels, especially now that in the Senate, through our dear Senator Miriam Defensor Santiago, the chair of the Committee on Energy, is fast-tracking the passage of the Renewable Energy Bill. Spain's renewable energy development policies and strategies have become the model in RE development in Europe. Thus, increasing investments in this sector from Spain will also be beneficial for the country because we can get technology transfer and

adopt the best practices in utilizing renewable energy.

Biofuel and Renewable Energy Investments

A total of U.S.\$625 million investments were committed for biofuels and renewable energy projects from Spanish investors. These are from the following:

1. Bionor Transformacion which committed U.S.\$200 million and has signed a memorandum of agreement (MOA) with the Department of Agriculture to invest in the development of agribusiness land for jatropha feedstock in Pila, Laguna and Southern Palawan for a total of 100,000 hectares, and the establishment of extraction and distillery plants;

2. Abengoa Bioenergy, with U.S.\$175 million investment, is a Spanish technology company based in Madrid that signed a memorandum of understanding with the Department of Agriculture to cultivate cassava as biofuel feedstock in Ozamis City in Mindanao, for a total of 48,000 hectares, as well as to provide the design engineering and machinery supply required for the use of cassava plantations which, when fully operational, have a production capacity of P150 million liters per annum of bioethanol;

3. Green Fuels Inc. has designated U.S.\$150 million of investments and signed an agreement with the Filipino firm called Guidance Management Corporation on a joint venture for several biofuel projects in Mindanao for a total of 60,000 hectares to be planted to coconut, palm oil and jatropha as feedstocks and expected to generate 10,000 jobs in the region. This particular project is going to be located in Davao Oriental under the stewardship of Gov. Cora Malañaon.

4. Coromoto Communication of Spain has pledged to invest some U.S.\$100 million in a biodiesel plant in Southern Bukidnon. Their representatives will visit the country soon to study the prospect of using jatropha as feedstock for biofuels.

Lastly is the MOA between the Department of Agriculture and the Spanish Ministry of Agriculture for P57.2 million. It is a grant which was signed just last week to give us a feasibility study on the prospects of biofuels in the country.

Secretary Arthur Yap of the Department of Agriculture led a successful mission to Spain in securing agricultural investments for the country, especially in the biofuels industry. He ably explained the feedstocks available and suitable for planting in the country, while this

humble Representation complemented the Secretary in discussing the incentives provided in the Biofuels Law.

Spanish Senate reception

We also had a reception in the Spanish Senate. The Spanish Senate hosted a reception for President Gloria Macapagal Arroyo and the senators who were part of the official delegation, namely, Sen. Edgardo J. Angara, Sen. Miriam Defensor Santiago, and this Representation. The gesture of the Spanish Senate is in appreciation for the Philippine Senate's passage of the Treaty on the Transfer of Prisoners between the Philippines and Spain.

Conclusion

Aside from our respective interests in several of the President's agenda in her state visit to Spain, I would like to think that the three of us were part of the President's official delegation since Senator Defensor Santiago is the chair of the Senate's Committee on Foreign Relations that smoothly steered the passage of the said Treaty in this august Chamber; Senator Angara as the head of the Philippine-Spanish Parliamentary Association, as the principal author as well of Republic Act No. 9187 or the Philippine-Spanish Friendship Day, and as the senator from Baler, Aurora wherein one of the highlights of the visit was the unveiling of the replica of the Baler Church in Aurora in the Philippine-Spanish Cultural Center in Almonte, Spain; and this Representation, because of my biofuels and renewable energy advocacy, and probably because I am the only incumbent senator of direct Spanish decent, my paternal grandfather being a pure Spaniard from San Sebastian and the Province of Navarre in the northern part of Spain.

In conclusion, the participation of the Senate in this visit was a success for bringing in hundreds of million dollars worth of investments to the country, especially in the fields of agriculture, biofuels and renewable energy sectors. I am glad to have been part of this state visit and contributed something in facilitating these invest-ments, no matter how small that contribution is.

Our participation has also renewed ties and fostered cooperation between the Philippines and Spain as well as between the Philippine and Spanish Senates.

As soon as the President's state visit to Spain has ended and my purpose for the trip has been achieved, I decided to proceed back to the

country and did not join the President in the United Kingdom and succeeding itineraries.

I have attached several news clippings regarding the state visit and the investments signed between the Department of Agriculture and Spanish and Filipino companies for the record and perusal of the Members so that I may be able to report to our colleagues what had transpired in that last state visit, to, at least, be able to answer the queries of some of our colleagues to explain ourselves joining the trip of the President to Spain.

INTERPELLATION OF SENATOR EJERCITO ESTRADA

Upon queries of Senator Ejercito Estrada, Senator Zubiri stated that he is not the chair of the Committee on Energy nor the Joint Congressional Power Commission but he is a member of the Committee on Trade and Commerce.

Senator Ejercito Estrada said that as he understood it, Senator Defensor Santiago was a member of the official delegation in her capacity as chair of the Committee on Foreign Relations. He wondered what Senator Zubiri and a lot of congressmen did in Spain for the duration of the state visit.

Senator Zubiri explained that he may not be the chair of a particular committee but this does not prevent him from fighting for his advocacies on environmental protection, renewable energy and biofuels. He believed that he was able to complement the efforts of the Secretary of Agriculture in explaining the incentives under the biofuels program to the Spanish investors. However, he stated that he could not answer for the congressmen who joined the presidential trip.

Asked who paid for his plane fare, Senator Zubiri stated that those who flew in a chartered jet were charged for fuel, that he personally paid for his return flight to the Philippines, and he has the receipts to prove it, and that he used his salary and allowance to pay for his expenses.

Asked if the President personally invited him to join the trip, Senator Zubiri replied in the affirmative.

BIRTHDAY GREETING

At this juncture, the Chair greeted Senator Pimentel on the occasion of his birthday.

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SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the Chair suspended the session.

It was 3:23 p.m.

RESUMPTION OF SESSION

At 3:25 p.m., the session was resumed.

COMMITTEE REPORT NO. 5 ON SENATE BILL NO. 1648

(Continuation)

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1648 (Committee Report No. 5), entitled

AN ACT EXTENDING THE UTILIZATION PERIOD OF THE AGRICULTURAL COMPETITIVENESS ENHANCEMENT FUND, AMENDING FOR THIS PURPOSE SECTION 8 OF REPUBLIC ACT NO. 8178, ENTITLED "AN ACT REPLACING QUANTITATIVE IMPORT RESTRICTIONS ON AGRICULTURAL PRODUCTS, EXCEPT RICE, WITH TARIFFS, CREATING THE AGRICULTURAL COMPETITIVENESS ENHANCEMENT FUND" AND FOR OTHER PURPOSES.

Senator Pangilinan stated that the parliamentary status was still the period of interpellations.

Thereupon, the Chair recognized Senator Angara, Sponsor of the measure and Senator Defensor Santiago for her interpellation.

INTERPELLATION OF SENATOR DEFENSOR SANTIAGO

At the outset, Senator Defensor Santiago explained that in the absence of implementing guidelines, the income generated from the minimum access volume (MAV) from 1995 to 1998 amounting to about P2.9 billion lost its identity as ACEF in the National Treasury and was never used for competitive enhancement projects. She said that originally, it was deposited in Special Account 183 of the General Fund, but lately, she was of the understanding that the income can already be deposited any where.

She then asked if it would be most proper to deposit the income in a special fund in the General Treasury solely created for that purpose.

In reply, Senator Angara admitted that there was indeed some confusion as to where the Fund should be deposited. He recalled that when the law was enacted in 1995, the money went directly to the General Fund and commingled with other funds. He stated that as Secretary of the Department of Agriculture, he insisted on the creation of a special account, Treasury Account 183, where the fund should be deposited for clearer accountability and definitive sourcing. He affirmed that collections from ACEF can only be deposited in Special Account 183 of the General Fund.

Asked why the proposed bill has stricken out the specific purpose for the utilization of the Fund, Senator Angara explained that the intent is to preserve the original purpose for which the Fund was created which is to enhance the competitiveness of agriculture in general and certain commodities in particular. He clarified that the proposed bill would not in any way change, alter or amend any existing agricultural orders that define the different purposes for which the account would be used.

At this juncture, the Senate President relinquished the Chair to Senate President Pro Tempore Ejercito Estrada.

Senator Defensor Santiago said that the implementing guidelines (DA Administrative Order No. 9, series of 1997) would have to be revised and reformed if the language of Section 1 of the bill is retained because it does not state the specific purpose for the utilization of the fund. However, she noted that any change would have little appeal to farmers affected by MAV since they prefer that the government plow back to their subsector whatever income was generated from MAV. She said to be competitive simply means a reduction in production and transaction costs and in agriculture, these refer to seeds, chemicals, capital, labor, research, processing and the like. She added that there are agricultural programs that could benefit the MAV-affected sectors and other vulnerable farmers and consumers. Senator Angara expressed no objection to restoring the specific purpose for the utilization of the Fund in the bill.

Senator Defensor Santiago pointed out that the Fund is loaned out to farmers, fisherfolk and agribusiness enterprises free of collateral and interest, the principal payable in six years with one year grace

period, and the payments revert to the National Treasurer. However, she asserted that the ACEF would be more substantial if payments could be reused by the affected sectors. To assess whether the ACEF has indeed contributed to agriculture's competitive enhancement, she inquired about the repayment performance and default by borrowers. In reply, Senator Angara said that according to the DA, the collection rate is 25% for loans and the remaining 75%, in the form of outright grants or a combination of loans and grants, still has to be collected. He said that only two accounts are in default.

Senator Defensor Santiago stated that in the present law, the Fund is periodically reviewed by the Committees on Agriculture and Food, on Appropriations and on Finance of both Houses of Congress. She asked how the ACEF disbursements would be checked, reviewed and audited henceforth. She suggested that an independent review team with representation from MAV-stakeholders be created. Senator Angara agreed as he informed the Body that there is, in fact, an oversight committee under the Committee on Agriculture and Food that is supervising, monitoring and evaluating the projects with representatives from the different stakeholders in agriculture. He underscored that the present thrust of the development agenda is to support agriculture because it was discovered that when agriculture was neglected, the scale of poverty increased, and the conclusion was that development in the rural sector is the best weapon against poverty. He believed that the Philippines would do better by refocusing its development agenda towards the rural sector in agriculture.

INTERPELLATION OF SENATOR GORDON

At the outset, Senator Gordon asked on the total collection for the past years. Senator Angara replied that the Fund opened with a P10.5 billion account with a total disbursement of close to P4 billion, leaving a present balance of P6 billion.

Asked why the remaining amount has not been used yet, Senator Angara explained that the DA follows a highly structured processing that resulted in a slow disbursement of the Fund.

On whether it would be helpful to publish the restrictions on a regular basis so that interested parties would know how to apply for the Fund, Senator Angara reported that those restrictions are

posted on the DA website. He stated out that the bill would push for the restructuring of the disbursement process as well as giving the widest publicity possible for the fund, making it prescriptive on the part of the DA. He agreed with Senator Gordon that there should be a publication of every initiative made by the government because it would help people uplift themselves. He said that the bill could achieve more if more people knew about it. He observed that the Philippines is one of the few countries in Asia that does not provide subsidy to farmers and a typical Filipino farmer fares poorly compared to farmers from other countries for the simple reason that the latter receive subsidy from their governments. He pointed out that under the World Trade Organization (WTO) agreement, the Philippines is allowed to provide subsidy up to 10% of its gross domestic product of agriculture value-added income which amounted to P218 billion in 2007, so that at 10%, government can provide as much as P21 billion as subsidy to farmers to make them at par with their more prosperous counterparts in Korea and Taiwan.

To the observation that Filipino farmers remain agricultural pygmies compared to their foreign counterparts due to lack of government support, Senator Angara noted that notwithstanding, the agricultural sector, which is a pillar of the economy, has been performing well compared to other industries as evidenced by the fact that the economic prosperity being enjoyed by the country as of the third quarter has been mainly due to the strong performance of the agricultural sector and overseas remittances.

Senator Gordon pointed out that rich agricultural communities in North Cotabato, Basilan and other areas in Mindanao are hoping that the ACEF would be extended amid the lack of government subsidy. He suggested that the ACEF be promoted so that local farmers can become globally competitive. Senator Angara explained that as far as commodities are concerned, producers of corn and high-value tropical fruits have received the most support from the ACEF.

Senator Gordon wondered whether the bill could be made more specific in detailing how the ACEF is utilized. He recalled having proposed the allocation of 85% of the fund to agri-based production and post-production processing activities as well as to public information and promotion including establishing a mechanism to promote desired agricultural products and create new markets. He said that the remaining

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15% should be used for R&D as well as for the upgrading of research facilities of qualified universities and colleges. He stressed the importance of having a specific budget for R&D because it is vital to enhancing productivity and commercialization of products of the ACEF. He also believed that by focusing on providing assistance to the agricultural sector, government could drain local support of rebel groups like the Moro National Liberation Front (MNLF) and the Moro Islamic Liberation Front (MILF).

Senator Angara explained that while the ACEF is also being utilized to support agri-business particularly for products with export potential and post-harvest facilities, a larger portion of the fund is allocated for R&D as it is the key to improving the quality and standards of the commodities. He noted that the current allocation for R&D is even higher than the 15% proposed by Senator Gordon because it has the highest return of all agricultural activities.

However, Senator Gordon noted that as of year 2000, the ACEF disbursement has been as follows:

Irrigation	0.18%
Technology	0.04%
Marketing information	0.07%
Retraining	0.10%
Farm-to-market roads	0.4%
Post-harvest facilities	5.78%
Production inputs	45.86%

He said that this is an indication that very little importance had been given to R&D and technology. Senator Angara replied that the DA only allocated 5% of its budget to R&D for this year, which is lower than that proposed by Senator Gordon. However, he agreed to amending the bill to reflect Senator Gordon's proposal in such a way that no quota would be imposed on sectors as well as commodities.

Senator Gordon suggested that the Fund be used to enhance not only farm-to-market deliveries but even deliveries from provinces to urban centers like Manila and neighboring countries. Senator Angara pointed out that while logistics and freight cost are a special problem for transporting perishable agricultural products, the ACEF is already supporting the use of equipment and facilities such as refrigerated containers, trucks and cold chain systems.

Senator Gordon pointed out that as people are coming up with mangosteen tea and other profitable

products from investments in Mindanao, government ought to extend assistance to the agriculture and tourism industries in these areas, asserting that this should be the way of the future of the country.

INTERPELLATION OF SENATOR ROXAS

Preliminarily, Senator Roxas requested that he be provided with a briefer containing a background report on how the P4 billion of the P10.5 billion ACEF fund had been disbursed, its repayment rates, as well as plans on how the remaining P6 billion would be utilized. He asked whether the bill, which seeks a seven-year extension of the ACEF, could be amended in such a way that would authorize the continuous utilization of the Fund even if no new money is collected. Senator Angara welcomed the suggestion, adding that these amendments would be made at the appropriate time.

Senator Roxas expressed concern over the insertion of lines 4 and 5 on page 2 of the bill which describes the ACEF as more of a lump-sum fund rather than a fund with allocations for specific purposes as indicated in lines 14 and 15 on page 1 and lines 1 to 3 on page 2 of the bill which have all been deleted. He pointed out that government has not had a positive history insofar as handling lump-sum funds is concerned. He said that he did know what the rationale for the change was, but he assumed that the Committee wanted to go in the direction of greater specificity rather than greater generality. Senator Angara explained that the intention was not to eliminate specific purposes under the original law but to expand the different uses to which the funds would be applied. He added that the reason why the Fund left a huge balance is the restrictiveness of this purpose and the protracted processing of the projects.

Senator Roxas suggested that instead of deleting lines 4 and 5, the phrase AND SUCH OTHER USES AS MAY BE DETERMINED BY THE DEPARTMENT OF AGRICULTURE be inserted. He stressed that governance and elimination of hazards are enhanced by having greater specificity rather than by just enhancing the competitiveness of Philippine agriculture.

As to the rationale for the deletion of lines 6 to 9 on page 2 which sets aside the function of Congress, Senator Angara said that an oversight committee on agriculture has already been created to conduct periodic review of the use of the Fund.

Senator Roxas asked how the P6 billion balance and the funding to be collected in the future would be used, as he underscored that the uneven distribution of the meager resources is one of the factors causing the slow movement of Philippine agriculture. Senator Angara believed that Philippine agriculture would excel if efforts are focused on specific and selected commodities rather than on across-the-board shotgun-type of support. He cited aquaculture and the growing of tropical fruits as two of the areas where Philippine agriculture is doing very well but which are receiving less support compared to rice which is a political commodity. He admitted that the country cannot excel in grains production because it requires economies of scale which the Philippines does not have.

On the suggestion that the funds to be collected be used to enhance productivity rather than for doleout and social amelioration, Senator Angara agreed, adding that agriculture also needs capital, especially for purposes of pioneering agribusiness entrepreneurs. He believed that the use of funds should be concentrated on post-harvest facilities which shall increase the income of farmers.

Senator Roxas asked how this approach can be institutionalized, as he expressed the view that in order to make agriculture competitive, guidelines should be set to make up for the absence of the economy of scale on the production side, particularly in the supply chain. He added that post-harvest facilities should be designed to compensate for the inefficiency of the single-family farm, which shall be supplemented by the efficiency in the supply chain so that consumers and other users of these products would not be disadvantaged by the relatively high cost of production at the farm level. Senator Angara said that this formulation can be achieved through the cooperative movement.

Senator Roxas expressed willingness to work with Senator Angara and his staff in developing a mechanism to be incorporated into the bill. Senator Angara said that he would initially formulate the language which he shall submit to Senator Roxas and his staff.

MANIFESTATION OF SENATOR PANGILINAN

Senator Pangilinan manifested that the certification from Malacañang regarding the urgency of the enactment of the General Appropriations measure

has already been transmitted to the Senate. He then requested the Members to stay so that the Body could act on the GAB, and the bicameral conference can convene within the week.

INTERPELLATION OF SENATOR AQUINO

Senator Aquino asked for clarification on the wide range of projects, programs, structures and other endeavors that have been undertaken by the Fund, particularly the 75% loan collectibles and those projects that have not been able to repay. Given the wide dispersal of the funds available, he wondered whether no actual policy, direction or thrust has been implemented from the time of the program's inception.

In reply, Senator Angara admitted that some of the projects did not push through. He agreed that there must be rhyme and reason that the DA should follow in approving or disapproving projects.

Senator Aquino pointed out that programs and projects to enhance the Philippine mango, which is intrinsically world class, should have been implemented as a priority thrust.

Senator Aquino noted the absence of a provision in the bill that seeks to correct the lack of program directions concerning project implementation. Senator Angara assured the Body that in the period of amendments, the Committee would spell out the criteria for which the fund would be used.

Senator Aquino proposed that the Committee craft provisions to prevent political influence in the drawing up of the program. Senator Angara replied that he would be willing to accept recommendations to prevent politicians from interfering. But he believed that setting clear, achievable standards of decision would reduce that discretionary power that can be the source of political or partisan intervention as well as corruption. He expressed hope that the Department of Agriculture could incorporate these provisions in the implementing rules.

Senator Aquino proposed that a five- or ten-year developmental plan be incorporated in the program and that instead of having broad outlines, consultations with the sectors involved be given more focus. Senator Angara replied that such kind of requirement can be included in the implementing rules.

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SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 4:28 p.m.

RESUMPTION OF SESSION

At 4:30 p.m., the session was resumed.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1648

Upon motion of Senator Pangilinan, there being no objection, the Body suspended consideration of the bill.

COMMITTEE REPORT NO. 22 ON HOUSE BILL NO. 2454

(Continuation)

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of House Bill No. 2454 (Committee Report No. 22), entitled

AN ACT APPROPRIATING FUNDS FOR THE OPERATION OF THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES FROM JANUARY ONE TO DECEMBER THIRTY-ONE, TWO THOUSAND EIGHT, AND FOR OTHER PURPOSES.

Senator Pangilinan stated that the parliamentary status was the period of individual amendments.

The Chair recognized Senator Enrile, Sponsor of the measure, and Senator Lacson for his amendments.

MANIFESTATION OF SENATOR ENRILE

Senator Enrile manifested that copies of the summary of the agencies' budget as recommended by the Committee have been distributed to the senators as part of the record of the GAB proceedings.

LACSON AMENDMENTS

Preliminarily, Senator Lacson expressed full support for the 2008 budget as proposed by the Committee.

Senator Lacson noted that in the National Expenditure Program as submitted by Malacañang based on his computations, the item on debt service particularly interest payment in the amount of P295,751,000,000 was slashed by the House by around P17.8 billion and P5.7 billion by the Senate, thus, decreasing it to P290,071,000,000. He noted that domestic borrowings constitute 54.27% and if multiplied by the amount of P290.051 billion, the product would be P157,410,677,700, while foreign borrowings constitute 45.73%. He stated that the macroeconomic assumptions of the Executive department and the House vary: while the Executive branch considered P46 to P48 to U.S.\$1, the House considered it at P45.08. He believed that a conservative estimate of P42 to U.S.\$1 would be more practical and would make savings of P11,533,941,069. Thereupon, he proposed that the Committee restore the budget of the Department of Health which was slashed by Senate by P4,192,000,000. He said that this amount could be taken from the savings generated by the appreciation of the peso which, as projected by the World Bank and the Central Bank, would appreciate to P37 to a dollar in 2008. Should the Committee agree that the savings of P11.533 billion be realigned or reallocated to other concerns, he said that he would proceed with his proposed amendments.

Senator Enrile replied that the foreign exchange rate between the peso and the dollar is a volatile element of the budget; while it is true that the peso is strengthening at present because of the large inflow of foreign exchange from OFWs, there are economic events happening around the world, especially in the United States where a large part of the dollar inflow comes from that side which may trigger an economic event that would escalate the peso exchange rate against the peso. He said that it is possible that the planning rate of P46 to U.S.\$1 used for the preparation of the 2008 budget of may not be enough, but he would rather err on the side of conservation than be very imprudent about the budget.

Senator Lacson said that he could provide the Body with the data used by the World Bank and the Central Bank in making their projections on the peso rate. Moreover, he indicated that he could show some data indicating that there is a consistent overestimation of debt service payments such that from year 2002 up to the present, there is an average of P12.5-billion gap between programmed and actual

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interest payments of the country's debts. He said that these data did not consider the upward movement of the peso because over those years, the peso was depreciating against the dollar. Senator Enrile replied that that is precisely the reason why the Committee restored most of the cuts made by the House, and maintained the allotment made in the National Expenditure Program of the President for the Department of Health.

Senator Lacson stated that many programs have been severely affected by the slash made in the DOH budget, among them are the Department's Anti-TB program and vaccine self-sufficiency, and the budget for the Research Institute for Tropical Medicine.

Senator Enrile clarified that the DOH budget, as proposed by the Executive, was not reduced. He explained that the Senate merely cut the additional allocation made by the House of Representatives based on the assumption that it could cut P17.8 billion from the debt service and redistribute it. He said that the only justifiable and potentially achievable cut should be P5.6 billion using the exchange rate of P44 to the dollar, because according to the LBRMO's study, for every P1 appreciation against the U.S. dollar, a surplus of P1.4 billion is gained.

SUSPENSION OF SESSION

Upon motion of Senator Lacson, the session was suspended.

It was 4:48 p.m.

RESUMPTION OF SESSION

At 5:01 p.m., the session was resumed.

Senator Lacson stated that he and Senator Enrile have agreed to leave the formulation of the proposed amendment to the LBRMO staff.

Accepted by the Sponsor, there being no objection, the Lacson amendment was approved by the Body, subject to style.

As proposed by Senator Lacson and accepted by the Sponsor, there being no objection, the Body approved the allocation of an additional P20 million for research of the DOST.

PANGILINAN AMENDMENT

As proposed by Senator Pangilinan and accepted by the Sponsor, there being no objection, the Body approved the following amendments:

1. On page 824, between lines 15 and 16, insert a new special provision to read as follows:
3. *GRANT OF SPECIAL ALLOWANCES FOR LAWYER POSITIONS IN THE JUDICIARY.* THE CHIEF JUSTICE OF THE SUPREME COURT IS AUTHORIZED TO USE THE SPECIAL ALLOWANCE FOR THE JUDICIARY FUND CREATED UNDER SUPREME COURT - DBM JOINT CIRCULAR NO. 2004 - 1, DATED JANUARY 13, 2004, IMPLEMENTING REPUBLIC ACT NO. 9227 FOR THE GRANT TO ALL LAWYER POSITIONS IN THE JUDICIARY WITH THE EQUIVALENT RANK OF JUDGES OF THE METROPOLITAN TRIAL COURTS, MUNICIPAL CIRCUIT COURTS AND MUNICIPAL TRIAL COURTS OF SPECIAL ALLOWANCES EQUIVALENT TO ONE HUNDRED PERCENT (100%) OF THE BASIC MONTHLY SALARY SPECIFIED FOR THEIR RESPECTIVE SALARY GRADES UNDER REPUBLIC ACT NO. 6758, AS AMENDED, SIMILAR TO THE SPECIAL ALLOWANCES GRANTED TO ALL JUSTICES, JUDGES AND ALL OTHER POSITIONS IN THE JUDICIARY WITH EQUIVALENT RANK AS PROVIDED FOR IN REPUBLIC ACT NO. 9227: *PROVIDED*, THAT FOR PURPOSES OF THIS GRANT, THE LAWYER POSITIONS OF SUPREME COURT ASSISTANT CHIEF OF OFFICE, JUDICIAL STAFF HEAD OF THE OFFICE OF THE CHIEF JUSTICE AND ASSOCIATE JUSTICES, JUDICIAL AND BAR COUNCIL CHIEF OF OFFICES, JUDICIAL SUPERVISOR, COURT ATTORNEY VI AND COURT ATTORNEY V AND SUCH OTHER EQUIVALENT LAWYER POSITIONS IN THE SUPREME COURT ARE CONSIDERED TO HAVE JUDICIAL RANKING AND ARE LIKEWISE ENTITLED TO SPECIAL ALLOWANCES AS HEREIN PROVIDED.
2. On the same page, insert another provision to read as follows:
4. *SPECIAL ALLOWANCES FOR COURT ATTORNEYS II AND III AND SC SUPERVISING JUDICIAL STAFF*

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OFFICERS. THE CHIEF JUSTICE OF THE SUPREME COURT MAY UTILIZE SAVINGS IN THE APPROPRIATIONS OF THE SUPREME COURT FOR SPECIAL ALLOWANCES GRANTED TO COURT ATTORNEYS II AND III BY THE RESOLUTION OF JULY 22, 2003 IN A.M. NO. 03-06-08 SC, AS AMENDED BY THE RESOLUTION OF AUGUST 24, 2004, AND TO SC SUPERVISING JUDICIAL STAFF OFFICERS BY THE RESOLUTION OF MARCH 8, 2005 IN A.M. NO. 04-11-01-SC;

3. Renumber the succeeding provisions accordingly;
4. On page 824, Special Provision No. 2, line 14, after the words "Regional Trial Court," insert the words AND FIRST LEVEL COURTS;
5. On the same page, line 15, after "2004," delete the period and insert a colon (:) and the following proviso:

PROVIDED, THAT THE SPECIAL ALLOWANCE COMPONENT OF THE RETIREMENT GRATUITY AND TERMINAL LEAVE BENEFITS OF SAID JUSTICES, JUDGES AND ALL OTHER POSITIONS IN THE JUDICIARY OF EQUIVALENT RANK SHALL BE CHARGED AGAINST THE PENSION AND GRATUITY FUND;

6. On page 934, Special Provision No. 2(a), delete the proviso on lines 10 to 13 which reads:

"Provided, that the special allowance component of any benefit granted to Justices, Judges and other positions in the Judiciary with the equivalent rank of Justices of the Court of Appeals and Judges of the Regional Trial Court shall be charged against the Special Allowance for the Judiciary Fund created under Supreme Court-DBM Joint Circular No. 2004-1 dated June 23, 2004, implementing R.A. No. 9227."

7. On the same page, line 14, delete the word "FURTHER";
8. On page 926, line 29, after the word "employees," insert the following:

THE AMOUNT OF FOUR HUNDRED TWENTY-SEVEN MILLION AND FORTY-TWO THOUSAND PESOS (P427,042,000.00) SHALL BE MADE AVAILABLE TO COVER FOR THE TEN PERCENT (10%) SALARY INCREASE OF JUDICIARY OFFICIALS AND

PERSONNEL, INCLUDING JUSTICES, JUDGES AND COURT OFFICIALS OF EQUIVALENT RANK WHO ARE RECEIVING THE SPECIAL ALLOWANCE FOR THE JUDICIARY.

PROPOSED AMENDMENT OF SENATOR AQUINO

Senator Aquino recalled that during the deliberations on the *Kilos Asenso* Support Fund, he learned that the guidelines of the program, which started in 2004, have not been formulated yet. However, he said that in the previous day's session, the Body approved a special provision which mandates that the fifth and sixth class local government units should have already in their developmental plans proposals for the utilization of the fund.

Senator Aquino expressed fear that the noble intention of the fund to provide more resources to LGUs would not be realized because the LGUs do not know the requirements and therefore would not be able to meet them. The unused fund, he said, would then become part of savings and, in all likelihood, might be used for other purposes.

In view thereof, Senator Aquino proposed to slash the P3-billion *Kilos Asenso* Support Fund and to realign the same to the Judiciary which needs the fund for the implementation of its already concrete programs and policies.

Senator Enrile did not accept the amendment, pointing out that it was Senator Pimentel who introduced the special provision for the use of the *Kilos Asenso* Support Fund.

MOTION OF SENATOR AQUINO

Senator Aquino moved for a division of the House.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 5:15 p.m.

RESUMPTION OF SESSION

At 5:37 p.m., the session was resumed.

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MANIFESTATION OF SENATOR AQUINO

Senator Aquino withdrew his motion for a division of the House.

AQUINO AMENDMENTS

As proposed by Senator Aquino and accepted by the Sponsor, there being no objection, the Body approved the following amendments, subject to style:

1. As a special provision, apportion the *Kilos Asenso* Fund on a *pro rata* basis amongst the fifth and sixth class municipalities according to their population, and funds for accepted proposals shall be automatically released.

SUSPENSION OF SESSION

Upon motion of Senator Enrile, the session was suspended.

It was 5:39 p.m.

RESUMPTION OF SESSION

At 5:39 p.m., the session was resumed with Senate President Villar presiding.

2. Realign P500 million out of the proposed P3 billion as follows:
 - P250 million to the Department of Education for teacher training with special emphasis on Math and Sciences; and
 - P250 million to the Department of Health for the anti-tuberculosis vaccination program, SARS research program and for regional and tertiary hospitals.

Senator Enrile recapped that the P3 billion of the *Kilos Asenso* shall be reduced to P2.5 billion and from the P500 million reduction, P250 million shall be realigned to the Department of Education and the other P250 million to the Department of Health, and the P2.5 billion shall be prorated to the 5th and 6th class municipalities according to population and shall be automatically released upon approval of their respective proposals.

TERMINATION OF THE PERIOD OF INDIVIDUAL AMENDMENTS

There being no other individual amendment, upon motion of Senator Pangilinan, there being no objection, the Body closed the period of individual amendments.

APPROVAL OF HOUSE BILL NO. 2454 ON SECOND READING

Submitted to a vote and there being no objection, House Bill No. 2454 was approved on Second Reading.

PRESIDENTIAL CERTIFICATION

Upon direction of the Chair, Secretary Lirio-Reyes, read the President's certification as to the necessity of the immediate enactment of House Bill No. 2454, to wit:

MALACAÑANG PALACE
Manila

December 11, 2007

HON. MANUEL B. VILLAR, JR.
Senate President
Philippine Senate
Pasay City

Dear Senate President Villar:

Pursuant to the provisions of Article VI, Section 26 (2) of the 1987 Constitution, I hereby certify to the necessity of the immediate enactment of House Bill No. 2454, under Senate Committee Report No. 22, entitled:

“AN ACT APPROPRIATING FUNDS FOR THE OPERATION OF THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES FROM JANUARY ONE TO DECEMBER THIRTY-ONE, TWO THOUSAND EIGHT, AND FOR OTHER PURPOSES.”

to address the urgent need to sustain Government operations beginning January 1, 2008, to fund immediately the CY 2008 programs, projects and activities, to maintain the momentum of our development, and to ensure budgetary preparedness that will enable us to effectively and fully perform our constitutional mandate.

Best wishes.

Very truly yours,

(Sgd.) GLORIA M. ARROYO

Cc: HON. JOSE C. DE VENECIA, JR.
Speaker
House of Representatives
Quezon City

APPROVAL OF HOUSE BILL NO. 2454 ON THIRD READING

In view of the presidential certification, upon motion of Senator Pangilinan, there being no objection, the Body considered, on *Third Reading*, House Bill No. 2454.

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, upon motion of Senator Pangilinan, there being no objection, Secretary Reyes read only the title of the bill, to wit:

AN ACT APPROPRIATING FUNDS FOR THE OPERATION OF THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES FROM JANUARY ONE TO DECEMBER THIRTY-ONE, TWO THOUSAND EIGHT, AND FOR OTHER PURPOSES.

Secretary Reyes called the roll for nominal voting.

RESULT OF THE VOTING

The result of the voting was as follows:

In favor

Angara	Lacson
Aquino	Legarda
Arroyo	Madrigal
Cayetano (P)	Pangilinan
Defensor-Santiago	Roxas
Ejercito-Estrada	Villar
Enrile	Zubiri

Against

None

Abstention

None

With 14 senators voting in favor, none against, and no abstention, the Chair declared House Bill No. 2454 approved on Third Reading.

SUSPENSION OF SESSION

Upon motion of Senator Enrile, the session was suspended.

It was 5:44 p.m.

RESUMPTION OF SESSION

At 5:45 p.m., the session was resumed.

SENATE CONFEREES

Upon nomination by Senator Pangilinan, there being no objection, the Senate President designated the following as members of the Senate panel in the Bicameral Conference Committee on the disagreeing votes on House Bill No. 2454: Senator Enrile, as chairman, and Senators Ejercito Estrada, Pangilinan, Angara, Arroyo, Zubiri and Cayetano (P) for the Majority; and Senators Pimentel, Lacson, Legarda and Roxas for the Minority.

COMMITTEE REPORT NO. 5 ON SENATE BILL NO. 1648

(Continuation)

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on *Second Reading*, of Senate Bill No. 1648 (Committee Report No. 5), entitled

AN ACT EXTENDING THE UTILIZATION PERIOD OF THE AGRICULTURAL COMPETITIVENESS ENHANCEMENT FUND, AMENDING FOR THIS PURPOSE SECTION 8 OF REPUBLIC ACT NO. 8178, ENTITLED "AN ACT REPLACING QUANTITATIVE IMPORT RESTRICTIONS ON AGRICULTURAL PRODUCTS, EXCEPT RICE, WITH TARIFFS, CREATING THE AGRICULTURAL COMPETITIVENESS ENHANCEMENT FUND" AND FOR OTHER PURPOSES.

Senator Pangilinan stated that the parliamentary status was still the period of interpellations.

Thereupon, the Chair recognized Senator Angara, Sponsor of the measure, and Senator Madrigal for her interpellation.

INTERPELLATION OF SENATOR MADRIGAL

At the outset, Senator Madrigal recalled that last November 13, 2007, she wrote a letter to the Rules Committee Chairman saying that the legislative history of Senate Bill No. 1648 shows that no hearing was

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conducted by the Committee on Agriculture and Food on said bill, but the Committee Secretary, Ms. Redia Atienza, informed her staff that a hearing was conducted on September 24, 2007. She said that an examination of the transcripts of stenographic notes of the hearing would show that it was a hearing of the Subcommittee C of the Committee on Finance and not of the Committee on Agriculture and Food. In this regard, she asked the Committee on Rules for a written ruling on whether a committee report on a bill can be submitted and passed on Second and Third Readings without undergoing the required committee hearing even if it was agreed upon in caucus that bills whose committee reports were submitted during the 13th Congress would be given priority.

Senator Madrigal believed that the agreement should not do away with the mandatory hearing, otherwise, the Senate would be violating its own rules. She said that she wrote Senator Pangilinan again on December 11, 2007, requesting that the Committee on Rules schedule a meeting on the matter to allow both sides to present their position and to enable the Committee to come up with its written ruling as earlier requested.

Senator Pangilinan acknowledged that the Committee received the letter of Senator Madrigal dated November 13, 2007 and that the following day, it sent a letter to Senator Angara, requesting him to comment on the issue raised by Senator Madrigal regarding the non-holding of a hearing on the ACEF measure. He recalled that the following day, Senator Angara sent a reply to the Committee asserting that the Committee on Agriculture and Food, in fact, held a meeting on the bill on September 24, 2007, wherein Senators Enrile, Legarda and Zubiri were present, and attached to the letter were the transcripts of the meeting. Senator Pangilinan said that given the official communication and out of courtesy to a colleague, he saw no reason to question the regularity of the meeting conducted on the ACEF measure which, at that same time, was already being deliberated upon in the plenary.

Senator Pangilinan stated that the Rules does not allow another committee to act on a pending measure that is already on the floor. He stated that the issue raised by Senator Madrigal should be discussed and decided by the plenary. He explained that the reason why the Committee did not tackle the issue is that doing so would indirectly supersede the plenary which was already acting on the committee report.

But Senator Madrigal pointed out that the members of the Committee on Agriculture did not receive any notice prior to the supposed September 24, 2007 hearing which is in violation of Section 22, Rule 11 of the Rules of the Senate which provides that a written notice of a hearing together with the agenda and time of the hearing must be given to the members three days in advance.

She disclosed that records at the Archives revealed that the only hearing conducted by the Committee on Agriculture and Food was an organizational meeting and that the Committee B Advisory, which handles the reservations of rooms, showed that the Committee did not use any room on that day. Likewise, she claimed that she checked with the Debate Reporters but there were no available transcripts of the hearing on ACEF last September 24, 2007, and the only available transcripts of stenographic notes were those of the meeting of the Subcommittee B of the Committee on Finance that same day which started at 12:40 p.m. and adjourned at 12:55 p.m. She asserted that based on the transcript, Senator Angara simply said that after the suspension, the committee would reconvene to hear the proposal of the Secretary of Agriculture extending the ACEF; but since they have not taken their lunch and that another budget hearing was scheduled at 1:00 p.m. that same day, she said that the hearing of the budget of the DA was moved to September 26, 2007. She asked if the requirement of at least one committee hearing for any bill is no longer observed. Moreover, she noted that the committee report on the same subject in the 13th Congress which was amended by Senator Osmena III, was also amended and actually cannibalized without a committee hearing.

Replying thereto, Senator Angara recalled that in the organizational meeting of the Committee on Agriculture and Food last September 13, 2007, it was announced that a public hearing on the ACEF would be held in between finance committee meetings, and, in fact, a meeting was held on September 24, 2007. He said that Senator Madrigal did not get the notice because she did not attend the organizational meeting and any of the budget hearings of the DA.

Senator Angara insisted that the Committee held a meeting precisely to discuss the ACEF measure. He said that whatever technicality might have occurred as claimed by Senator Madrigal was completely erased by the fact that except Senator Madrigal, the committee report was signed by the rest of the members.

To the observation that the bill as reported out by the Committee is completely different from the bill that the Senate passed in the Third Regular Session of the 13th Congress and that, in fact, all the amendments of Sen. Serge Osmena had been deleted, Senator Angara underscored that the present Congress is not bound to copy the original bill word for word, and it was presumptuous to assume that the Members who signed the new committee report did not read it. He added that it was also presumptuous to assume that a senator who sponsors a bill on the floor has not conducted a hearing on it. A presumption of regularity, he stressed, would have addressed these concerns. Precisely, he said, there is a period of interpellations to clarify matters and a period of amendments to make the bill better.

On the contention that the Committee should have held hearings on the bill so that the new senators could have presented their arguments, Senator Angara pointed that even if the Committee held another meeting, Senator Madrigal would not have been given notice because she is not a member of the Committee. He gave assurance that there is no reason for concern because Senator Madrigal could introduce amendments to the bill at the proper time.

Asked whether the Committee chair could arbitrarily change the bill, Senator Angara clarified that the Committee conducted a hearing on the bill; the minutes had been prepared; and the bill reported out by the Committee is entirely new.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 6:14 p.m.

RESUMPTION OF SESSION

At 6:15 p.m., the session was resumed.

Senator Pangilinan stated that Senator Madrigal would continue her interpellation in the next day's session.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1648

Upon motion of Senator Pangilinan, there being no objection, the Body suspended consideration of the bill.

Senator Pangilinan stated that the bill would be the first item in the next day's agenda.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 6:16 p.m.

RESUMPTION OF SESSION

At 6:17 p.m., the session was resumed.

PROPOSED SENATE RESOLUTION NO. 222

Upon motion of Senator Pangilinan, there being no objection, the Body considered Proposed Senate Resolution No. 222, taking into consideration Proposed Senate Resolution No. 236, entitled

RESOLUTION CONGRATULATING THE WORLD VISION IN THE PHILIPPINES ON THE OCCASION OF ITS GOLDEN ANNIVERSARY CELEBRATION THIS DECEMBER 2007 AND RECOGNIZING ITS FIFTY YEARS OF MINISTRY TO THE FILIPINO PEOPLE ESPECIALLY AMONG THE CHILDREN AND THE POOREST OF THE POOR,

taking into consideration Proposed Senate Resolution No. 236.

With the permission of the Body, only the title of the resolution was read without prejudice to the insertion of its text into the Record of the Senate.

ADOPTION OF PROPOSED SENATE RESOLUTION NO. 222

Upon motion of Senator Pangilinan, there being no objection, the Body adopted Proposed Senate Resolution No. 222, taking into consideration Proposed Senate Resolution No. 236.

PROPOSED SENATE RESOLUTION NO. 243

Upon motion of Senator Pangilinan, there being no objection, the Body considered Proposed Senate Resolution No. 243, entitled

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RESOLUTION EXPRESSING THE SENSE OF THE SENATE THAT THE REPRESENTATIVES FROM BOTH HOUSES OF CONGRESS IN THE JUDICIAL AND BAR COUNCIL SHOULD BE MAINTAINED AND THE CURRENT MANNER OF VOTING WHICH ENTITLES EACH OF THE REPRESENTATIVES OF CONGRESS TO A FULL VOTE SHOULD BE UPHELD.

With the permission of the Body, only the title of the resolution was read without prejudice to the insertion of its text into the Record of the Senate.

ADOPTION OF PROPOSED SENATE RESOLUTION NO. 243

Upon motion of Senator Pangilinan, there being no objection, the Body adopted Proposed Senate Resolution No. 243.

PROPOSED SENATE RESOLUTION NO. 232

Upon motion of Senator Pangilinan, there being no objection, the Body considered Proposed Senate Resolution No. 232, entitled

RESOLUTION CONGRATULATING AND COMMENDING FILIPINO BOXERS NONITO DONAIRE JR., REY "BOOM BOOM" BAUTISTA AND AJ BANAL FOR BEATING THEIR FOES IN SEPARATE BOUTS, DEFENDING THEIR PROFESSIONAL BOXING STATURE AS INTERNATIONAL BOXING CHAMPIONS.

With the permission of the Body, only the title of the resolution was read without prejudice to the insertion of its text into the Record of the Senate.

ADOPTION OF PROPOSED SENATE RESOLUTION NO. 232

Upon motion of Senator Pangilinan, there being no objection, the Body adopted Proposed Senate Resolution No. 232.

PROPOSED SENATE RESOLUTION NO. 234

Upon motion of Senator Pangilinan, there being no objection, the Body considered Proposed Senate Resolution No. 234, entitled

RESOLUTION COMMENDING THE 2007 GAWAD GENY LOPEZ, JR. BAYANING PILIPINO AWARDEES, A STERLING INSIGNIA OF COMMITTED OUTSTANDING SELFLESS FILIPINOS IN THE SERVICE OF THEIR KABABAYANS.

With the permission of the Body, only the title of the resolution was read without prejudice to the insertion of its text into the Record of the Senate.

ADOPTION OF PROPOSED SENATE RESOLUTION NO. 234


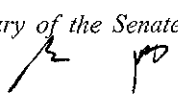
Upon motion of Senator Pangilinan, there being no objection, the Body adopted Proposed Senate Resolution No. 234.

ADJOURNMENT OF SESSION

Upon motion of Senator Pangilinan, there being no objection, the Chair declared the session adjourned until three o'clock in the afternoon of the following day.

It was 6:20 p.m.

I hereby certify to the correctness of the foregoing.


EMMA LIKIO-REYES
Secretary of the Senate


Approved on December 12, 2007